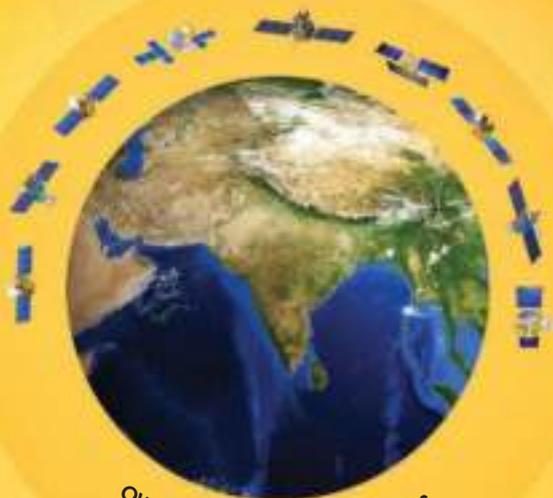


ANNUAL REPORT

2021-2022



OWNING & OPERATING SATELLITES

LAUNCH VEHICLE BUILDING



SATELLITE BUILDING



LAUNCH SERVICES

MISSION SUPPORT SERVICES



ESTABLISHMENT OF GROUND SEGMENT



SATELLITE BASED SERVICES



TECHNOLOGY TRANSFER



NEWSPACE INDIA LIMITED (NSIL)

A Central Public Sector Enterprise (CPSE) under Department of Space (DOS)



NewSpace India Limited (NSIL)

A Central Public Sector Enterprise (CPSE) under Department of Space (DOS)

3rd Annual Report 2021-22



CONTENTS

Chairman’s Speech	5
Vision	6
Mission	6
Board of Directors	7
Committees of the Board	7
Company Secretary	7
Bankers	8
Auditors	8
Advocates & Solicitors	8
Director’s Report	9
Management Discussion & Analysis Report	17
Corporate Governance Report	25
Chief Executive Officer (CEO) Certification on Corporate Governance	32
Declaration by Chairman and Managing Director	33
Corporate Governance Compliance Certificate	34
Annual Report on CSR & SD Activities for the Financial Year 2021-22	35
Independent Auditor’s Report	41
Comments of the Comptroller and Auditor General of India on the Financial Statements for the year Ended 31st March 2022	52
Balance Sheet as at 31st March 2022	53
Statement of Profit and Loss for the year ended 31st March 2022	55
Statement of Changes in Equity	56
Cashflow Statement for the year ended 31st March 2022	58
Other Notes Forming Part of the Financial Statements	107

BOARD OF DIRECTORS



Shri RADHAKRISHNAN DURAIRAJ
Chairman and Managing Director



Shri A Arunachalam
Director (Technical & Strategy)



Dr M Subramanyam
Director [Government Nominee]



Smt. Uma Sekhar
Director [Government Nominee]



Shri Neeraj Sinha
Director [Government Nominee]

SUPERANNUATION



Shri Narayanan G
Chairman and Managing Director
[Superannuated on 31st July 2022]



Dr Venkitakrishnan PV
Director (ISRO Nominee)
[Superannuated on 31st May 2022]

CESSATION



Smt. Sandhya Venugopal Sharma
Director (Government Nominee)
[Till 16 November 2021]



Shri Umamaheswaran R
Director (ISRO Nominee)
[Till 16 November 2021]



Shri Maheshwar Rao M
Director (Government Nominee)
[Till 14 March 2022]

CHAIRMAN'S SPEECH

On behalf of NewSpace India Limited (NSIL), let me extend a warm welcome to the 3rd Annual General Body Meeting (AGM) of the Company. It is my honour to present the Company's achievements and performance for the FY 2021-22 and the future business outlook of the Company during coming years. During the year FY 2021-22, Company achieved a Turnover of INR 1674.77 Cr and a Profit After Tax of INR 342.99 Cr.



As part of its mandate, NSIL undertook its 1st Demand Driven Communication Satellite Mission GSAT-24, meant for meeting Direct-To-Home (DTH) service needs of the country. GSAT-24 satellite was successfully launched on-board Ariane-V [VA 257 flight] from Kourou, French Guiana on 23rd June 2022. The entire capacity on board GSAT-24 has been leased to M/s Tata Play. The funding for the mission has been borne by NSIL. In the area of building operational launch vehicles of ISRO through Indian Industry, NSIL entered into a contract with M/s HAL [Lead Partner of HAL and L&T consortia] for end-to-end production of 5 Nos. of Polar Satellite Launch Vehicle (PSLV-XL). Towards providing Launch Services, NSIL successfully undertook launching of 52 International Customer satellites which included 2 Dedicated PSLV launches viz., one for customer from Brazil and the other from Singapore. NSIL also successfully secured 2 major Launch Service Contracts for launching One Web LEO Broadband Communication satellites of M/s Network Access Associates Limited (M/s One Web), United Kingdom, onboard GSLV-MkIII. This dedicated GSLV-MkIII Launch Service contract has been an historic milestone for NSIL as it is making its entry into Global commercial Launch Service market. As part of this Launch Contract, a total of 72 One Web satellites would be launched.

Recently, Government of India (GoI) has transferred 10 in-orbit INSAT/GSAT communication satellites as equity, to NSIL. With this, NSIL has emerged as the 1st Private Satellite Operator in India. As part of NSIL's Technology Transfer initiative, in addition to many others, agreement for Transfer of Technology related to ISRO's Small Satellite bus IMS-1, with Indian Industry has been signed. NSIL looks forward to enhance its collaboration with the Indian Industry on several other fronts for developing cost-effective products and services in various domains of space and more specifically in Launch Vehicle production. NSIL would be engaging with Indian industry partner for end-to-end production of GSLV-MkIII and other Launch Vehicles of ISRO as well.

NSIL's vision is to enhance the participation of Indian Industry in undertaking end-to-end space related activities and thereby bringing in more commercial space business leading to increase in India's market share in Global Commercial Space Market.

Sd/-
(Radhakrishnan D)
Chairman and Managing Director



Vision

“Excel in providing space related products and services emanating from Indian Space Programme to global customers and to further spur the growth of Indian Industry in undertaking technologically challenging space related activities”

Mission

“Enabling Indian Industries to scale up high-technology manufacturing base for space programme through technology transfer mechanisms, catering to emerging global commercial small satellite launch service market, satellite services for various domestic and international application needs and enabling space technology spin-offs for betterment of mankind through industry interface”



Board of Directors

Functional/ Whole Time Directors

Shri Radhakrishnan D, Chairman and Managing Director (from 01.08.2021)

Shri Narayanan G, Chairman and Managing Director (up to 31.07.2021)

Shri Arunachalam A, Director [Technical & Strategy] (from 01.08.2021)

Part-time Official/ Government Nominee Director

Smt Uma Sekhar, Additional Secretary (Legal & Treaty), Ministry of External Affairs (from 16.12.2021)

Shri Neeraj Sinha, Senior Advisor & Head, NITI Aayog (from 26.11.2021)

Dr. Subramanyam M, Joint Secretary [Enterprise, Policy & Legal], DOS (from 17.03.2022)

Shri Umamaheswaran R, Scientific Secretary, ISRO (up to 17.11.2021)

Smt Sandhya Venugopal Sharma, Additional Secretary, DOS (up to 17.11.2021)

Shri Maheshwar Rao, Additional Secretary, DOS (from 17.11.2021 to 14.03.2022)

Management Team

Chairman and Managing Director - Shri Radhakrishnan D (from 01.08.2021)

- Shri Narayanan G (till 31.07.2021)

Director [Technical & Strategy] - Shri Arunachalam A (from 01.08.2021)

- Shri Radhakrishnan D (till 31.07.2021)

Company Secretary - Smt. Renu K (from 16.04.2021 to 31.08.2022)

Committees of the Board

(as on 29.09.2022)

Audit Committee

Dr. Subramanyam M - Chairman

Smt Uma Sekhar - Member

Shri Neeraj Sinha - Member

Shri Arunachalam A - Member

Remuneration Committee

Smt Uma Sekhar - Chairperson

Shri Neeraj Sinha - Member

Dr. Subramanyam M - Member



CSR & SD Committee

Shri Neeraj Sinha	- Chairman
Smt Uma Sekhar	- Member
Dr Subramanyam M	- Member
Shri Arunachalam A	- Member

Bankers

State Bank of India,
Dollar Colony Branch,
New BEL Road,
Bengaluru-560 054

ICICI Bank,
8th Main,
Malleswaram,
Bengaluru

Auditors

M/s Pal & Shanbhogue,
Chartered Accountants,
24, 4th Main Road,
Malleshwaram,
Bengaluru-560 003

Advocates & Solicitors

M/s King Stubb & Kasiva,
Branch Office at:
1A, Lavelle Mansion,
1/2 Lavelle Road,
Bengaluru-560 001

Directors' Report

To
The Members
NewSpace India Limited
Bengaluru

It is indeed a pleasure to present the 3rd Annual Report on the “Business Operations” of the Company along with the Audited financial statements, Auditor’s Report and Comments of the Comptroller and Auditor General of India (CAG) for the year ended 31st March 2022.

REVIEW OF BUSINESS

“NewSpace India Limited (NSIL)”, got incorporated during March 2019 as a wholly owned Government of India (GoI) Undertaking/ Central Public Sector Enterprise (CPSE), under the administrative control of Department of Space (DOS).

During June 2020, as a part of Space Reforms “**Unlocking India’s Potential in Space Sector**”, an initiative by Government of India, NSIL got mandated to undertake End to End Commercial Space Activities.

NSIL has the primary mandate of undertaking space missions on a “Demand Driven” model as compared to the “Supply Driven” model that existed earlier.

As part of Space Reforms, the Enhanced Mandate of NSIL is as indicated below:

- **Owning satellites** for Earth Observation and Communication applications and providing space-based services
- **Building satellites** and launching them as per demand
- **Providing Launch Services** for satellites belonging to customers
- **Building Launch Vehicles** through Indian Industry and launch as per satellite customer requirement
- **Providing Space based Services** related to Earth Observation and Communication satellites on commercial basis
- **Satellite building** through Indian Industry
- **Mission Support Services** to National and International Customers
- **Technology Transfer** to Indian Industry

Details on the Business operations are provided as part as “Management Discussion and Analysis Report.”

FINANCIAL SUMMARY / HIGHLIGHTS

The Company started its Business Operations from FY 2019-20, its first year of operation. During the current financial year (2021-22), Company has achieved a Turnover of INR 1,67,476.84 Lakh and a Profit After Tax (PAT) of INR 34,298.62 Lakh. The highlights are given below:

Particulars	For the Financial Year 2021-22 (INR in Lakhs)	For the Financial Year 2020-21 (INR in Lakhs)
Domestic Turnover	148,841.48	24,507.91
Export Turnover	18,635.36	26,822.80
Total Turnover	1,67,476.84	51,330.71



Other Income	5,707.60	1,240.37
Total Revenue	1,73,184.44	52,571.08
Total Expenditure	1,27,269.32	31,286.85
Profit/ (Loss) Before Tax	45,915.12	21,284.23
Income Tax	11,616.50	5,394.69
Profit/ (Loss) After Tax	34,298.62	15,889.54
Proposed Dividend on Equity Shares	Seeking Exemption	Exempted
Transfer to General Reserve	NIL	NIL

DIVIDEND

It is proposed to seek exemption from payment of dividend for the FY 2021-22 from Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India.

RESERVES

The Board is not recommending transfer of profits to General Reserves.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business during the period.

MATERIAL/ SIGNIFICANT CHANGES

During the FY 2021-22, there was no material or significant changes.

SUBSIDIARY COMPANIES/ JOINT VENTURES

The company does not have any Subsidiary, Joint Venture or Associate Company as per the provisions of the Companies Act, 2013.

DEPOSITS

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

LOANS, GUARANTEES & INVESTMENTS

The Company has not made any Loans, Guarantees or Investments during the year.

INTERNAL FINANCIAL CONTROLS

The Company has effective Internal Financial Controls with reference to the Financial Statements. M/s Ramesh Ashwin & Karanth, Chartered Accountants were engaged to carry out Internal Audit during the year under report. This has helped to ensure adequacy of systems and controls. Their reports thereon were further reviewed by the Audit Committee appointed by the Board. Internal Audit Reports along with corrective actions taken are reviewed by the Audit Committee. The Audit Committee also reviews the adequacy and effectiveness of internal control.

SHARE CAPITAL

The authorised capital of the Company as on date is INR 1000,00,00,000/- (Rupees One Thousand Crore only) divided into 100,00,00,000 equity shares of INR 10/- each.



The total issued and Paid-up Capital of the Company as on 31 March 2022 is INR 910,00,00,000/- (Rupees Nine Hundred and Ten Crore only) divided into 91,00,00,000 equity shares of INR 10/- each fully paid up.

OUTSOURCING

The Company, based on the requirements and nature of activities, outsources the activity to Indian Industries.

PROCUREMENT FROM MICRO & SMALL ENTERPRISES (MSES)

The Company activities are primarily related to commercialising space industry, products and services and project / programme management. Company is not directly involved in any manufacturing related activities. From the limited scope, the Company made procurement of goods / services from MSEs to the extent of INR 158.16 Lakhs. The procurement from Non-MSEs has been to the tune of INR 111.84 Lakhs.

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABLE DEVELOPMENT (CSR & SD)

As Company has begun its commercial activities only from 2019-20, the net profit of the previous two years is considered for arriving the mandated CSR&SD fund allocation for 2021-22. An amount of INR 231.25 Lakhs was earmarked for CSR activities as per Companies Act 2013. An amount of INR 227.29 Lakhs has been spent/ committed and remaining amount of INR 3.96 Lakhs has been deposited in the Fund listed in Schedule-VII of the Companies Act, 2013 within the prescribed due dates. More details on the activities are captured in the Annual report on CSR & SD activities for the financial year 2021-22.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company is under the administrative control of the Department of Space (DOS). Further, for the employees who are from DOS / ISRO on working arrangement basis, their remunerations are being reimbursed to DOS / ISRO.

The Disclosure of related party transactions as per AS-18 issued by the Institute of Chartered Accountants of India, is given at Note no 40.1 of the Other Notes forming part of the Financial Statements for the Financial Year 2021-22.

HUMAN RESOURCE DEVELOPMENT

The operations of the Company are being managed by the executives deputed from DOS/ ISRO and NSIL recruited officials. The Company has recruited 8 personnel on its Pay roll. The Company has complied with the rules on reservations.

AUDITORS

C&AG vide letter No./CA.V/COY/CENTRAL GOVERNMENT, NSIL(1)/275 dated 18/08/2021 appointed M/s. Pal & Shanbhogue, Chartered Accountants, Bangalore as Statutory Auditors of the Company for the year 2021-22.

FRAUDS REPORTED BY THE AUDITOR

No fraud has been reported by the Auditors during the financial year 2021-22.

COMMENTS & EXPLANATIONS ON AUDITOR'S REPORT

There was no qualification, reservation, adverse remark or disclaimer made by the auditors in their Audit Report for financial year 2021-22.



COMMENTS & EXPLANATIONS ON CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

The Comments on the observations in the secretarial audit report of M/s. BRKS & Associates, Company Secretaries, are as under-

Observations	Comments/Explanations
In one case the gap between two Board Meetings is more than 4 months	The Company had 5 Board meetings during the year 2021-22 considering the important business matters required to be decided by the Board. However, in one case, the gap between two Board meetings was more than 4 months. A meeting planned in Feb 2022 could not be held as Functional Directors were required to concentrate on technical activities related to realisation of GSAT-24 satellites including its transportation and launch.
Not appointed the Independent Directors	The Company being a Central Public Sector Enterprise, the appointment, tenure and remuneration of Directors (including Functional Directors) would be determined by Government of India through Department of Space (DOS). DOS is in the process of appointing the Independent Directors for the Company.
Not implemented the Whistle Blower Policy	The Company is in the process of formulating its Whistle Blower Policy.
Not held 4 Minimum Audit Committee Meetings	Company had two audit committee meetings. Appointment of Director, Finance and Independent Directors for chairing the Audit Committee is under process. As other members of the Board were required to concentrate on critical technical issues, the required meetings could not be held.

AUDITORS' REPORT

The Auditors' Report on the Annual Accounts for the financial year 2021-22 and Comments of the Comptroller & Auditor General of India under Section 143(6) of the Companies Act, 2013 are appended to this Report.

SIGNIFICANT ACHIEVEMENT DURING THE YEAR

The details on the Business operations are provided in the "Management Discussion and Analysis Report." One of the major achievements during the year has been NSIL undertaking its 1st Demand Driven Communication Satellite Mission, viz., GSAT-24, which is meant for meeting Direct-To-Home (DTH) service needs. NSIL got this satellite built by ISRO. The satellite was successfully launched on-board Ariane-V [VA 257 flight] from Kourou, French Guiana on 23rd June 2022. The entire GSAT-24 satellite capacity has been leased to its committed customer M/s Tata Play. Entire funding for the mission has been borne by NSIL.

FUTURE OUTLOOK

As part of enabling Launch Vehicle production through Indian Industry route, NSIL has entered into a contract with M/s HAL [Lead Partner of M/s HAL and L&T consortia] for end-to-end production of 5 no's of PSLV.

Further, during June 2022, Government has approved transferring of 10 in-orbit INSAT/GSAT communication satellites to NSIL for doing commercial space business. With this, NSIL has emerged as the 1st Private Satellite Operator in India. The revenue generated through these satellites would enable NSIL to undertake the capital-intensive demand driven satellite missions.



DIRECTORS & BOARD MEETINGS

The Board consisted of the following Directors as on 31st March 2022:

1. Shri. Radhakrishnan D – Chairman and Managing Director
2. Shri. Arunachalam A – Director (Technical & Strategy)
3. Smt. Uma Sekhar – Additional Secretary (L&T), Ministry of External Affairs
4. Shri. Neeraj Sinha – Senior Advisor and Head, NITI Aayog
5. Dr. Subramanyam M – Joint Secretary (Enterprise, Policy & Legal), DOS

During the year till 31st March 2022, the following changes in the Board have taken place-

- a) Dr. Venkitakrishnan P V, Director, CBPO superannuated from the services of ISRO and also ceased to be a ISRO Nominee Director of the Company w.e.f. 31st May 2021.
- b) Shri. Narayanan G superannuated from the services of ISRO and also ceased to be Chairman and Managing Director of the Company w.e.f. 31st July 2021.
- c) Shri. Radhakrishnan D, Director (Technical & Strategy) was appointed as Interim Chairman and Managing Director vice Shri Narayanan G w.e.f. 1st August 2021 and his appointment has been regularised w.e.f 10th June 2022.
- d) Shri. Arunachalam A, Executive Director of the Company is appointed as interim Director (Technical & Strategy) vice Shri Radhakrishnan D w.e.f. 1st August 2021.
- e) Shri. Umamaheswaran R, Scientific Secretary, ISRO ceased to be a Director on the Board of the Company w.e.f 17th November 2021.
- f) Smt. Sandhya Venugopal Sharma, Additional Secretary, DOS ceased to be a Director on the Board of the Company w.e.f 17th November 2021.
- g) Shri. Neeraj Sinha, Senior Advisor and Head, NITI Aayog is appointed as Government Nominee Director w.e.f. 26th November 2021.
- h) Smt. Uma Sekhar, Additional Secretary (L&T), Ministry of External Affairs, DOS is appointed as Government Nominee Director w.e.f. 16th December 2021.
- i) Shri. Maheshwar Rao M, Additional Secretary, DOS ceased to be a Director on the Board of the Company w.e.f 14th March 2022.
- j) Dr. Subramanyam M, Joint Secretary (Enterprise, Policy & Legal), DOS is appointed as Government Nominee Director w.e.f. 17th March 2022.

The Board places on record its appreciation of the valuable services rendered by Shri. Narayanan G as Chairman and Managing Director and Dr. Venkitakrishnan P V, Shri. Umamaheswaran, Smt. Sandhya Venugopal Sharma and Shri Maheshwar Rao, as Directors of the Company.

BOARD MEETINGS

During the year, five Board meetings were held, the details of which form part of the Corporate Governance Report.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company being a Central Public Sector Enterprise, the appointment, tenure and remuneration of Directors (Functional Directors including CMD) would be determined by Government of India through Department of Space including the period of appointment and other terms & conditions.



The Government / ISRO Nominee Directors are appointed by the Department of Space and they are not entitled to any remuneration / sitting fees.

The Non-Executive Independent Directors would be appointed by Government of India, and they will be entitled to sitting fees for attending the Board / Committee meetings as prescribed by the Board in adherence with the statutory rules and regulations.

The Company, being a Government Company, the requirement for framing policy on Directors' appointment and remuneration including criteria for determining qualifications etc, is not required pursuant to the Ministry of Corporate Affairs (MCA) Notification No GSR 463 (E) dated 5th June, 2015.

FORMAL ANNUAL EVALUATION OF BOARD AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the Notification No. 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, the Company being a Government Company, the statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors is not required as the performance of directors is evaluated by the Administrative Ministry.

PARTICULARS OF REMUNERATION OF EMPLOYEES

The Company does not fall under the category as specified under Section 197(12) of Companies Act, 2013. Hence, disclosure regarding remuneration of employees is not applicable.

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

- a) **Conservation of energy:** The Company's operations are not energy intensive.
- b) **Technology Absorption:** The Company's operations are primarily to commercialise the products and services developed by the ISRO /DOS, the parent Organization/ administrative Department.
- c) **Foreign Exchange Earnings and Outgo:**

Description			
Foreign Exchange Earnings	FE (USD)	FE (Euro)	Equivalent INR (in Lakhs)
Launch Services, Mission Support and others	36,22,684	2,69,95,139	25,893.86
Foreign Exchange Outgo			
Launch Services, Technical Services and Others	8,92,56,127	4,500	66,713.59

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and

estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) the Directors had prepared the annual accounts on a going concern basis; and
- e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

WEBLINK OF ANNUAL RETURN

The Companies (Amendment) Act 2017, effective from 20th August 2020, has amended Section 92(3), which now provides that every company shall place a copy of the Annual Return on the website of the company, if any, and the web-link of such annual return shall be disclosed in the Board's report. In accordance thereof, the web link where such annual return is available is as under-

https://www.nsilindia.co.in/corporate-governance/annual_return

COST RECORDS

Maintenance of Cost Records is not applicable to 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 Department of Public Enterprises (DPE). The report on Corporate Governance as stipulated under the DPE Guidelines forms an integral part of this report. The requisite certificates from M/s. BRKS & Associates, Company Secretaries, Bengaluru confirming compliance with the conditions of Corporate Governance is annexed to this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review as stipulated under the DPE Guidelines is annexed and forms part of the Annual Report.

SECRETARIAL STANDARDS

The Company is complying with the Secretarial Standards with respect to Board and General Meetings.

DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has a Board approved Policy on Prevention of Sexual Harassment at workplace. A DOS (Administrative Ministry) level committee named as Internal Complaints Committee has been set up on 10th September 2020, wherein the Company representative is a member. During the year there were no complaints.

IMPLEMENTATION OF OFFICIAL LANGUAGE

In accordance with the policy guidelines issued by Department of Official Language, Government of India, the Company has been implementing usage of Hindi.



IMPACT OF COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of its financial statements, including but not limited to its assessment of liquidity and going concern assumption, the recoverability of receivables, intangible assets, cash and cash equivalent. The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The Company will continue to monitor future economic conditions and its consequent impact on the business operations, given the uncertain nature of the pandemic.

ACKNOWLEDGEMENTS

The Board places on record its sincere appreciation to the Company's valued customers for the support and confidence reposed by them in the Management of the Company and look forward to the continuance of this mutually supportive relationship in the future as well.

The Board acknowledge with deep sense of appreciation the valuable support and cooperation received from the Government of India, in particular to DOS, ISRO, DPE and MEA for their support.

The Board wishes to place on record its appreciation for the co-operation extended and services provided by the Comptroller & Auditor General of India, the Director General of Audit (Environment & Scientific Departments), Statutory Auditors, Bankers, Collaborators and Suppliers.

The Board also wish to place on record their deep sense of appreciation for the committed services by the Company Executives, who are deputed from DOS/ ISRO, Executives, Staff and Workers of NSIL for progress and prosperity of the Company.

The Board also acknowledge the support and contribution of the officers and staff members of the Department of Space, including various ISRO Centres and Official Language Section of DOS/ ISRO HQ which has immensely helped the Company in its successful operations during the year under review.

On behalf of Board of Directors
For NewSpace India Limited

Sd-

D Radhakrishnan
Chairman and Managing Director

Date: 29/09/2022

Place: Bengaluru

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY SCENARIO

The Five major domains of Space sector are Satellite manufacturing; Launch Vehicle building; Launch Services; Ground Segment and Space Based services. Nearly 85-90% of the space revenue is generated from the Ground Segment and Space based/ value added services. Space industry, across the Globe, is witnessing transformational growth with increased participation of private industries, startups and private investors and is changing the competitive landscape of the space industry. The focus is to provide cost effective and timely space based solutions using Earth Observation, Satellite Communication and Satellite Navigation systems.

In India, involvement of private industry and startups in Space activities are on the rise and in order to further stimulate the growth in the entire Space value chain, Government of India announced “Space Reforms” in June 2020 as part of “Unlocking India’s Potential in Space Sector”.

ORGANISATION STRUCTURE

NewSpace India Limited (NSIL), a Central Public Sector Enterprise under Department of Space, and the commercial arm of ISRO, got incorporated during March 2019. During June 2020, as part of Space Reforms announced by Government of India, the business mandate of NSIL got significantly enhanced. As on 05 March 2022, NSIL has successfully completed three years of its commercial space business operations.

Presently, the Company is being managed by the Board of Directors consisting of Chairman and Managing Director; Director (Technical & Strategy); and Government Nominee Directors. Department of Space (DOS), the administrative ministry had initiated the process to appoint the Independent Directors as per the approved Articles of Association of the Company. The Company has recruited few personnel’s on its own payroll. Considering the enhanced mandate of the company, it is in the process of recruiting more personnel’s on its own payroll.

PRODUCTS AND SERVICES

NSIL has the primary mandate of undertaking space missions on a “Demand Driven” based model as compared to the “Supply Driven” model that existed earlier.

As part of Space Reforms, the Enhanced Mandate of NSIL is as indicated below:

- **Owning satellites** for Earth Observation and Communication applications and providing space-based services
- **Building Satellites** and launching them as per demand
- **Providing Launch Services** for satellite belonging to customer
- **Building Launch Vehicles** through Indian Industry and launch as per satellite customer requirement
- **Providing Space based Services** related to Earth Observation and Communication satellites on commercial basis
- **Satellite building** through Indian Industry
- **Mission Support Services** to National and International Customers
- **Technology Transfer** to Indian Industry

BUSINESS ACCOMPLISHMENTS DURING FY 2021- 22

As part of Space Reform initiative by Government of India, under “Unlocking India’s potential in Space Sector”, NSIL mandate has been significantly enhanced which includes, owning, building, launching and operating satellites; providing end-to-end services to the customers and undertaking space-based missions on a “Demand Driven” based approach.

NSIL made good stride in all its major business operations as per the enhanced mandate. Major highlights of business accomplishments are as under:

Owning and operating the satellites on Demand Driven model

GSAT-24 communication satellite: 1st Demand Driven Mission of NSIL

- NSIL has the primary mandate of undertaking space missions on a “Demand Driven” model as compared to the “Supply Driven” model that existed earlier. As part of this, NSIL undertook its 1st Demand Driven Communication Satellite Mission named GSAT-24 meant for meeting Direct-To-Home (DTH) service needs. NSIL got this satellite built by ISRO. The satellite was successfully launched on-board Ariane-V [VA 257 flight] from Kourou, French Guiana on 23rd June 2022. The entire satellite capacity will be leased to its committed customer M/s Tata Play. Entire funding for this mission has been borne by NSIL.



Launch of GSAT-24 onboard Ariane-V Vehicle on 23rd June 2022

Discussion with potential customers for undertaking 2nd and 3rd Demand Driven Communication Satellite Missions for NSIL:

- **GSAT-20:** NSIL is in discussions with potential customers for utilising the services of GSAT-20, a 4-tonne class High Throughput Satellite (HTS) for meeting the Broadband connectivity needs.
- **GSAT-32:** NSIL is in discussion with various users for securing the capacity utilisation of GSAT-32, a S-Band Communication Satellite.

Production of ISRO Launch Vehicles through Indian Industries

Polar Satellite Launch Vehicle (PSLV)

- NSIL as part of its mandate to build ISRO Launch Vehicles through Indian Industry, released the Request for Proposal (RFP) for 'End to End' production of 5 Nos. of PSLV.
- **NSIL has shortlisted M/s HAL and L&T consortia** as the industry partner for end-to-end production of 5 nos of PSLV. NSIL will be shortly signing the contract with them. The 1st fully Indian Industry manufactured PSLV is likely to be realised in 24 months from the award of the contract.

Small Satellite Launch Vehicle (SSLV)

- After the successful launch of the developmental flight of SSLV, NSIL will start the process of realization of SSLV through the Indian Industry.

Launch Services

- NSIL has successfully launched 52 International and 1 Indian customer satellite as ride-share passengers including 1st Dedicated PSLV commercial mission (PSLV-C51- Amazonia-1) for Brazil.
- Further, NSIL has 4 Dedicated PSLV Launch Service agreements in hand for launching international customer satellites during 2022 and 2023.
- On 30 June 2022, NSIL successfully undertook its 2nd Dedicated commercial mission PSLV-C53/ DS-EO, wherein 3 satellites from Singapore were launched.



Launch of PSLV-53/ DS-EO Mission on 30 June 2022



- NSIL has signed a Launch Service Agreement with Indian space start-up M/s Dhruva Space for launching their nano-satellites, Thybolt-1 and Thybolt-2, as a rideshare passenger in PSLV-C54 mission.
- Two more Launch Service Agreement with Indian space start-ups viz M/s Dhruva Space and M/s Digantara for using PSLV Stage-4 platform for experimental purpose has been signed and successfully accomplished.
- NSIL has backed a major Launch Service Contract for launching One Web LEO Broadband Communication Satellites for M/s Network Access Associates Limited (M/s OneWeb), United Kingdom. Towards this 2 Nos. of GSLV-MkIII for launching 36 satellites in each mission has been provisioned. Launch of first 36 satellites as part of OneWeb India Mission-1 is envisaged during Q4 of 2022. Launch of second 36 satellites as part of OneWeb India Mission-2 is envisaged during Q1 of 2023. This Dedicated GSLV-MkIII Launch Service contract is a historic milestone for NSIL as MkIII is making its entry into global commercial launch service market.

Satellite building as per user requirements

- NSIL has submitted the response to RFP to Indian Customer for provisioning of IMS-2 Satellite Platform [400 kg class] and launching them on-board Dedicated PSLV during Q1 of 2023. NSIL has already received supply order for this programme.
- As part of EO Satellite constellation proposal from Indian customer, NSIL will be building satellites including providing Dedicated Launch services on-board PSLV.
- NSIL has received request from its customer for building and launching Earth Observation Satellite constellation and establishing/ upgrading Ground Stations. NSIL has submitted the Techno-commercial proposal for the same.

Satellite based Services

- NSIL, as part of SATCOM Services, is provisioning transponders in C, Ku and Ext. C band on-board INSAT/GSAT satellites for various applications like DTH, VSAT, TV, DSNG and IFMC. In addition, NSIL is also provisioning transponder capacity from foreign satellites to Indian users on a back-to-back arrangement basis.
- These transponders capacities are provisioned to various users from Private/ Public/ Govt. sector under 150+ Agreements/ MOUs.
- NSIL is in the process of commercializing orbiting HTS capacity on-board GSAT-11, GSAT-19, and GSAT-29 satellites to Private/ Public Sector users.
- During June 2022 Government has approved transferring of 10 in-orbit INSAT/GSAT communication satellites as equity to enable NSIL to carryout commercial space-based business. With this, NSIL has emerged as the 1st Private Satellite Operator in India. The revenue generated through these satellites would enable NSIL to fund revenue generating Capex missions as part of Demand Driven mission mandate for the company.

Mission Support Services

- NSIL is closely working with global ground station operators to provide Mission Support Services for Satellites and Launch vehicles. Till date, NSIL has provided Five (5) Launch Vehicle Tracking Supports and Two (2) Launch and Early Orbit Phase (LEOP) Supports to Indian and International Customers.
- NSIL has signed a contract with International Customer for providing Telemetry, Tracking and Control (TTC) support for Deep Space Missions. First support is envisaged during Jan 2023.



- NSIL has signed two contracts for providing TTC support for LEOP and Regular operations during 2022-23, for international customers.

Technology Transfer/ Spin-off

- NSIL has signed 25 Technology Transfer Agreements till date and has successfully transferred 10 ISRO developed Technologies to Indian Industry.
- Interest Exploratory Note for 75 technologies are hosted in NSIL website to seek the expression of Interest from Indian Industry.
- In response to **expression of interest for transferring IMS-1 Satellite Bus Technology** to Indian Industry, NSIL has received 15 responses from Indian Industry players, including start-ups. NSIL is in discussions with the short-listed Parties to conclude the Technology Transfer Agreements.

Outreach

Towards promoting the space activities in the country, as well as to popularize/ familiarise the End-to-End activities of the company, NSIL participated in various exhibition both nationally and internationally. The details are given in the following table. The Exhibition stall put by NSIL attracted various visitors including students and at four exhibitions, NSIL was conferred with “Best Stall” award. Participation in the International Exhibition helped NSIL to further its business, especially in the Launch Services and Mission Support Services areas as well as to understand the global technological and market trends.

SI No	Location	Exhibition Theme	Date	Award
1	Dubai, UAE	International Astronautical Congress - 2021	Oct 25 – 29, 2021	-
2	Gorakhpur, Uttar Pradesh	Ujjawal Uttar Pradesh 2021	Dec 24 - 26, 2021	Best Stall Award
3	Phaltan (Pune), Maharashtra	Shining Maharashtra 2022	Mar 24 - 26, 2022	Best Stall Award
4	Gandhinagar, Gujarat	Contribution of CPSEs in nation-building since Independence - Showcasing their first-in-the-country product/ services	June 9 - 12 2022	-
5	Bopal, Ahmedabad, Gujarat	Inauguration of IN-SPACE headquarters	June 10, 2022	-
6	Bangalore, Karnataka	Development of Space Start-up Ecosystem in India (DeSSEI) – 2022	June 24, 2022	-
7	Mehsana, Gujarat	Garavi Gujarat 2022	July 8 - 10, 2022	Best Stall Award
8	Hisar, Haryana	Aspiring Haryana-2022	July 28 - 30, 2022	Best Stall Award
9	Bangalore, Karnataka	Bangalore Space Expo – 2022	Sep 5 - 7, 2022	-
10	Paris, France	International Astronautical Congress - 2022	Sep 18 - 22, 2022	-



Phaltan (Pune), Maharashtra



Gorakhpur, Uttar Pradesh



Hisar, Haryana



Mehsana, Gujarat



IAC-2021, Dubai, UAE



IAC-2022, Paris, France



CMD, NSIL briefing Hon'ble Prime Minister of India about NSIL Business Activities during inauguration of INSPACE at Bhopal, Ahmedabad, Gujarat

SWOT ANALYSIS

SWOT analysis is important for the Company to understand Industry Scenario and emerging trends to formulate business strategy to gain competitive advantage and position its products and services in the market. Accordingly, NSIL has performed SWOT analysis and has considered its outcome for planning and strategizing business operations.

PRODUCT-WISE PERFORMANCE

(INR in Lakhs)

Business Segment	EXPORTS	DOMESTIC	TOTAL
Launch Services	18,635.36	148,841.48	167,476.84
Mission Support Services			
Space Segment Communication (Transponder Lease)			
Sale of Products			
Technology Transfer			

FUTURE OUTLOOK

The company with its enhanced mandate and increased autonomy is geared up to build, launch, own and operate satellites and provide End-to-End services to the customers, at commercially competitive rates. It will also build the operational launch vehicles of ISRO through Indian Industry and will eventually own them. The company is also



working out mechanisms for transfer of ISRO's technology know how to Industries to build and enhance Space Ecosystem in India.

MEASURES TO TACKLE CHALLENGES

Company understands the risks in the business areas it has embarked and will take suitable measures for risk mitigation. Company will take measures to counter the risks and challenges, in consultation with Administrative Ministry and Professional Advisors/ Consultants in that domain.

FINANCIAL PERFORMANCE

The Financial Performance is provided in the Directors Report.

HUMAN RESOURCE DEVELOPMENT

The Company's operations are managed by well experienced and senior executives deputed from DOS/ISRO. The company has recruited 8 personnel on its own payroll and it is in the process of recruiting more personnel on its payroll.

ENVIRONMENT PROTECTION AND CONSERVATION

As the Company does not own & operate any manufacturing facility nor its operations involve any environment impacting activities, the Company does not cause any environmental / conservation issues.

CORPORATE GOVERNANCE REPORT

Philosophy

Corporate Governance is a set of accepted principles of management of the inalienable rights of the shareholders as a true owner of the Company and of their own role as trustees on behalf of the shareholders. It is about commitment to values, ethical business conduct and transparency and makes a distinction between personal and corporate funds in the management of a company.

The Company's corporate governance philosophy involves a commitment to run its businesses in a legal, ethical and transparent manner - a dedication that comes from the very top and permeates throughout the organisation. The Company believes that Law and regulations can, at best, define the basic framework - boundary conditions that cannot be crossed however, much of what constitutes good corporate governance has to be voluntary.

The Company has been complying with the Department of Public Enterprises (DPE) Guidelines on Corporate Governance.

The Board presents its report on Corporate Governance for the Financial Year 2021-22.

Board of Directors

Article 58(3) of the Articles of Association of the Company provides for the following Board Structure:

The board shall be composed of the following directors:

- (a) Chairman and Managing Director
- (b) Director (Technical and Strategy)
- (c) Director - Finance
- (d) Three Government Directors
- (e) Four Non-Official (Independent) Directors

The following is the **Composition of Board of Directors as on 31.03.2022:**

Sl. No	Name of Director	Designation	Nature of Directorship	Date of Assuming Office
1	Shri. D Radhakrishnan	Chairman and Managing Director	Executive	01.08.2021*
2	Shri. A Arunachalam	Director (Technical & Strategy)	Executive	01.08.2021#
3	Smt. Uma Sekhar, Additional Secretary (L&T), Ministry of External Affairs	Govt. Nominee Director	Non-Executive-Nominee Director	16.12.2021
4	Shri. Neeraj Sinha, Senior Advisor and Head, NITI Aayog	Govt. Nominee Director	Non-Executive-Nominee Director	26.11.2021
5	Shri. M Subramanyam, Joint Secretary (Enterprise, Policy & Legal), DOS	Govt. Nominee Director	Non-Executive-Nominee Director	17.03.2022

* Director (Technical & Strategy) till 31.07.2021

Executive Director till 31.07.2021

Appointment and Cessation of Directors during the year

During the year, the following changes in the Board have taken place-

- a) Dr. Venkitakrishnan P V, Director, CBPO superannuated from the services of ISRO and also ceased to be a ISRO Nominee Director of the Company w.e.f. 31st May 2021.
- b) Shri. Narayanan G superannuated from the services of ISRO and also ceased to be Chairman and Managing Director of the Company w.e.f. 31st July 2021.
- c) Shri. Radhakrishnan D, Director (Technical & Strategy) was appointed as Interim Chairman and Managing Director vice Shri Narayanan G w.e.f. 1st August 2021.
- d) Shri. Arunachalam A, Executive Director of the Company was appointed as interim Director (Technical & Strategy) vice Shri Radhakrishnan D w.e.f. 1st August 2021.
- e) Shri. Umamaheshwaran R, Scientific Secretary, ISRO ceased to be a Director on the Board of the Company as an ISRO Nominee Director w.e.f. 17th November 2021.
- f) Smt. Sandhya Venugopal Sharma, Joint Secretary, DOS ceased to be a Director on the Board of the Company as an ISRO Nominee Director w.e.f. 17th November 2021.
- g) Shri. Neeraj Sinha, Senior Advisor and Head NITI Aayog, was appointed as Government Nominee Director w.e.f. 26th November 2021.
- h) Smt. Uma Sekhar, Additional Secretary (Legal & Treaty), Ministry of External Affairs, is appointed as Government Nominee Director w.e.f. 16th December 2021.
- i) Shri Maheshwar Rao, Joint Secretary, DOS ceased to be a Director on the Board of the Company w.e.f. 14th March 2022.
- j) Dr. Subramanyam M, Joint Secretary (Enterprise, Policy & Legal), DOS was appointed as Government Nominee Director w.e.f. 17th March 2022.

The Board places on record its deep appreciation for the valuable services rendered by Shri Narayanan G as Chairman and Managing Director and Dr. Venkitakrishnan P V, Shri. Umamaheshwaran, Smt. Sandhya Venugopal Sharma and Shri Maheshwar Rao, as Directors of the Company.

Meetings

During the year 2021-22, the Board met five times on 07.05.2021, 13.08.2021, 27.09.2021, 06.10.2021 and 07.03.2022.

The details of attendance of the Directors at the Board Meetings and Last AGM held during their respective tenure are as under

Sl. No	Name of Director	Period	Meetings held during their tenure	Meetings Attended during the tenure	Attendance in last AGM Yes/NO/NA
1	Shri. D Radhakrishnan	01.04.2021-31.03.2022	5	5	Yes
2	Shri. A Arunachalam	01.08.2021*-31.03.2022	4	4	Yes

3	Smt. Uma Sekhar, Additional Secretary (L&T), Ministry of External Affairs	16.12.2021*- 31.03.2022	1	1	Yes
4	Shri. Neeraj Sinha, Senior Advisor and Head, NITI Aayog	26.11.2021*- 31.03.2022	1	1	Yes
5	Dr. M Subramanyam, Joint Secretary (Enterprise, Policy & Legal), DOS	17.03.2022*- 31.03.2022	-	-	NA
6	Dr. Venkitakrishnan P V	01.04.2021- 31-05-2021#	1	1	NA
7	Shri. Narayanan G	01.04.2021- 31.07.2021#	1	1	NA
8	Smt. Sandhya Venugopal Sharma, Joint Secretary, DOS	01.04.2021- 17.11.2021#	4	4	NA
9	Shri. R Umamaheshwaran, Scientific Secretary, ISRO	01.04.2021- 17.11.2021#	4	4	NA
10	Shri Maheshwar Rao	17.11.2021*- 14.03.2022#	1	1	Yes

* date of appointment

date of cessation

Department of Space (DOS) has initiated the process for recruitment of Independent Directors as required.

Committees of Board

In line with the requirements/ directions of DPE, Companies Act, 2013 and other applicable laws, the Board has constituted the following Committees of Directors. These Committees provide specific and focused governance for the activities falling within their terms of reference and as per the stipulated guidelines.

Sl. No.	Name of the Committee
1	Audit Committee
2	Corporate Social Responsibility and Sustainable Development Committee
3	Remuneration Committee

Audit Committee

The composition of the Committee as on 31st March 2022 is as follows:

1. Dr. M Subramanyam - Chairman of the Committee
2. Smt. Uma Sekhar - Member
3. Shri. Neeraj Sinha - Member
4. Shri. A Arunachalam - Member

Meetings

During the year 2021-22, the Audit Committee met two times on 13.08.2021 and 07.03.2022.

Details of Attendance of the Directors at the Audit Committee Meetings:

Sl. No	Name of Director	Designation	Period	Meetings held during their tenure	Meetings Attended during the tenure
1	Dr. M Subramanyam	Chairman	17.03.2022*-31.03.2022	0	0
2	Smt. Uma Sekhar	Member	16.12.2021*-31.03.2022	1	1
3	Shri Neeraj Sinha	Member	26.11.2021*-31.03.2022	1	1
4	Shri A Arunachalam	Member	01.08.2021*-31.03.2022	2	2
5	Smt. Sandhya Venugopal Sharma	Chairperson	01.04.2021-17.11.2021#	1	1
6	Shri. R Umamaheshwaran	Member	01.04.2021-17.11.2021#	1	1
7	Shri Maheshwar Rao	Chairman	17.11.2021*-14.03.2022#	1	1

*Date of appointment

date of cessation

Since, Independent Directors are yet to be appointed, the Committee is constituted with nominee Directors.

Terms of Reference

The terms of reference of the Audit Committee are as per the applicable provisions of the Companies Act 2013 and as per the DPE guidelines as amended from time to time.

Remuneration Committee

The composition of the Committee as on 31st March 2022 is as follows:

Smt Uma Sekhar	–	Chairperson
Shri Neeraj Sinha	–	Member
Dr M Subramanyam	–	Member

Since, Independent Directors are yet to be appointed, the Committee is constituted with nominee Directors.

Terms of reference

The Committee is formed to decide on the annual bonus/ variable pay pool and policy for its distribution across the executives and non-unionised supervisors, within the prescribed limits.

Meetings

Since no MOU was signed with the Administrative ministry for financial performance and related fixing of targets for FY 2021-22, there was no bonus and variable pay matter to be discussed and accordingly no meetings of the Remuneration committee were held during the year.

Corporate Social Responsibility & Sustainable Development (CSR & SD) Committee

The composition of the Committee as on 31st March 2022 is as follows:

Shri Neeraj Sinha	-	Chairman
Smt Uma Sekhar	-	Member

Dr M Subramanyam - Member

Shri A Arunachalam - Member

Since, Independent Directors are yet to be appointed, the Committee is constituted with nominee Directors.

Terms of reference

The Terms of reference of the Committee are in line with the guidelines issued by the DPE and the relevant provisions of the Companies Act, 2013. The CSR & SD activities of the Company are carried out in line with the Board approved CSR & SD Policy of the Company.

Meetings

During the year 2021-22, the CSR & SD Committee met three times on 07.05.21, 13.08.21 and 07.03.2022.

Details of Attendance of the Directors at the CSR & SD Committee Meetings:

Sl. No	Name of Director	Designation	Period	Meetings held during their tenure	Meetings Attended during the tenure
1	Shri Neeraj Sinha	Chairman	26.11.2021*-31.03.2022	1	1
2	Smt. Uma Sekhar	Member	16.12.2021*-31.03.2022	1	1
3	Dr M Subramanyam	Member	17.03.2022*-31.03.2022	0	0
4	Shri A Arunachalam	Member	01.08.2021*-31.03.2022	3	3
5	Dr. P.V. Venkitakrishnan	Chairman	01.04.2021-31.05.2021#	1	1
6	Smt. Sandhya Venugopal Sharma	Chairperson	01.04.2021-17.11.2021#	2	2
7	Shri. Umamaheshwaran	Member	01.04.2021-17.11.2021#	2	2
8	Shri. Radhakrishnan D	Member	01.04.2021-01.08.2021#	1	1
9	Shri Maheshwar Rao	Member	17.11.2021*-14.03.2022#	1	1

*date of appointment

date of cessation

Remuneration to the Directors

Details of remuneration of whole Time Directors during the year 2021-22 are given in the Annual Return.

Code of Conduct

The Board of Directors have approved the Code of Conduct for all Board Members and Senior Management of the Company at its 14th Meeting held on 07th March 2022. Annual Compliance in this regard is ensured by the Company.

CEO/CFO Certification

As per the requirement of DPE Guidelines, the Chief Executive Officer (CEO) certificate has been obtained for affirmation for compliance with the Code of Conduct from all Board Members and Senior Management and declaration to that effect is annexed to this Report and has also been placed before the Board.



Shareholding Pattern

The Company is not listed on any Stock Exchange in India or abroad. The entire paid-up equity share capital of the Company is held by the President of India through its nominees.

General Meetings

Company had an Extra Ordinary General Meeting on 24th September 2021 for increasing its Authorised Share Capital from INR 100 crores to INR 1,000 crores.

The 2nd Annual General Meeting of the Company was held on 24th December 2021 at the Registered Office of the Company.

The Third Annual General Meeting for the financial year 2021-22 is held on:

Day & Date: 29th day of September 2022

Time: 11.00 hrs

Venue: ISRO HQ, New BEL Road, Bangalore - 560094

Phone: (080) 2217 2693, Fax: (080) 2351 7222

Email: cmd-nsil@isro.gov.in

Website: www.nsilindia.co.in

Disclosures

- a. **Related Party Transactions** are disclosed in Note no. 34B & 40.1 to the Accounts. The Company does not have any materially significant related party transactions, which may have potential conflict with its interest.
- b. **Accounting Standards:** The Company is complying with applicable Accounting Standards (AS).
- c. **Training of Directors:** The Board of the Company has at its 7th Board Meeting held on 22nd June 2020 has approved the policy on training of Directors and the new Board members are given induction and briefing on the business model of the company including risk profile of the business of company amongst other general matters as mentioned in the guidelines. The above training/ induction is given as and when new directors join the Board. The board members from DOS, are well versed with the space-based products and services and techno-commercial aspects to steer the Company.
- d. **Whistle Blower Policy:** The Company is in the process of formulating its own Whistle Blower Policy.
- e. **Right to Information**

The Company has designated Assistant Public Information Officer (APIO), Central Public Information Officer (CPIO) and Appellate Authority.

During 2021-22, twelve applications were received under the RTI Act. All applications were replied to, till 31.03.2022.

- f. **Redressal of Public Grievances**

In order to facilitate resolution of grievances in a transparent and time bound manner, Department of Administrative Reforms & Public Grievances, Government of India has initiated web-based monitoring system at www.pgportal.gov.in. During the year under review, the Company has not received any letters in this regard.

g. Presidential Directives:

All the Presidential Directives and Guidelines issued by the Government of India from time to time regarding reservations for SCs, STs, OBCs, Persons with Disabilities and Ex-Servicemen are compiled by the Company.

h. Items of expenditure debited in Books of Accounts, which are not for the purpose of business:

No items of expenditure, other than those directly related to its business or incidental thereto, those spent towards the welfare of its employees/ ex-employees were debited in the Books of Accounts.

i. Expenses incurred, which are personal in nature and incurred for the Board of Directors and Top Management

Expenses incurred for the Board of Directors and Top Management are in the nature of salaries, allowances, perquisites, benefits as permissible under the Rules of the Company. No other expenses, which are personal in nature, were incurred for the Board of Directors and Top Management during the year 2021-22.

j. Corporate Social Responsibility & Sustainable Development (CSR & SD)

A report on the CSR & SD activities of the Company forms part of the Director's Report.

k. Means of Communications

The Annual Report of the Company is circulated to the members and others entitled to receive it. It is also hosted in the Company website. The website of the Company also displays all official news releases.

l. Compliance

The Company has complied with the Guidelines on Corporate Governance for CPSEs issued by the Department of Public Enterprises (DPE), Government of India. The Company is also submitting quarterly Compliance Report to the Department of Space, Government of India within 15 days from the close of each quarter.

Certificate on Compliance of the Policy / DPE guidelines on Corporate Governance issued by the Company Secretary in Practice is enclosed to this report.



CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION UNDER CLAUSE 4.5 OF DPE GUIDELINE ON CORPORATE GOVERNANCE

To
The Board of Directors
NewSpace India Limited

1. We have reviewed financial statements and the cash flow statement of NewSpace India Limited for the year ended 31st March, 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors:
 - i. that there are no significant changes in internal control over financial reporting during the year;
 - ii. no significant changes in accounting policies have been made to comply with Accounting Standards (AS);
 - iii. that there are no instances of significant fraud of which we have become aware.

Sd-

D Radhakrishnan

Chairman and Managing Director

Date : 29/09/2022

Place : Bengaluru



DECLARATION BY CHAIRMAN & MANAGING DIRECTOR

I Confirm that all Board Members and Senior Management have affirmed Compliance with the Company's Code of Conduct for the Financial Year 2021-22.

Sd-

D Radhakrishnan

Chairman and Managing Director

Date : 29/09/2022

Place : Bengaluru

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE



Corporate Identification No : U74999KA2019GOI122175
Authorised Capital : INR 1000,00,00,000

To,
The Members of
NEWSPACE INDIA LIMITED
Bangalore

We have examined all the relevant records of NEWSPACE INDIA LIMITED for the year ended 31st March 2022 for the purpose of certifying compliance of the conditions of Corporate Governance as stipulated in Department of Public Enterprises (DPE) Guidelines 2010 on Corporate Governance for Central Public Sector Enterprises. We have obtained all the Information and explanations which to the best of our knowledge and belief as were necessary for the purpose of certification.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the Compliance of conditions of Corporate Governance.

On the basis of our examination of the records produced and the explanations and information furnished, we certify that the Company has maintained proper records and complied with the conditions of Corporate Governance as stipulated in DPE Guidelines 2010 on Corporate Governance for Central Public Sector Enterprises for the financial year ending 31st March 2022 Subject to the following:

- a. In One case the gap between two Board Meetings is more than 4 months
- b. Not appointed the Independent Directors
- c. Not implemented the whistle Blower Policy
- d. Not held 4 Minimum Audit Committee Meetings

Place: Bangalore
Date: 28.07.2022

for BRKS & Associates
Company Secretaries

Sd/-
(B Rajeswara Rao)
Partner

UDIN: F009940D000698364

BRKS & Associates
Company Secretaries

First Floor, 76, Sri Sai Krupa, Phase - 2, Cascading Meadows, Maragondanahalli, T C
Palya, K R Puram, Bangalore - 560036

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABLE DEVELOPMENT (CSR&SD) ACTIVITIES FOR THE FINANCIAL YEAR 2021-22

1. A brief outline of the Company's Corporate Social Responsibility & Sustainable Development (CSR&SD) Policy, including overview of projects and programmes undertaken during 2021-22.

NSIL conducts its business as a socially responsible corporate, aligning its business policies and practices with holistic social progress, development of mankind, respect for environment and its living beings. Our CSR Policy is formulated under Section 135 of the Companies Act 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and guidelines for CPSEs issued by Department of Public Enterprises, Government of India.

NSIL believes that every business entity needs to have a mechanism for giving back to the Society in which it operates. The Company's Business principles dovetail with its CSR initiatives to ensure that the society surrounding it grows along with the Company.

Company as part of its CSR activity has adopted Narmada District, in Gujarat and Yadgiri District in Karnataka being the Aspirational District as per the list identified by the DPE.

During the year 2021-22, NSIL took up CSR Projects/activities, based on identified needs and availability of Funds, in various Sectors like:

- * Health & Nutrition, with special focus on COVID related measures including setting up makeshift hospitals and temporary COVID care facilities
- * CSR activity in Aspirational District - Narmada, Gujarat & Yadgiri, Karnataka
- * Education
- * Social Justice & Empowerment
- * Sustainable Development
- * Sanitation
- * Skill Development
- * Sports

The programmes undertaken by the company are within the framework of the Companies Act 2013 and are also complying with the guidelines of DPE. The web-link to the CSR&SD policy of the Company <https://www.nsilindia.co.in/csr>

2. Composition of the CSR&SD Committee:

The Company has a Board Level Corporate Social Responsibility & Sustainable Development Committee of the Board to recommend and oversee the implementation of CSR & SD activities. The members of the Committee as on 31st March 2022 were:

- | | |
|------------------------|------------|
| (a) Shri Neeraj Sinha | - Chairman |
| (b) Smt Uma Sekhar | - Member |
| (c) Dr. M Subramanyam | - Member |
| (d) Shri A Arunachalam | - Member |

3. Average net profit of the company:

The Average net profit of the Company for arriving the mandated CSR&SD fund allocation for FY 2021-22 is as under-

Year	Net Profit/ (Loss) (INR in Lakhs)
2019-20	6,811.72
2020-21	16,313.25
Average Net Profit	11,562.49
2% of average profit	231.25
CSR&SD Fund allocated for FY 2021-22	231.25

4. Sectoral Allocation of CSR&SD Fund during the financial year:

The sectoral allocation of the CSR&SD fund for the financial year 2021-22 was as below:

Sl. No.	PARTICULARS	Amount (INR in Lakhs)
1	Health & Nutrition, with special focus on COVID related measures including setting up of makeshift hospitals and temporary COVID care facilities	141.19
2	CSR activity in Aspirational District- Narmada, Gujarat & Yadgiri, Karnataka	20.00
3	Education	24.20
4	Social Justice & Empowerment	5.00
5	Sustainable Development	10.96
6	Sanitation	11.68
7	Skill Development	10.00
8	Sports	3.00
9	Others	5.22
	TOTAL	231.25

5. Details of CSR&SD spend during the Financial Year:

The details of CSR&SD spend for the Financial Year 2021-22 is as below:

Sl. No.	Particulars	Amount (INR in Lakhs)
1	Opening Balance (unspent committed amount)	66.57
2	Out of above amount spent during current year	64.84
3	Out of above amount transferred to a specified fund during current year	1.73
4	Remaining amount of fund allocated for previous year (s)	NIL



5	Amount allocated for FY 2021-22	231.25
6	Amount spent during the year	95.21
7	Un committed amount transferred to specified fund in 2022-23	3.96
8	Committed remaining amount kept in a separate bank account	132.08

- (a) The details of amount spent/committed during the financial year in the projects as per the above sectoral allocation is detailed in **Appendix-1**.
- (b) NSIL is keeping the fund allocated to ongoing projects in a separate bank account to meet the commitment, as per DPE guidelines.
- (c) The Uncommitted CSR&SD fund to the extent of INR 3.96 Lakhs has already been deposited in the Fund listed in Schedule-VII of the Companies Act, 2013 with in the due dates prescribed.
- (d) The implementation and monitoring of CSR&SD Policy, is in compliance with CSR&SD objectives and Policy of the Company.

Sd/-

Radhakrishnan D

Chairman and Managing Director

Sd/-

Neeraj Sinha

Chairman, CSR&SD Committee

Place : Bengaluru

Date : 29/09/2022

Appendix-1

PROJECTS AND HEADS FOR CSR&SD OUTLAY AMOUNT SPENT IN FINANCIAL YEAR 2021-22								
Sl. No	CSR Project or Activity with sector	Implementing Agency	Location of the Project/ Program	Outlay Amount (Budget)	CSR Expenditure for the Year (Amount In INR)			Mode of Execution: Direct or Agency
					Amount Spent	Commitment Pending	Total	
1	Health & Nutrition							
i	Providing Oxygen Concentrators in 28 PHCs and Basic life support Ambulance	District Collector, Narmada	Gujarat, Narmada District	47,40,000	14,22,000	33,18,000	47,40,000	Direct
ii	Providing inflammatory marker diagnostic machine at Government District hospital, and Electrification works for Plant at Shorapur taluk and District, Yadgiri	District Collector, Yadgiri	Yadgiri, Karnataka	20,00,000	6,00,000	14,00,000	20,00,000	Direct
iii	Equipment for Public Health Centre at Virudhunagar, TN (Aspirational District)	District Medical Officer, Public Health Centre, Virudhunagar	Tamil Nadu	13,93,000	2,78,600	11,14,400	13,93,000	Direct
iv	Primary Health Care for the selected villages of Kalsi block	Himalayan Institute Hospital Trust, NGO at Dehradun	Uttarakhand	13,14,150	3,94,245	9,19,905	13,14,150	Direct
v	Prevention of Drug abuse among homeless women	Society for Promotion of Youth & Masses, NGO at New Delhi	Delhi	10,64,000	3,19,200	7,44,800	10,64,000	Direct
vi	Providing portable water at "Naneer Gramam-2-Theppaakadu Village at Mudhumalai Tiger Reserve Area	Nilgiris Adivasi Welfare Association, NGO at Tamil Nadu	Tamil Nadu	8,75,000	2,62,500	6,12,500	8,75,000	Direct
vii	Skill Development of the Mentally challenged with focus on Agriculture	Central Institute on Mental Retardation, NGO at Kerala	Kerala	6,24,000	1,87,200	4,36,800	6,24,000	Direct

viii	Enabling, equipping and empowering the Persons with Disability (PwDs) with required Assistive and Adaptive devices & Livelihood opportunities for PwDs	Association of People with Disability, NGO at Bengaluru	Karnataka	6,07,900	6,07,900	-	6,07,900	Direct
ix	Making India Hunger Free - Procurement of Stainless-Steel Insulated Tank for milk packing and LID Racks at their Bangalore Kitchen	Akshaya Patra Foundation at Bengaluru	Karnataka	5,91,003	2,95,502	2,95,501	5,91,003	Direct
x	Contribution towards facility to care for persons with dementia	Schizophrenia Research Foundation, NGO at Tamil Nadu	Tamil Nadu	5,00,000	1,50,000	3,50,000	5,00,000	Direct
xi	Providing Laptop & Printer at Public Health Centre (PHC) for Covid Vaccinations	Through the National Remote Sensing Centre of ISRO at Telangana	Telangana	1,60,000	1,60,000	-	1,60,000	ISRO Centre
xii	Providing dresses, bed-sheets and towels to the inmates of orphanage	United Orphanage for The Disabled, NGO at Tamil Nadu	Tamil Nadu	2,50,000	2,50,000	-	2,50,000	Direct
2	Aspirational Districts							
i.	Providing science equipment to Government Secondary and Higher Secondary Schools	District Collector, Narmada	Gujarat	10,00,000	3,00,000	7,00,000	10,00,000	Direct
ii.	Providing inflammatory marker diagnostic machine with consumables at District Hospital, Yadgiri	District Collector, Yadgiri	Karnataka	10,00,000	3,00,000	7,00,000	10,00,000	Direct
3	Education							
i.	Providing Infrastructure/ Items to Govt. High School, Karippoor	Through the Liquid Propulsion Systems Centre of ISRO at Kerala	Kerala	19,16,965	19,16,965	-	19,16,965	ISRO Centre
ii.	Building career pathways for tribal children	Mrida Education and Welfare Society, NGO at Madhya Pradesh	Madhya Pradesh	5,03,500	1,51,050	3,52,450	5,03,500	Direct

4	Social Justice & Empowerment							
i.	Providing legal accessibility services for Women	Grassroot, NGO at Meghalaya	Meghalaya	5,00,000	2,50,000	2,50,000	5,00,000	Direct
5	Sustainable Development							
i.	Construction of one check dam across Jarebanda Vanka near Burugu Palli village	Mysore Resettlement and Development Agency (MYRADA), NGO at Bengaluru	Andhra Pradesh	10,96,000	3,28,800	7,67,200	10,96,000	Direct
6	Sanitation							
i.	Construction of Toilet at Government Higher Primary School, Hodigere, Chennagiri Taluk	Through the Civil Engineering Programme Office of ISRO HQ	Karnataka	10,48,000	5,24,000	5,24,000	10,48,000	ISRO
ii.	Distribution of Sanitary pads and conducting talks on Menstrual Hygiene for girl students	Through ISRO HQ	Byadagi Tk, Haveri Dt	1,20,000	60,000	60,000	1,20,000	ISRO
7	Skill Development							
i.	Skill upgradation and design development training for Weavers	Rashtriya Gramin Vikas Nidhi, NGO at Guwahati	Assam	5,00,000	2,50,000	2,50,000	5,00,000	Direct
ii.	Residential girls training program (healthcare) under Comprehensive Rural Tribal Development Programme	CRTDP, NGO at Nagpur, Maharashtra	Nagpur, Maharashtra	5,00,000	1,50,000	3,50,000	5,00,000	Direct
8	Sports							
i.	Cricket Coaching Camp for Blinds	M/s Samarthanam Trust, NGO at Bangalore	Karnataka	3,00,000	3,00,000	-	3,00,000	Direct
9	Others							
i.	Construction of six concrete benches at the newly constructed toilet complex at Challakere Govt Hospital, Chitradurga District	M/s Sulabh, Bengaluru	Karnataka	1,25,165	62,582	62,583	1,25,165	Direct
Total				2,27,28,683	95,20,544	1,32,08,139	2,27,28,683	

Chartered Accountants

24, 4th Main Road,
Malleswaram,
Bengaluru - 560 003.
INDIA

Tel : +91 - 80 - 23348805
Mob. : +91 98440 56359
E-mail: shanbhogue_k_r@yahoo.com

PAL & SHANBHOGUE

INDEPENDENT AUDITOR'S REPORT

To the Members of NewSpace India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **NewSpace India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as Standalone Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

Information Other than the Standalone Financial Statements and Auditors Report thereon

The Company's Board of Directors is 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.

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



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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. There are no key audit matters to be reported here.

Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually, or in aggregate, makes it possible that, the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The management has represented, that, to the best of its knowledge and belief no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever 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 that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations

- under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year in compliance of the provisions of section 123 of the Companies Act, 2013.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. As required by section 143(5) of the Act, we give in "Annexure C" a statement on matters specified by the Comptroller and Auditor General of India.



For **Pal and Shanbhogue**
Chartered Accountants
Firm Registration No.:0025285

K R Shanbhogue
Partner
Membership No.: 018578

Place of signature: Bengaluru
Date: 06th August 2022
UDIN: 22018578AONTTS7339



Annexure 'A' to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements section of our report to the Members of NewSpace India Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **NewSpace India Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial

reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place of signature: Bengaluru
Date: 06th August 2022
UDIN: 22018578AONTTS7339



For **Pal and Shanbhogue**
Chartered Accountants
Firm Registration No.:002528S

K R Shanbhogue
Partner
Membership No.: 018578

Annexure 'B' to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal & Regulatory Requirement' section of our report to the Members of NewSpace India Limited of even date)

To the best of information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

- (i) In respect of the company's Property, Plant and Equipment:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and maintaining proper records showing full particulars of intangible assets;
 - (b) The Property, Plant and Equipment have been physically verified by the management at reasonable intervals. As informed to us, no material discrepancies have been noticed on such verification.
 - (c) The Company does not hold any immovable properties, hence title deeds in the name of the company is not applicable.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
 - (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
 - (b) The Company has not been sanctioned working capital limits in excess of 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or any other parties. Hence, reporting as per the provisions of clause (a) to (f) of Paragraph 3(iii) of the Order are not applicable to the Company.
- (iv) According to explanations given to us and scrutiny of records of the Company, it has not granted any loan, investment, guarantee and security. Hence, compliances with the provisions of section 185 and 186 of the Companies Act, and reporting under clause 3(iv) of the Order are not applicable.
- (v) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or other relevant provisions of the Companies Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public and reporting under clause 3(v) of the Order are not applicable.
- (vi) As informed to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, in respect of the activities carried on by the company. Hence, reporting under Clause 3 (vi) of the Order is not applicable.
- (vii)
 - (a) According to information and explanations given to us and on the basis of our examination of the books of account and records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, provident fund, employees'

- state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date they become payable. Hence, reporting under clause 3(vii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, there are no dues of income tax, Goods and Service Tax, sales tax, service tax, duty of customs, duty of excise, value added tax, outstanding on account of any dispute. Hence, reporting under clause 3(vii)(b) of the Order is not applicable.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order are not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority. Hence reporting under clause 3(ix)(b) of the Order is not applicable.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, no funds are raised on short term basis during the year. Hence, reporting on clause 3(ix)(d) of the Order is not applicable.
- (e) The Company does not have any subsidiaries, associates and joint venture. Hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company neither raised any loans during the year nor have subsidiaries, joint venture or associate company, hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly of optionally) and hence, reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year. Accordingly, reporting under clause 3(xi)(a) of the Order is not applicable to the Company.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report. Hence, reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) Company has not received any whistle blower complaints during the year (and up to the date of this report). Hence reporting under clause 3(xi)(c) of the Order is not applicable.
- (xii) In our opinion, and to the best of our information and according to the explanations provided by the management, the Company is not a Nidhi Company. Accordingly, the requirements of clause 3(xii) (a) to (c) of the Order are not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the

Companies Act and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 and reporting under clause 3 (xv) of the Order are not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order are not applicable.
- (xvii) According to the information and explanations given to us and based on our examination of the records, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year. Hence, reporting under clause 3(xvii) of the Order is not applicable.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Hence, reporting under clause 3(xviii) of the Order is not applicable.
- (xix) 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 financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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 one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The Company, except in respect of other than ongoing CSR&SD Projects, has transferred unspent CSR&SD allocated amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the Companies Act.
- (b) The Company, has transferred the remaining unspent amount of ongoing CSR&SD projects, to a special account in compliance with the provision of sub-section (6) of section 135 of the Companies Act.
- (xxi) The Company is a standalone Company, hence reporting under Clause 3(xxi) of the Order is not applicable.

For **Pal & Shanbhogue**

Chartered Accountants

Firm Registration Number: 002528S

K R Shanbhogue

Partner

Membership No. 018578

Place: Bengaluru

Date: 06th August 2022

UDIN: 22018578AONTTTS7339

ANNEXURE-C TO INDEPENDENT AUDITOR'S REPORT

Referred to in "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of NEWSPACE INDIA LIMITED (the Company) for the period ended 31st March 2022.

DIRECTIONS UNDER SECTION 143(5) OF COMPANIES ACT, 2013

SI. No.	Directions	Auditor's Comment
1	Whether the Company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	<p>The company has been using Tally software to record all its financial and accounting transactions.</p> <p>The following entries flow to Tally from outside:</p> <ol style="list-style-type: none"> 1. Transactions of foreign receivables and payables; 2. Computation of Employee Benefit Expenses; and 3. Preparation of Annual Financials <p>In our opinion and to the best our information and explanations given to us, the company has a system in place to monitor and control properly these transactions.</p>
2	Whether there is any restructuring of an existing loan or cases or waiver/ write off of debts/ loans/ interest etc., made by a lender to the company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	The Company does not have any loans and hence this clause is not applicable.
3	Whether funds (grants/subsidy etc.) received / receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	The Company has neither received nor has any receivables towards any funds for specific schemes from Central/ State agencies.

For Pal and Shanbhogue

Chartered Accountants

Firm Registration No.: 002528S

K.R.Shanbhogue

Partner

Membership No.: 018578

UDIN: 22018578AONTTS7339



Date: 06th August 2022

Place of signature: Bengaluru



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER
SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF
NEWSPACE INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2022**

The preparation of financial statement of NewSpace India Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the company. The statutory auditor /auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is/are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their audit report dated 06.08.2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NewSpace India Limited for the year ended 31 March 2022 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6) (b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd-
Director General of Audit
Environment and Scientific Departments

Place: New Delhi

Date: 27.09.2022

BALANCE SHEET AS AT 31 MARCH, 2022

Amounts in lakhs

	Particulars	Note No	As at 31.03.2022	As at 31.03.2021	As at 01.04.2020
	ASSETS:				
(1)	NON CURRENT ASSETS				
	(a) Property, Plant and Equipment	4A	4,11,855.09	50.27	52.14
	(b) Capital work in progress	4B	33,866.09	-	-
	(c) Other Intangible assets	4C	3.24	0.33	6.18
	(d) Intangible assets under development	4D	29.93	7.55	7.55
	(e) Financial Assets		-	-	-
	(i) Investments		-	-	-
	(ii) Trade Receivables		-	-	-
	(iii) Loans		-	-	-
	(iv) Other Financial Assets	5	13,807.08	15,447.78	6,214.61
	(f) Deferred Tax Assets(Net)		-	-	-
	(g) Other non-current assets	6	37.96	103.88	-
	Total Non-current Assets		4,59,599.39	15,609.81	6,280.48
(2)	CURRENT ASSETS				
	(a) Inventories		-	-	-
	(b) Financial Assets				
	(i) Investments		-	-	-
	(ii) Trade receivables	7	82,602.58	69,915.54	3,789.81
	(iii) Cash and cash equivalents	8	2,946.78	4,561.88	614.33
	(iv) Other Bank Balances	9	1,75,938.58	46,801.03	5,722.43
	(v) Other Financial Asset	10	58,943.33	3,331.45	311.95
	(c) Other current assets	11	13,337.47	3,404.27	4,601.35
	Total Current Assets		3,33,768.74	1,28,014.17	15,039.87
	TOTAL ASSETS		7,93,368.13	1,43,623.98	21,320.35
	EQUITY AND LIABILITIES:				
	EQUITY				
	(a) Equity Share capital	12	91,000.00	1,000.00	1,000.00
	(b) Other Equity	13	53,177.47	18,878.85	4,529.32
	Total Equity		1,44,177.47	19,878.85	5,529.32
	LIABILITIES				
(1)	NON CURRENT LIABILITIES				
	(a) Financial Liabilities				
	(i) Other financial liabilities	14	2,633.19	-	-
	(ii) Trade Payables		-	-	-
	(b) Provisions	15	8.19	0.82	-
	(c) Deferred tax liabilities (Net)	27	3,088.25	1.28	1.08
	(d) Other non-current liabilities		-	-	-
	Total Non-current Liabilities		5,729.63	2.10	1.08
(2)	CURRENT LIABILITIES				
	(a) Financial Liabilities				
	(i) Trade payables	16			
	a) Total outstanding dues of Micro and Small Enterprises		14.04	0.07	2.25
	(b) Total outstanding dues of Creditors other than Micro and Small Enterprises		6,23,067.52	1,16,382.33	11,327.08
	(ii) Other financial liabilities	17	5,166.67	5,818.74	293.29



	(b) Other current liabilities	18	5,633.95	439.23	4,071.09
	(c) Provisions	19	9,578.85	1,102.66	96.24
	Total Current Liabilities		6,43,461.03	1,23,743.03	15,789.95
			-	-	-
	TOTAL EQUITY AND LIABILITIES		7,93,368.13	1,43,623.98	21,320.35

Significant accounting policies and the accompanying Notes are integral part of these financial statements.

As per our report of even date attached
For M/s Pal and Shanbhogue
Chartered Accountants
Firm Regn No: 002528S

For and on behalf of the Board of Directors

K.R. Shanbhogue
Partner
ICAI Membership No. 18578

Annamalai Arunachalam
Director, Technical & Strategy
DIN: 0009262267

Radhakrishnan Durairaj
Chairman and Managing Director
DIN: 08382973

K Renu
Company Secretary

Place: Bengaluru
Date: 06-08-2022
ICAI UDIN : 22018578AONTTS7339

Place: Bengaluru
Date: 06-08-2022

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31 MARCH 2022

Amounts in lakhs

	Particulars	Note No	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of previous reporting period 31.03.2021
I	Revenue from operations	20	1,67,476.84	51,330.71
II	Other income	21	5,707.60	1,240.37
III	Total Income (I + II)		1,73,184.44	52,571.08
IV	Expenses:			
	(i) Cost of Revenue from operation	22	67,381.31	30,524.26
	(ii) Purchases of Stock-in-Trade		-	-
	(iii) Changes in inventories of stock in Trade		-	-
	(iv) Employees benefits expenses	23	298.87	254.04
	(v) Depreciation and amortisation expenses	24	58,002.69	22.59
	(vi) Other expenses	25	1,586.45	485.96
	Total Expenses (IV)		1,27,269.32	31,286.85
V	Profit before exceptional items and tax (III- IV)		45,915.12	21,284.23
VI	Exceptional items		-	-
VII	Profit before tax (V - VI)		45,915.12	21,284.23
VIII	Tax expense:			
	(i) Current tax :			
	a) Current Year	26	9,573.91	4,148.28
	b) Earlier Years		(1,044.37)	1,246.21
	(ii) Deferred tax	27	3,086.97	0.20
			-	-
			-	-
IX	Profit for the period from continuing operations (VII-VIII)		34,298.62	15,889.54
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	A (ii) Remeasurement of defined benefit plans		-	-
	A (iii) Income tax relating to items that will not be reclassified to profit or loss		-	-
XI	B (i) Items that will be reclassified to profit or loss		-	-
	B(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other comprehensive Income/ (losses)		-	-
XII	Total Comprehensive Income for the period (X+XI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		34,298.62	15,889.54
XIII	Earnings per equity share (for continuing operation):			
	(1) Basic / Adjusted (INR)	28	12.12	158.90
	(2) Diluted (INR)		12.12	158.90

Significant accounting policies and the accompanying Notes are integral part of these financial statements.

As per our report of even date attached

For M/s Pal and Shanbhogue

Chartered Accountants

Firm Regn No: 002528S

For and on behalf of the Board of Directors

K.R.Shanbhogue

Partner

ICAI Membership No. 18578

Annamalai Arunachalam

Director, Technical & Strategy

DIN: 0009262267

Radhakrishnan Durairaj

Chairman and Managing Director

DIN: 08382973

K Renu

Company Secretary

Place: Bengaluru

Date: 06-08-2022

ICAI UDIN : 22018578AONTTS7339

Place: Bengaluru

Date: 06-08-2022

STATEMENT OF CHANGES IN EQUITY

Amount in lakhs

A. Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting period 01.04.2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period 31.03.2022
1000	-	1,000	90,000	91,000
(2) Previous reporting period				
Balance at the beginning of the previous reporting period 01.04.2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period 31.03.2021
1,000	0	1,000	0	1,000
(3) Previous reporting period				
Balance at the beginning of the previous reporting period 01.04.2019	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period 31.03.2020
-	0	-	1,000	1,000

B. Other Equity

(1) Current reporting period

Particulars	Reserves and Surplus				Equity Instrument through other comprehensive income	Effective portion of cash flow hedges	Other items of other comprehensive income	Total equity attributable to equity shareholders of Company
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings				
Balance as on April 1, 2021				18,878.86				18,878.86
Profit for the year				34,298.62				34,298.62
Changes in accounting policy or prior period errors				-				-
Restated balance at the beginning of the current reporting period				34,298.62				34,298.62
Total Comprehensive Income for the current year				34,298.62				34,298.62
Dividends				-				-
Transfer to retained earnings				-				-
Any other change				-				-
Balance as at March 31, 2022				53,177.48				53,177.48
(2) Previous reporting period								
Particulars	Reserves and Surplus				Equity Instrument through other comprehensive income	Effective portion of cash flow hedges	Other items of other comprehensive income	Total equity attributable to equity shareholders of Company
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings				
Balance as on April 1, 2020				4529.32				4,529.32

Profit for the year					15,889.54					15,889.54
Changes in accounting policy or prior period errors					-					-
Restated balance at the beginning of the current reporting period					-					-
Total Comprehensive Income for the current year					15,889.54					15,889.54
Dividends					1,540.00					1,540.00
Transfer to retained earnings					-					-
Any other change										
Balance as at March 31, 2021					18,878.86					18,878.86
(3) Previous reporting period										
Particulars	Reserves and Surplus									Total equity attributable to equity shareholders of Company
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings		Equity Instrument through other comprehensive income	Effective portion of cash flow hedges	Other items of other comprehensive income		
Balance as on April 1, 2019				-						-
Profit for the year				4,529.32						4,529.32
Changes in accounting policy or prior period errors				-						-
Restated balance at the beginning of the current reporting period				-						-
Total Comprehensive Income for the current year				4,529.32						4,529.32
Dividends				-						-
Transfer to retained earnings				-						-
Any other change				-						-
Balance as at March 31, 2020				4,529.32						4,529.32

Significant accounting policies and the accompanying Notes are integral part of these financial statements.

As per our report of even date attached
For: M/s Pal and Shanbhogue
Chartered Accountants
Firm Regn No: 002528S

K.R.Shanbhogue
Partner
ICAI Membership No. 18578

For and on behalf of the Board of Directors

Annamalai Arunachalam
Director, Technical & Strategy
DIN: 0009262267

Radhakrishnan Durairaj
Chairman and Managing Director
DIN: 08382973

K Renu
Company Secretary

Place: Bengaluru
Date: 06-08-2022
ICAI UDIN : 22018578AONITTS7339

Place: Bengaluru
Date: 06-08-2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

Amounts in lakhs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	45,915.12	21,284.23
Adjustments for:		
Depreciation and amortisation expenses	58,002.69	22.59
Loss on sale of fixed assets	0.24	0.43
Interest income from bank deposit	(5,707.58)	(1,240.36)
Provision for doubtful debts	204.26	-
Corporate Social Responsibility activity expenses	231.25	138.00
Unrealised foreign exchange (YEET)	163.49	158.34
	-	-
Operating profit before working capital changes	98,809.48	20,363.23
Changes in assets and liabilities		
(Increase)/Decrease in other non current financial assets	1,640.70	(9,233.17)
(Increase)/Decrease in other non current assets	65.92	(103.89)
(Increase)/Decrease in trade receivables	(12,891.30)	(66,125.73)
(Increase)/Decrease in other current financial assets	(55,611.88)	(3,019.50)
(Increase)/Decrease in other current assets	(9,933.18)	1,197.08
(Increase)/Decrease in non current Provisions	7.38	0.82
(Increase)/Decrease in non current liabilities	2,633.19	-
(Increase)/Decrease in trade payables	5,06,699.17	1,05,053.06
(Increase)/Decrease in other current financial liabilities	(652.07)	5,525.45
(Increase)/Decrease in other current liabilities	5,194.72	(3,631.85)
(Increase)/Decrease in current Provisions	8,476.19	1,006.42
Net change in working capital	4,45,628.81	30,668.69
Cash generated from operations	5,44,438.29	51,031.92
Less: Income taxes paid (net)	(8,529.54)	(5,394.49)
Net Cash from/ (used in) Operating Activities	5,35,908.75	45,637.43
	[A]	
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Sale/ (Purchase) of Fixed Assets	(5,03,698.89)	(15.34)
Loss on Sale of fixed assets	(0.23)	0.04
Interest received on Deposits with Banks	5,707.58	1,240.36
	-	-
Net Cash from Investing activities	(4,97,991.55)	1,225.06
	[B]	
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	-	(1,540.00)



Corporate Social Responsibility activity expenses		(231.25)	(138.00)
Issue of Shares		90,000.00	-
Net Cash used in Financing Activities	[C]	89,768.75	(1,678.00)
Effect of exchange rate changes on cash and cash equivalents (YEET)		(163.49)	(158.34)
D. Net increase in cash and cash equivalents [A+B+C]	[D]	1,27,522.46	45,026.15
Cash and cash equivalents at the beginning of the year (refer note 11 & 12)	[E]	51,362.91	6,336.76
Cash and cash equivalents at the end of the year (refer note 11 & 12) [D+E]		1,78,885.36	51,362.91

The above Cash Flow Statement has been prepared under the “Indirect Method” as set out in the IND AS-7 on Cash Flow Statements issued by the Companies (Indian Accounting Standards) Rules, 2015.

Previous year figures have been re-arranged/regrouped wherever necessary.

There were no significant reconciliation items between cash flows prepared under Previous GAAP and those prepared under Ind AS.

As per our report of even date attached

For and on behalf of the Board of Directors

For M/s Pal and Shanbhogue

Chartered Accountants

Firm Regn No: 002528S

K.R.Shanbhogue

Partner

ICAI Membership No. 18578

Annamalai Arunachalam

Director, Technical & Strategy

DIN: 0009262267

Radhakrishnan Durairaj

Chairman and Managing Director

DIN: 08382973

K Renu

Company Secretary

Place: Bengaluru

Date: 06-08-2022

ICAI UDIN: 22018578AONTTS7339

Place: Bengaluru

Date: 06-08-2022



NOTES TO FINANCIAL STATEMENTS

1. Company Overview

NewSpace India Limited (“NSIL” or “the Company”) is a wholly owned Government of India (GOI) Company under the administrative control of Department of Space (DOS). NSIL is engaged in commercially exploiting the products and services emanating from the Indian Space Programme and serve the domestic and global customers, and enabling the Indian Industries to scale up high-technology manufacturing base for space programme through technology transfer mechanisms. NSIL acts as the commercial arm of Indian Space Research Organization (ISRO).

The business activities of NSIL include:

- Owning satellites for providing space-based services
- Building satellites and launching them as per demand
- Providing launch services for satellite belonging to Customers
- Building launch vehicles through Indian Industry and launch as per satellite customer requirements
- Space based services on commercial basis
- Mission support services to national and international customers and
- Technology Transfer to Indian Industry.

The corporate office of the company is at ISRO HQ Campus, New BEL Road, Bangalore – 560094.

2. Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost on accrual basis except for certain financial instruments which are measured at fair values, as per the provisions of the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS Compliant Schedule III), as applicable to the Standalone Financial Statements.

The financial statements up to and for the year ended 31 March 2021 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

The financial statements correspond to the classification provisions contained in Ind AS 1 “Presentation of Financial Statements”. For clarity, various items are aggregated in the Statements of Profit and Loss and Balance Sheet. These items are disaggregated separately in the notes to the financial statements, where ever applicable.

As these are the first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, first time adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 4.

Accounting policies have been consistently applied except where a newly-issued accounting standard initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

**B. Functional and presentation currency**

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs.

C. Current / Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled or intend to sell or consume in the Company's normal operating cycle;
- ii. The asset is intended for sale or consumption.
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty result in its settlement by the issue of equity instruments does not affect its classification.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

D. Use of estimates and judgements

The preparation of the financial statements in conformity with the recognition and the measurement principles of Ind AS requires Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are disclosed in the following notes:

(i) Revenue recognition:

The Company uses the percentage of completion method using the milestones/stage of completion of activity as agreed in the contract to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion.

**(ii) Income taxes:**

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

(iii) Deferred taxes:

Deferred tax are recognised for deductible and taxable temporary differences arising 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 realization 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 realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

(iv) Defined benefit plans and compensated absences:

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation 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.

(v) Expected credit losses on financial assets:

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period and also impact of COVID-19.

E. Measurement of fair values

Some of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

F. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash and cash equivalents.

3.1 SIGNIFICANT ACCOUNTING POLICIES**A. Property, Plant and Equipment****(i) Recognition and measurement**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, any directly attributable cost of bringing the item to its working condition for its intended use, including import duties and non refundable purchase taxes, after deducting trade discounts, rebates.

The cost of the Satellites transferred by Department of Space (DOS) is accounted as per the details provided by DOS authorising the transfer.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

(ii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2021, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see Note 4 Note on property, plant and equipment).

(iii) Subsequent expenditure

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

(iv) Depreciation

Depreciation has been charged off over their estimated useful lives using the Straight Line Method as per Schedule II to the Companies Act 2013 or the rates determined by the Management as per estimated useful life of the Assets whichever is higher.

Assets costs less than INR 0.05 Lakh individually have been depreciated fully in the year of purchase. The residual value of the assets costs of INR 0.05 Lakh or above is considered as 1% of the original cost of the assets. The residual value of 1% is considered to depreciate the assets to the maximum extent. The useful lives of assets as determined by the company is as under:

Nature of Asset	Useful life
Buildings (Electrical Systems)	10 Years
Buildings (Temporary Structures)	3 years
Buildings (Interiors)	3 Years
Furniture and Fixtures	10 Years
Computers and Peripherals	3 Years
Office Equipment	5 Years
Communication Systems	3 Years
Motor Vehicles	8 Years

Useful life of satellites transferred by DOS to the Company, is determined by the DOS and intimated to the Company while transferring the satellite. There is no residual value for the satellites.

B. Intangible Fixed Assets:

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortized over their respective individual estimated useful lives on straight line basis, from the date they are available for use.

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. Amortization methods and useful lives are reviewed periodically at each financial year end.

The cost of software internally generated/ acquired for internal use which is not an integral part of the related hardware, is recognised as an intangible asset and is amortised over five years, on straight line method. Amortisation commences when the asset is available for use. Wherever it is not possible to assess the useful life of intangible assets (whether or not significant), the cost is written-off in the year of procurement. Impairment of the intangible assets are reviewed annually and where there is an indication of impairment, the asset is impaired.

C. Inventories:

Inventories are stock-in-trade, raw material, work-in-progress and finished goods are valued at lower of cost and estimated realisable value. Cost of materials is determined on first-in first-out basis and includes expenditure incurred in acquiring them and other costs incurred in bringing them to their present location and condition.

D. Revenue

(i) Sales

Revenue, net of all indirect taxes is recognized at the time of deliverables are delivered to the customers or to their assigned/contracted project. However, if delivery is delayed at the customer's request and the customer takes title and accept bills, revenue is recognized notwithstanding that physical delivery has not been completed so long as there is every expectation that delivery will be made and the deliverables are on hand, identified and ready for delivery and if the delivery is subject to conditions like installation/inspection, then the revenue is not recognized until the customer accepts delivery and the installation/inspection are completed.

**(ii) Services****a) Launch, Installation, Commissioning and Testing:**

Revenue, net of all indirect taxes is recognized by reference to the milestones/stage of completion of activity in accordance with the contract with the customer.

b) Access Fees, Space Segment, Mission Support, etc.

Revenue, net of all indirect taxes, is recognized at once on rendering or periodically depending upon nature of the service contracted either one time service or recurring service.

c) Consultancy

Revenue is recognized at once on rendering or periodically depending upon nature of the consultancy contracted.

(iii) Composite contracts

Revenue is recognized for each item of Composite contract as per policy mentioned against items (i) and (ii) above.

(iv) Other income**a) Interest**

Interest income is recognized on accrual basis. However, interest income from Trade Receivables is recognized on receipt basis.

b) Royalty

Royalty is accounted on accrual basis based on acceptances received from customers.

c) Dividends on investments

Dividend on investment is recognised when the Company's right to receive payments is established.

d) Foreign Exchange Fluctuation

Net gain/ (loss) in Foreign Exchange for the reporting period are netted.

E. Foreign currency transactions**(i) Initial Recognition**

Foreign currency transactions are recorded in the functional currency, by applying the exchange rates at the date of the transaction.

(ii) Subsequent Measurement

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate on the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in foreign currency are not retranslated. Exchange differences are recognised in the Statement of Profit and Loss.

F. Financial Instruments**(i) Recognition and initial measurement**

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.



A financial asset or financial liability is initially measured at fair value. The transaction costs that are directly attributable to its acquisition or issue are immediately accounted at fair value through Statement of Profit and Loss account.

(ii) Classification and subsequent measurement

a) Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL (Fair value through Profit or Loss)
- FVOCI (Fair value through Other Comprehensive Income)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.

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

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

b) Financial liabilities:

Financial liabilities are as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on de-recognition is also recognised in Statement of Profit and Loss.

(iii) De-recognition

(a) Financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset.

(b) Financial liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

G. Impairment

(i) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;



- a breach of contract such as a default or being past due for 365 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise
- it is probable that the borrower will enter bankruptcy or other financial reorganisation: or
- the disappearance of an active market for a security because of financial difficulties

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit.

Dues from Central / State Governments, Central / State Government Departments, Central / State Autonomous Bodies, Public Sector Undertakings for which provision / loss allowances are measured on case to case basis and are not considered for expected credit loss.

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than other tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

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

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss.

H. Retirement and other employee Benefits

(i) Gratuity

The Company provides for gratuity, a defined benefit plan covering all employees on roll of NSIL. The plan provides a lump sum payment to eligible employees at retirement or on termination of employment based on the salary of the respective employee and the years of employment with the Company.

The amount of provision is determined based upon actuarial valuations as at the year end. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in OCI. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

(ii) National Pension System (Corporate Model Scheme)

The employees on roll of NSIL are enrolled in the National Pension System (Corporate Model Scheme). The Company contributes 14% of Basic pay plus DA to the National Pension System (Corporate Model Scheme) managed by Pension Fund Regulatory & Development Authority (PFRDA) which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognized in the Statement of Profit and Loss.

(iii) Compensated absences

Long Term and Short-term compensated absences, are another Employment Benefit plans for employees on NSIL rolls, accounted based on actuarial valuation carried out by an Independent Actuary at the Balance Sheet date. Actuarial gains/ losses are recognised immediately in the Statement of Profit and Loss and are not deferred.

I. Income Taxes

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits

Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable Profit or Loss at the time of the transaction;
- taxable temporary differences arising on the initial recognition of goodwill:

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

J. Earnings Per Share

Basic earnings per share are calculated by dividing the net Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue (if any).



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

K. Provisions and contingencies:

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a best estimate of such obligation.

When no reliable estimate can be made, a disclosure is made as Contingent Liability. A disclosure for a Contingent Liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

L. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank deposits and short term investments with an original maturity is three months or less that are readily convertible into cash and subject to an insignificant risk of changes in value.

M. Adjustments pertaining to earlier years

Income / expenditure relating to earlier years which does not exceed INR 300 lakhs or 0.5% of turnover whichever is higher in each transaction are treated as income/ expenditure of current year.

N. Government Building

The rent for the building provided by DOS shall be accounted based on the valuation of market rent by the Independent Chartered Engineer until actual rent demand received from DOS.

O. Leases

In accordance with Ind-AS 116, all leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The following policies apply subsequent to the date of initial application, 1 April 2021:

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable

lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised. Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:
 - lease payments made at or before commencement of the lease;
 - initial direct costs incurred; and
 - the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

P. Recent Pronouncements of Government of India

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 March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

- (a) Ind AS 16 –Property, Plant and equipment - The amendment mainly prohibit an entity from deducting from the cost of property, plant and equipment amount received from selling items produced while the Company is preparing the asset for its intended use. Instead, entity has to recognise such sales proceeds and related cost in profit or loss. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2022.
- (b) Ind As 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specified that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate

directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date of adoption of this amendment is annual periods beginning on or after April 01, 2022, although early adoption is permitted.

- (c) Ind AS 103- Reference to Conceptual Framework - The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS103.
- (d) Ind AS 109 – Annual Improvements to Ind AS (2021) – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test of Ind AS 109 in assessing whether to derecognise a financial liability.
- (e) Ind AS 106 – Annual Improvements to Ind AS (2021) – The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

The Company has evaluated the above amendments and there is no material impact on its standalone financials.

3.2. Explanation to Transition to Ind AS

As stated in Note 2, these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended 31 March 2022, the Company had prepared financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act (previous GAAP).

The accounting policies set out in Note 3 have been applied in preparing these financial statements for the year ended 31 March 2022 including the comparative information for the year ended 31 March 2021 and the opening Ind AS balance sheet as on the date of transition i.e., 1 April 2020.

In preparing its Ind AS balance sheet as at 1 April 2020 and in presenting the comparative information for the year ended 31 March 2021, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Optional exemptions and mandatory exceptions

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A. Optional exemptions availed

1. Property, plant and Equipment and intangible assets

As per Ind AS 101 an entity may elect to:

- (i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date.



(ii) use a previous GAAP revaluation of an item of property, plant and equipment at before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:

- fair value
- or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

The elections under (i) and (ii) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including existence of an active market)

(iii) use carrying values of property, plant and equipment and intangible assets as on the date of transition to Ind AS (which measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no changes in its functional currency on the date of transition.

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets as well.

B. Mandatory exceptions

1. Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL and/or FVOCI.
- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortised cost.

C.1 (1) Reconciliation of Equity as previously reported under Previous GAAP to Ind As

RECONCILIATION OF TRANSITION

1) Reconciliation of Equity as previously reported under Previous GAAP to Ind AS

Amount in Lakhs

Particulars	As at date of transition 1 April 2020			As at date of transition 31 March 2021		
	Previous GAAP	Adjustment on transition to Ind AS	Ind AS	Previous GAAP	Adjustment on transition to Ind AS	Ind AS
ASSETS:						
NON CURRENT ASSETS						
Property, Plant and Equipment	52.14	-	52.14	50.27	0.00	50.27
Capital work in progress	-	-	-	-	-	-
Other Intangible assets	6.18	-	6.18	0.33	-	0.33
Intangible assets under development	7.55	-	7.55	7.55	-	7.55
Financial Assets	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Trade Receivables	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Other Financial Assets	-	6,214.61	6,214.61	-	15,447.78	15,447.78
Deferred Tax Assets	-	-	-	-	-	-
Other non-current assets	6,213.97	(6,213.97)	-	15,541.42	(15,437.54)	103.88
Total Non-current Assets	6,279.84	0.64	6,280.48	15,599.56	10.24	15,609.80
CURRENT ASSETS						
Inventories						
Financial Assets						
Investments	-					
Trade receivables	4,481.47	(691.66)	3,789.81	22,226.90	47,688.64	69,915.54
Cash and cash equivalents	614.33	(0.00)	614.33	4,561.88	-	4,561.88
Other Bank Balances	5,722.43	-	5,722.43	46,796.73	4.30	46,801.03
Other Financial Asset	-	311.95	311.95	-	3,331.45	3,331.45
Other current assets	4,712.02	(110.66)	4,601.35	6,729.73	(3,325.46)	3,404.27
Total Current Assets	15,530.24	(490.37)	15,039.87	80,315.25	47,698.93	1,28,014.17
TOTAL ASSETS	21,809.33	(489.73)	21,320.35	95,914.81	47,709.17	1,43,623.98
EQUITY AND LIABILITIES:						
EQUITY						
Equity Share capital	1,000.00	-	1,000.00	1,000.00	-	1,000.00
Other Equity	5,129.45	(600.13)	4,529.32	15,773.62	3,105.23	18,878.85
Total Equity	6,129.45	(600.13)	5,529.32	16,773.62	3,105.23	19,878.85
LIABILITIES						
NON CURRENT LIABILITIES						
Financial Liabilities						

Amount in Lakhs

Other financial liabilities						
Trade Payables						
Provisions				0.82	-	0.82
Deferred tax liabilities (Net)	1.08	0.00	1.08	1.28	0.00	1.28
Other non-current liabilities						
Total Non-current Liabilities	1.08	0.00	1.08	2.10	0.00	2.10
CURRENT LIABILITIES						
Financial Liabilities	-					
Trade payables	11,237.12	92.21	11,329.33	75,030.82	41,351.58	1,16,382.40
Other financial liabilities	-	293.29	293.29	-	5,818.74	5,818.74
Other current liabilities	4,346.19	(275.10)	4,071.09	4,049.98	(3,610.75)	439.23
Provisions	96.24	0.00	96.24	58.29	1,044.37	1,102.66
Total Current Liabilities	15,679.55	110.40	15,789.95	79,139.09	44,603.94	1,23,743.03
TOTAL EQUITY AND LIABILITIES	21,810.08	(489.73)	21,321.34	95,914.81	47,709.17	1,43,623.98

2) Reconciliation of Statement of Profit and Loss as previously reported under Previous GAAP to Ind AS

Particulars	As at date of transition 1 April 2020			As at date of transition 31 March 2021		
	Previous GAAP	Adjustment on transition to Ind AS	Ind AS	Previous GAAP	Adjustment on transition to Ind AS	Ind AS
Revenue from operations	31,451.62	(690.80)	30,760.83	43,266.54	8,064.18	51,330.71
Other income	725.46	(0.00)	725.46	1,167.71	72.65	1,240.37
Total Income	32,177.09	(690.80)	31,486.29	44,434.25	8,136.83	52,571.08
Expenses:						
Cost of Revenue from operation	25,013.29	76.50	25,089.79	27,468.45	3,055.81	30,524.26
Purchase of Stock-in-Trade	-	-	-	-	-	-
Changes in inventories of stock in Trade	-	-	-	-	-	-
Employees benefits expenses	167.50	(14.98)	152.51	239.67	14.37	254.04
Depreciation and amortisation expenses	10.15	-	10.15	22.59	-	22.59
Other expenses	129.15	49.66	178.81	370.89	115.07	485.96
Total Expenses	25,320.08	111.18	25,431.26	28,101.60	3,185.25	31,286.85
Profit before exceptional items and tax	6,857.01	(801.97)	6,055.03	16,332.66	4,951.57	21,284.23
Prior Period Items						
Profit before tax	6,857.01	(801.97)	6,055.03	16,332.66	4,951.57	21,284.23
Tax expense:						
Current tax :						
a) Current Year	1,726.48	-	1,726.48	4,148.28	-	4,148.28
b) Earlier Years	-	(201.84)	(201.84)	-	1,246.21	1,246.21
Deferred tax	1.08	-	1.08	0.20	-	0.20



Profit for the period from continuing operations	5,129.45	(600.13)	4,529.32	12,184.17	3,705.36	15,889.54
Other Comprehensive Income						
A (i) Items that will not be reclassified subsequently to the profit or loss	-	-	-	-	-	-
A (ii) Income tax relating to items that will not be reclassified subsequently to the profit or loss	-	-	-	-	-	-
B (i) Items that will be reclassified subsequently to the profit or loss	-	-	-	-	-	-
B(ii) Income tax relating to items that will be reclassified subsequently to the profit or loss	-	-	-	-	-	-
Total Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income for the period	5,129.45	(600.13)	4,529.32	12,184.17	3,705.36	15,889.54

Notes to the reconciliations

A. Prior Period errors: Under the Previous GAAP, prior period errors were disclosed separately in the Statement of Profit and Loss in the year of recognition. Under Ind AS, prior period errors are identified and corrected by restating the comparative amounts for the prior period(s) presented in which the error occurred; or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

B. Employee benefits: Under the Previous GAAP, actuarial gains and losses on defined benefit obligations were recognised in the Statement of Profit and Loss. Under Ind AS, these are recognized in other comprehensive income.

C. Deferred taxes: Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS.

There were no other reconciliation items arising on account of transaction from previous GAAP to Ind AS.

NOTES FORMING PART OF BALANCE SHEET AS AT 31.03.2022

Amounts In Lakh

Note No	Particulars	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of previous reporting period ended 31.03.2021	Figures as at the end of previous reporting period ended 31.03.2020
4A	Property, Plant and Equipment:			
	(a) Building	3.94	8.10	10.31
	(b) Furniture and fixtures	21.23	21.14	16.83
	(c) Office Equipment	10.92	6.89	7.60
	(d) Computers and Peripherals	17.61	13.36	15.64
	(e) Communication Systems	1.56	0.78	1.76
	(f) Motor Car	20.96	-	-
	(g) In-Orbit Satellites	4,11,778.87	-	-
		4,11,855.09	50.27	52.14
	A reconciliation of the gross and net carrying amounts of each class of assets at the beginning and end of the reporting period showing additions, disposals, acquisitions through business combinations and other adjustments and the related depreciation and impairment losses or reversals are disclosed separately.	Refer annexure to this Note		
4B	Capital work in progress			
	(a) Computers and Peripherals	85.79	-	-
	(b) GSAT 24 Satellite	33,780.30	-	-
		33,866.09	-	-
4C	Other Intangible Assets:			
	(a) Computer software	3.24	0.33	6.18
	A reconciliation of the gross and net carrying amounts of each class of assets at the beginning and end of the reporting period showing additions, disposals, acquisitions through business combinations and other adjustments and the related amortization and impairment losses or reversals are disclosed separately.	Refer annexure to this Note		
4D	Intangible assets under development	Refer annexure to this Note		
	(a) Software	29.93	7.55	7.55
5	Other Financial assets			
	(i) Deposits held as margin money against guarantee issued	13,796.38	15,447.78	6,192.97
	(ii) Bank deposit with balance maturity exceeding 12 months	10.70	-	21.64
		13,807.08	15,447.78	6,214.61

6	Other non-current assets			
	(i) Prepaid Bank Guarantee Charges	16.70	71.19	-
	(ii) Prepaid Expenses	21.26	32.69	-
		37.96	103.88	-
7	Trade Receivables			
	(i) Trade receivables outstanding for a period not exceeding six months			
	- Secured, considered good	9,243.79	46,571.78	451.54
	- Unsecured, considered good	68,332.52	22,669.97	3,129.86
	(ii) Trade receivables outstanding for a period exceeding six months			
	- Secured, considered good	-	-	-
	- Unsecured, considered good	5,026.27	673.80	208.41
	(iii) Trade receivables which have a significant increase in credit risk	204.26	-	-
	(iv) Trade Receivables - Credit impaired	-	-	-
		82,806.84	69,915.54	3,789.81
	Less: Allowance for doubtful debts	204.26	-	-
		82,602.58	69,915.54	3,789.81
8	Cash and Cash Equivalents			
	(i) Balances with banks	2,946.62	4,561.80	614.19
	(ii) Imprest Cash with Employee	0.16	0.08	0.14
		2,946.78	4,561.88	614.33
9	Other Bank Balances			
	(i) Bank deposit with balance maturity less than or equal to 12 months	1,75,937.49	46,801.03	5,722.43
	(ii) Balances with banks earmarked for CSR activities	1.09	-	-
		1,75,938.58	46,801.03	5,722.43
10	Other Financial Assets			
	(i) Deposits held as margin money against guarantee issued	8,942.58	-	-
	(ii) Accrued interest on deposits with banks	4,441.08	1,193.59	311.87
	(iii) Accrued Income	43,264.21	2,137.66	-
	(iv) Advance for Goods or Services	2,295.46	0.20	0.08
		58,943.33	3,331.45	311.95
11	Other Current Assets			
	(i) Advance Income Tax & TDS	12,423.39	4.63	-
	(ii) Indirect Tax Assets	-	2,430.47	4,219.16
	(iii) Income Tax Refund FY 2019-20	-	3.76	201.84

	(iv) Income Tax Refund FY 2020-21		794.38	854.97	-
	(v) Prepaid Bank Guarantee Charges		99.21	110.44	151.18
	(vi) Prepaid expenses		20.43	-	29.17
	(vii) Other Assets		0.06	-	-
			13,337.47	3,404.27	4,601.35
12	Equity Share Capital:				
	(a) Authorised:				
	(i) Number of Shares	Nos	1,00,00,00,000	10,00,00,000	10,00,00,000
	(ii) Amount of Shares (INR)		1,00,000.00	10,000.00	10,000.00
	(b) Issued, subscribed and fully paid up for cash:				
	(i) Number of Shares	Nos	91,00,00,000	1,00,00,000	1,00,00,000
	(ii) Amount of Shares (INR)		91,000.00	1,000.00	1,000.00
	(c) Par value per share	INR	10	10	10
	(d) Reconciliation of the number of shares outstanding at the beginning and at the end of the period				
	(i) Number of shares outstanding at the beginning of the reporting period	Nos	1,00,00,000	1,00,00,000	1,00,00,000
	(ii) Less: Number of shares bought back during the year		-	-	-
	(iii) Add: Number of shares issued during the year	Nos	90,00,00,000	-	-
	(iv) Number of shares outstanding at the end of the reporting period	Nos	91,00,00,000	1,00,00,000	1,00,00,000
(e)	Rights, preference and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital: Subject to Articles of Association of the Company, all the rights (including voting right of one vote per Equity Share held), all preferences and restrictions (including restriction on transfer of Equity Shares) are vested with the Board of Directors. Dividend proposed by Board is subject to declaration at Annual General Meeting. Unless, otherwise exempted or modified by Department of Investment & Public Asset Management (DIPAM), Ministry of Finance, Government of India, a minimum of 30% of post tax profit or 5% of networth, whichever is higher shall be distributed to Government of India as Dividend as per DIPAM Guidelines and the repayment of capital is as per the provision of the Companies Act, 2013. In terms of exemption provided by DIPAM vide meeting minutes F.No.4(30)(1)/2018-DIPAM-I(Pt) dated 18.03.2021, no dividend has been proposed for the F.Y 2020-21.				
(f)	Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held : 100% of entire 91,00,00,000 numbers of paid up Equity Shares of INR 10 each are held by the Central Government (Government of India) through the President of India and its Nominee				
(g)	There are no shares reserved for issue under options.				
(h)	There are no securities convertible into equity shares as on the Balance sheet date.				

(i) Information for the period of five years immediately preceding the date at which the Balance Sheet is prepared		-----As per Annexure-----		
13 Other Equity				
As per attached Statement of Changes in Equity (3)	53,177.47	18,878.85	4,529.32	
	-	-	-	
Surplus / (Deficit) in Statement of Profit and Loss	-	-	-	
Balance at the beginning of the reporting period	18,878.85	4,529.32	4,529.32	
Add: Transfer of Profit for the period	34,298.62	15,889.53	-	
Less: Dividend paid	-	1,540.00	-	
(As per attached Statement of Changes in Equity)	-	-	-	
Balance at the end of the reporting period	53,177.47	18,878.85	4,529.32	
14 Other financial liabilities				
Advances from customers	2,633.19	-	-	
	-	-	-	
	2,633.19	-	-	
15 Provisions				
(a) Provision for employee benefits for Leave encashment	5.86	0.82	-	
for Gratuity	2.33	-	-	
	8.19	0.82	-	
16 Trade payables				
(i) Dues to Micro, Small or Medium Enterprises (MSME)	14.04	0.07	2.25	
(ii) Dues to creditors other than MSME ***	6,23,067.52	1,16,382.33	11,327.09	
	6,23,081.56	1,16,382.40	11,329.34	
Additional Information: The details of amounts outstanding to Micro, Small and Medium Enterprises under Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:				
Particulars				
1 Principal Amount due and remaining unpaid	14.04	0.07	2.25	
2 Interest due on (1) above and the unpaid interest	-	-	-	
3 Interest paid on all delayed payments under MSMED Act	-	-	-	
4 Payment made beyond the appointed day during the year	-	-	-	
5 Interest due and payable for the period of delay other than (3) above	-	-	-	
6 Interest accrued and remaining unpaid	-	-	-	

	7	The amount of further interest remaining due and payable even in the succeeding years, until such date which the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-	-
***Dues to Creditors other than MSME includes INR 4,69,760 Lakh towards consideration payable to DOS in the form of Equity in respect of 10 satellite transferred to NSIL.					
17	Other financial liabilities				
	(i)	Creditors for expenses	5.34	26.08	18.18
	(ii)	Advances for other than SSC	2,030.60	1,270.49	-
	(iii)	Caution Deposit	1,372.22	1,253.06	-
	(iv)	ICRD [INSAT Capacity Reservation Deposit]	1,226.05	399.82	8.25
	(v)	Advance for SSC	357.64	2,798.57	183.87
	(vi)	Liability for Deferred income	117.20	-	-
	(vii)	Other liabilities	57.62	70.72	82.99
			-	-	-
			5,166.67	5,818.74	293.29
18	Other current liabilities				
	(i)	Statutory Liabilities	5,633.54	439.23	4,071.09
	(i)	Other Liabilities	0.40	-	-
			5,633.95	439.23	4,071.09
19	Short term provisions				
	(a) Provision for employee benefits				
		for Leave encashment	0.87	0.12	-
		for Gratuity	-	-	-
			-	-	-
	(b) Others				
		Provision for Income Tax	9,577.98	1,044.37	96.24
		Provision for Cost	-	58.17	-
			9,578.85	1,102.66	96.24

ANNEXURE TO NOTE - 4A- PROPERTY PLANT AND EQUIPMENT

Amount in lakhs

Particulars	Buildings - Temporary Structures	Building- Electrical System	Buildings - Interiors	Furniture and Fixtures	Computers and Peripherals	Office Equipment	Communication Systems	Motor Vehicles	In-Orbit Satellites	Total
Gross Carrying Value										
At 1 April 2020	11.10	0.13	0.93	18.28	20.53	8.78	2.24	-	-	61.99
Additions/ adjustments	-	1.79	-	6.27	5.62	1.32	-	-	-	15.00
Disposals/ adjustments	-	-	-	-	-	-	0.78	-	-	0.78
At 31 March 2021	11.10	1.92	0.93	24.55	26.15	10.10	1.46	-	-	76.21
At 1 April 2021	11.10	1.92	0.93	24.55	26.15	10.10	1.46	-	-	76.21
Additions/ adjustments	-	-	-	2.59	15.73	6.65	1.55	22.12	4,69,760.00	4,69,808.66
Disposals/ adjustments	-	-	-	-	2.26	-	0.64	-	-	2.90
At 31 March 2022	11.10	1.92	0.93	27.14	39.62	16.75	2.37	22.12	4,69,760.00	4,69,881.97
Accumulated Depreciation (Under Useful Life- SLM)										
At 1 April 2020	1.65	0.01	0.20	1.46	4.89	1.24	0.42	-	-	9.85
Additions/ adjustments	3.66	0.03	0.31	1.95	7.90	1.97	0.57	-	-	16.40
Disposals/ adjustments	-	-	-	-	-	-	0.31	-	-	0.31
At 31 March 2021	5.31	0.04	0.51	3.41	12.79	3.20	0.68	-	-	25.94
At 1 April 2021	5.31	0.04	0.51	3.41	12.79	3.20	0.68	-	-	25.94
Additions/ adjustments	3.66	0.19	0.31	2.50	9.99	2.62	0.43	1.16	57,981.13	58,002.00
Disposals/ adjustments	-	-	-	-	0.77	-	0.30	-	-	1.07
At 31 March 2022	8.97	0.23	0.81	5.91	22.01	5.83	0.81	1.16	57,981.13	58,026.87
Net Carrying Value (WDV) as										
At 1 April 2020	9.46	0.12	0.73	16.83	15.64	7.54	1.82	-	-	52.14
At 31 March 2021	5.79	1.88	0.42	21.14	13.36	6.89	0.78	-	-	50.27
At 31 March 2022	2.13	1.69	0.12	21.23	17.61	10.92	1.56	20.96	4,11,778.87	4,11,855.09

ANNEXURE TO NOTE - 4B- CAPITAL WORK IN PROGRESS

Particulars	Computers and Peripherals	GSAT 24 Satellite	Total
Gross Carrying Value			-
At 1 April 2020	-	-	-
Additions/ adjustments	-	-	-
Disposals/ adjustments	-	-	-
At 31 March 2021	-	-	-
At 1 April 2021	-	-	-
Additions/ adjustments	85.79	33,780.30	33,866.09
Disposals/ adjustments	-	-	-
At 31 March 2022	85.79	33,780.30	33,866.09
Accumulated Depreciation			-
At 1 April 2020	-	-	-
Additions/ adjustments	-	-	-
Disposals/ adjustments	-	-	-
At 31 March 2021	-	-	-
At 1 April 2021	-	-	-
Additions/ adjustments	-	-	-
Disposals/ adjustments	-	-	-
At 31 March 2022	-	-	-

ANNEXURE TO NOTE - 4C - OTHER INTANGIBLE ASSETS

Particulars	Computer Software
Gross Carrying Value	
At 1 April 2020	6.48
Additions/ adjustments	0.34
Disposals/ adjustments	6.48
At 31 March 2021	0.34
At 1 April 2021	0.34
Additions/ adjustments	3.60
Disposals/ adjustments	-
At 31 March 2022	3.94
Accumulated amortization (Indian Accounting Standard Ind AS-38 Under SLM)	
At 1 April 2020	0.30
Additions/ adjustments	6.19
Disposals/ adjustments	6.48
At 31 March 2021	0.01
At 1 April 2021	0.01
Additions/ adjustments	0.69
Disposals/ adjustments	-
At 31 March 2022	0.70
Net Carrying Value(WDV) as	
At 1 April 2020	6.18
At 31 March 2021	0.33
At 31 March 2022	3.24

ANNEXURE TO NOTE - 4D - INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Computer Software
Gross Carrying Value	-
At 1 April 2020	-
Additions/ adjustments	7.55
Disposals/ adjustments	-
At 31 March 2021	7.55
At 1 April 2021	7.55
Additions/ adjustments	22.38
Disposals/ adjustments	-
At 31 March 2022	29.93
Accumulated amortization (Indian Accounting Standard Ind As-38 Under SLM)	
At 1 April 2020	
Additions/ adjustments	-
Disposals/ adjustments	-
At 31 March 2021	-
At 1 April 2021	-
Additions/ adjustments	-
Disposals/ adjustments	-
At 31 March 2022	-

ANNEXURE TO SCHEDULE 4D-INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE

Amount in Lakhs

Intangible Assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	29.93				29.93
Projects temporarily suspended	-	-	-	-	-

ANNEXURE TO SCHEDULE 7-TRADE RECEIVABLES AGEING SCHEDULE

Amount in Lakhs

Particulars	Outstanding for following periods from date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	77,576.31	3308.16	1718.11	0.00	-	82,602.58
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	0.00	1.08	203.18	-	204.26
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

ANNEXURE TO SCHEDULE 16-TRADE PAYABLES AGEING SCHEDULE

Amount in Lakhs

Particulars	Outstanding for following periods from date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of MSME	13.97	0.03	-	0.05	-	14.04
(ii) Total outstanding dues of Others	5,29,889.54	751.63	92,427.44	-	-	6,23,068.62
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-

ANNEXURE TO NOTE 12

Information for the period of three years immediately preceding the date at which the Balance Sheet is prepared

Amount in Lakhs

Particulars		Figures as at the end of current reporting period ended 31.03.2022	Figures as at the end of previous reporting period ended 31.03.2021	Figures as at the end of previous reporting period ended 31.03.2020
(i)	Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash	Nil	Nil	Nil
(ii)	Aggregate number and class of shares allotted as fully paid up by way of bonus shares	Nil	Nil	Nil
(iii)	Aggregate number and class of shares bought back	Nil	Nil	Nil

The Company was incorporated on 06/03/2019. The first lot of share allotted in 2019-20 only. Accordingly, Annexure to Note-15 prepared for preceding three years i.e. from 2019-20 onwards.

NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2022

Amounts in lakhs

Note No	Particulars	Figures as at the end of current reporting period 31.03.2022	Figures as at the end of previous reporting period ended 31.03.2021
20	Revenue from Operations:		
	(a) Sale of products:		
	(i) Exports	-	21.14
	(ii) Domestic	73.66	39.69
	Total (A)	73.66	60.83
	(b) Sale of services:		
	(i) Exports		
	Launch Service	18,519.89	26,482.66
	Mission Support Services	115.47	130.08
	Optional Services for Launch Support	-	188.92
	(ii) Domestic		
	Forward Contracts SSC	24,801.20	1,13,324.52
	Less: DOS Revenue Share	(22,321.08)	(1,01,992.07)
		2,480.12	11,332.45
	GSAT Satellite SSC (Satellites transferred from DOS)	93,825.42	-
	Back to Back SSC	52,431.85	12,904.32
	Launch Service receipt	-	130.00
	Remote Sensing Services- Domestic	-	-
	Optional Services for Launch Support - Domestic	-	0.16
	Gateway Infrastructure & Operations Charges	0.48	-
	Less: DOS Revenue Share	(0.43)	-
		0.05	-
	Technology Transfer-Domestic	30.20	80.46
	Mission Support Services - Domestic	0.18	20.84
	Total (B)	1,67,403.18	51,269.89
	Total (A) + (B)	1,67,476.84	51,330.71
21	Other Income:		
	(a) Interest Income		
	(i) On Deposits with Banks	5,707.57	1,240.36
	(b) Net gain on foreign currency transaction and translation	-	-
	(c) Miscellaneous Income	0.03	0.01
		5,707.60	1,240.37
22	Cost of Revenue from operation		
	(a) Cost of Products		

	(i) Exports	-	15.50
	(ii) Domestic	63.94	32.62
	Total (A)	63.94	48.12
	(b) Cost of Services		
	(i) Exports		
	Launch Services	13,238.15	18,299.58
	Optional Services for Launch Support	-	29.91
	Mission Support Services	58.54	75.89
	(ii) Domestic		
	Back to Back SSC	49,191.10	11,997.31
	Mission support services	0.12	-
	Cost of Technology Transfer	26.26	69.86
	Launch Services	-	-
	Remote Sensing Services- Domestic	-	-
	Miscellaneous Direct Expense	-	0.01
	WPC License Charges	5.19	3.59
	Cost of Satellite Operation	4,798.00	-
	Total (B)	67,317.36	30,476.14
	Total (A) + (B)	67,381.30	30,524.26
23	Employees benefits expenses		
	Employee Benefit Expenses - ISRO	181.47	236.80
	Employee Benefit Expenses - NSIL	117.40	17.24
		298.87	254.04
24	Depreciation and amortization expenses		
	Depreciation on Property, plant and equipment	58,002.00	16.40
	Amortization on Intangible assets	0.69	6.19
		58,002.69	22.59
25	Other Expenses:		
	Advertisement and Publicity	12.89	3.29
	Bank Guarantee and LC charges	138.26	83.07
	Bank Charges	6.21	5.50
	Provision for Doubtful Debts	204.26	-
	Communication Expenses	7.78	2.03
	Consultancy and Professional fees	94.06	32.88
	Corporate Social Responsibility Activities Expenditure (Details as per annexure)	231.25	138.00
	Payment to Auditors	-	-
	Towards Statutory Audit	1.75	1.00
	Towards Income Tax Audit	0.20	0.20
	Towards Certification Charges	0.05	0.05



	Establishment Expenses	20.59	20.56
	FD Pre Closure Charges	-	11.29
	Insurance Premium	0.46	0.86
	Miscellaneous Expenses	6.89	3.26
	Loss on Sale of Fixed Assets	0.23	0.43
	Net loss on foreign currency transaction and translation	476.39	72.65
	Office expenses	27.43	17.48
	Printing and Stationery	7.65	3.34
	PSLV Production-RFP & Bid Management	2.50	12.30
	Parliament Committee Expenses	0.04	-
	Rates and Taxes	234.98	1.29
	Rental Charges	1.71	1.13
	Rent of Building	49.20	49.20
	Registration Charges	3.50	-
	Seminar, Meeting and Event Expenses	24.29	10.00
	Subscription charges	-	1.15
	Training Fee	0.18	0.49
	Travelling Expenses	24.78	5.87
	Website maintenance	8.92	8.64
		-	-
		1,586.45	485.96
26	Income Tax-Current Tax		
	Current Year	9,573.91	4,148.28
	Earlier Year	(1,044.37)	1,246.21
		8,529.54	5,394.49
27	Deferred Tax		
	Deferred Tax originating during the year (Savings)	(3,086.97)	(0.20)
		(3,086.97)	(0.20)

NOTES TO FINANCIAL STATEMENTS

26. Tax expense

Amounts in lakhs

a) Amount recognised in statement of profit and loss

Particulars	For Year ended 31 March 2022	For Year ended 31 March 2021
Current tax expense	8,529.54	5,394.49
Deferred Tax Expense (Income)	3,086.96	0.20
Net tax expense	11,616.50	5,394.69

b) Amount recognised in other comprehensive income

Particulars	For Year ended 31 March 2022	For Year ended 31 March 2021
Re-measurement (losses) / gains on post employment defined benefit plans	-	-
Tax Effect of above Item	-	-
Expenditure (Net of Income Tax)	-	-

c) Reconciliation of the income tax provision

Particulars	For Year ended 31 March 2022		For Year ended 31 March 2021	
	Amount	Rate	Amount	Rate
Profit/(Loss) before tax from continuing operation	45,915.12	0.25168	21,284.23	0.25
Expected Income Tax Expense		11,555.92		5,356.82
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense				
Non Deductible expense				
CSR Expenditure	231.25	58.20	138.00	34.73
Interest on TDS	9.47	2.38	1.20	0.30
Tax effect on sale of Assets			0.02	0.01
Pre-closure charges	-	-	11.29	2.84
Effect of Adjustments (Net)	240.72	60.58	139.20	37.88
Total income tax expense for the year		11,616.50		5,394.69
Effective Tax Rate		25.30%		25.35%

d) Recognised Deferred tax assets and liabilities

Particulars	Deferred tax(asset)	Deferred tax liabilities	Net deferred tax (asset) liabilities
	31 March 2022	31 March 2022	31 March 2022
Property Plant and Equipment (including intangible assets)	-	3,140.65	3,140.65
Provision for doubtful debts	(51.41)	-	(51.41)
Provisions- employee benefits	(2.28)	-	(2.28)
Net deferred tax (asset) liabilities	(53.69)	3,140.65	3,086.96

Particulars	Deferred tax (assets)	Deferred tax liabilities	Net deferred tax (asset) liabilities
	31 March 2021	31 March 2021	31 March 2021
Property Plant and Equipment (including intangible assets)	-	0.21	0.21
Provisions- employee benefits	0.00	-	(0.00)
Net deferred tax (asset) liabilities	0.00	0.21	0.20

Particulars	Deferred tax(assets)	Deferred tax liabilities	Net deferred tax (asset) liabilities
	31 March 2020	31 March 2020	31 March 2020
Property Plant and Equipment (including intangible assets)	-	1.08	1.08
Provisions- employee benefits	-	-	-
Net deferred tax (asset) liabilities	-	1.08	1.08

e) Movement in temporary differences

Particulars	Balance as at 01 April 2021	Recognised in Profit & Loss Statement during 2021-22	Recognised in OCI during 2021-22	Balance as at 31 March 2022
Property Plant and Equipment (including intangible assets)	1.28	3,140.65	-	3,141.94
Provisions- employee benefits	(0.00)	(2.28)		(2.28)
Provision for doubtful debts		(51.41)		(51.41)
Total	1.28	3,086.96	-	3,088.25

Provisions - employee benefits	Balance as at 01 April 2020	Recognised in Profit & Loss Statement during 2020-21	Recognised in OCI during 2020-21	Balance as at 31 March 2021
Property Plant and Equipment (including intangible assets)	1.08	0.21	-	1.28
Provisions- employee benefits	-	(0.00)		(0.00)
Total	1.08	0.20	-	1.28

Direct Tax Contingencies

The Company does not have any ongoing disputes with Income Tax Authorities relating to tax treatment of income and expenditure.

27. Deferred Tax (Net)

Amount in lakhs

Particulars	Figures as at the end of current reporting period ended 31.03.2022	Figures as at the end of previous reporting period ended 31.03.2021
Tax effect of items constituting deferred tax assets		
On difference between book balance and tax balance of PPE	-	-
Temporary Disallowances under Income Tax Act, 1961	2.28	0.00
Provision for Doubtful Debts	51.41	
Unabsorbed Losses Carried forward as per Income Tax Act, 1961		0.00
	53.69	0.00
Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of PPE	3,140.65	0.21
		0.00
	3,140.65	0.21
Amount to be recognised in Profit and Loss Account	(3,086.96)	(0.20)
Opening Balance of Deferred Tax Asset/(Liability)	-1.28	-1.08
Deferred Tax Asset/(liability) as on 31 st March 2022	(3,088.25)	(1.28)

28. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company and the weighted average number of Equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares.

i. Profit attributable to Equity holders of parent

Amount in lakhs

	31 March 2022	31 March 2021
Profit after tax	34,298.62	15,889.54
Profit attributable to equity holders of the Company for basic earnings	34,298.62	15,889.54
Others	-	-
Profit attributable to equity holders of the Company adjusted for the effect of dilution	34,298.62	15,889.54
Basic / Adjusted earnings per share (INR)	12.12	158.90
Diluted earnings per share (INR)	12.12	158.90

ii. Weighted average number of equity shares

Particulars	Date	No of Shares	Balance of Shares	Weight allotted (in days)	Weighted Average no of equity shares
Opening Balance	01-04-2021	1,00,00,000	1,00,00,000	225	61,64,384
Issued	12-11-2021	70,00,00,000	71,00,00,000	132	25,67,67,123
Issued	24-03-2022	20,00,00,000	91,00,00,000	8	1,99,45,205
Weighted average number of shares at March 31, 2022 for EPS					28,28,76,712

Since there was no change in the number of equity shares for financial year 2020-21, the weighted average calculation is not applicable and the EPS is calculated by dividing 1,00,00,000 equity shares (which remained throughout the year) from profit after tax.

Other Non-Current financial assets	-	-	-	-	15,447.78	-	-	-	-
Financial assets not measured at fair value	-	-	-	-	15,447.78	-	-	-	-
Current financial assets	-	-	-	-	-	-	-	-	-
Trade receivables	-	-	-	-	69,915.54	-	-	-	-
Cash and cash equivalents	-	-	-	-	4,561.88	-	-	-	-
Other Bank Balances	-	-	-	-	46,801.03	-	-	-	-
Accrued interest on deposits with banks	-	-	-	-	1,193.58	-	-	-	-
Accrued Income	-	-	-	-	2,137.66	-	-	-	-
Advance for Goods or Services	-	-	-	-	0.20	-	-	-	-
	-	-	-	-	1,24,609.90	-	-	-	-
Financial liabilities measured at fair value	-	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value	-	-	-	-	-	-	-	-	-
Non - Current financial liabilities	-	-	-	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value	-	-	-	-	-	-	-	-	-
Current financial liabilities	-	-	-	-	-	-	-	-	-
Trade Payables	-	-	-	-	1,16,382.40	-	-	-	-
Creditors for expenses	-	-	-	-	26.08	-	-	-	-
Advances from customers	-	-	-	-	1,270.49	-	-	-	-
Caution Deposit	-	-	-	-	1,253.06	-	-	-	-
ICRD [INSAT Capacity Reservation Deposit]	-	-	-	-	399.82	-	-	-	-
Revenue in advance	-	-	-	-	2,798.57	-	-	-	-
Other liabilities	-	-	-	-	70.72	-	-	-	-
	-	-	-	-	1,22,201.14	-	-	-	-
	-	-	-	-	1,22,201.14	-	-	-	-

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

30. Risk management framework

The company's principal financial liabilities comprise trade payables, deposits from customers and other payable for expenses. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include trade receivables, cash, deposits and accrued income that derive directly from its operations.

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 minimize potential adverse effects on its financial performance. The primary market risk to the company is foreign exchange risk. The company's exposure to credit risk is influenced mainly by the individual characteristic of customer.



30 Financial instruments – Fair values and risk management (continued)

(i) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from credit exposures from customers, cash and cash equivalent with banks, security deposits and loans.

The credit risk of the Company is managed by the Company management which has established the credit policy norms for its customers and other receivables. Significant amount of trade receivables, which are exceeding one year, are due from Government/ Government Departments, Government Organisations consequent to which the Company does not have a credit risk associated with such receivables. In case of non Government trade receivables, majority of the debts are secured through Caution Deposits and Bank Guarantees, thereby reducing the credit risk.

In a few cases credit is extended to customers based on market conditions and their past remittance history. Provision has been made for impairment losses on financial assets after factoring contractual terms, etc and other indicators.

The cash and cash equivalents of INR 17,885.37 Lakh at March 31, 2022 (March 31, 2021: INR 51,362.91 Lakh). It is with banks in the form of current account balances, term deposits with maturity period of up to 1 year except in case of deposits kept as lien for Bank Guarantees obtained by the Company for advance and performance. Major portion of term deposit are kept with a nationalised bank and remaining deposit with a reputed listed private scheduled bank which are rated A1+ based on CRISIL ratings.

The credit risk in respect of other financial assets are negligible as they are mostly due from Government Department/ parties.

31 Financial instruments – Fair values and risk management (continued)

(i) Liquidity risk

Liquidity risk is the risk that the Company could encounter if it faces difficulty in meeting the obligations associated with financial liabilities by delivering cash and other financial asset or the risk that the Company will face difficulty in raising financial resources required to fulfil its commitments. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company has no bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

(ii) Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Amount in Lakhs

Contractual cash flows**31 March 2022**

	Carrying amount	Less than 1 year	1-2 years	2-4 years	4-7 years
Non-derivative financial liabilities					
Non Current					
Other Non Current financial liabilities	2,633.19	-	2,633.19	.	-
Current	-				
Trade payables	6,23,081.56	6,23,081.56	-	-	-
Creditors for expenses	5.34	5.34	-	-	-
Advances from customers	2,030.60	2,030.60	-	-	-
Caution Deposit	1,372.22	1,372.22	-	-	-
ICRD [INSAT Capacity Reservation Deposit]	1,226.05	1,226.05	-	-	-
Revenue in advance	357.64	357.64	-	-	-
Liability for Deferred income	117.20	117.20	-	-	-
Other Current financial liabilities	57.62	57.62	-	-	-
	6,30,881.42	6,28,248.23	2,633.19	-	-

Contractual cash flows**31 March 2021**

	Carrying amount	Less than 1 year	1-2 years	2-4 years	4-7 years
Non-derivative financial liabilities					
Non Current					
Other Non Current financial liabilities	-	-	-	-	-
Current	-				
Trade payables	1,16,382.40	1,16,382.40	-	-	-
Creditors for expenses	26.08	26.08	-	-	-
Advances from customers	1,270.49	1,270.49	-	-	-
Caution Deposit	1,253.06	1,253.06	-	-	-
ICRD [INSAT Capacity Reservation Deposit]	399.82	399.82	-	-	-
Revenue in advance	2,798.57	2,798.57	-	-	-
Other Current financial liabilities	70.72	70.72	-	-	-
	1,22,201.14	1,22,201.14	-	-	-

32 Financial instruments – Fair values and risk management (continued)**(i) Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive of financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to interest rate risk. Thus, exposure to market risk is a function of investing and borrowing activities. The objective of market risk management is to avoid excessive exposure in foreign currency.

(ii) Currency risk

The Company is exposed to currency risk on account of export and import of products and services in foreign currency. The functional currency of the Company is Indian Rupee.

The summary quantitative data about the Company's exposure to currency risk is as follows:

(in Lakhs) As at 31 March 2022

Currency	Amount in Foreign Currency				Amount in INR			
	Financial Assets	Non Current Liabilities	Current Liabilities	Net Receivable/ (Payable)	Financial Assets	Non Current Liabilities	Current Liabilities	Net Receivable/ (Payable)
Euro (EUR)	135.60	-	29.66	105.94	11,479.78	-	2,511.10	8,968.68
US Dollar (USD)	4.35	-	213.17	(208.82)	329.60	-	16,159.49	(15,829.89)

(in Lakhs) As at 31 March 2021

Currency	Amount in Foreign Currency				Amount in INR			
	Financial Assets	Non Current Liabilities	Current Liabilities	Net Receivable/ (Payable)	Financial Assets	Non Current Liabilities	Current Liabilities	Net Receivable/ (Payable)
Euro (EUR)	153.23	-	-	153.23	13,192.92	-	-	13,192.92
US Dollar (USD)	39.82	-	19.52	20.30	2,926.93	-	1,434.86	1,492.08

(in Lakhs) As at 31 March 2020

Currency	Amount in Foreign Currency Lakhs				Amount in INR			
	Financial Assets	Non Current Liabilities	Current Liabilities	Net Receivable/ (Payable)	Financial Assets	Non Current Liabilities	Current Liabilities	Net Receivable/ (Payable)
Euro (EUR)	47.88	-	-	47.88	3,976.26	-	-	3,976.26
US Dollar (USD)	-	-	7.76	(7.76)	-	-	585.18	(585.18)

(iii) Sensitivity Analysis

A reasonably possible strengthening(weakening) of the INR, US Dollar, Euro and all other currencies at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in a particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

			Profit or loss		Equity, net of tax	
			Strengthening	Weakening	Strengthening	Weakening
31 March 2022						
USD (1% movement)			(158.30)	158.30	(118.46)	118.46
EUR (1% movement)			89.69	(89.69)	67.11	(67.11)
31 March 2021						
USD (1% movement)			14.92	(14.92)	11.17	(11.17)
EUR (1% movement)			131.93	(131.93)	98.73	(98.73)
31 March 2020						
USD (1% movement)			(5.85)	5.85	(4.38)	4.38
EUR (1% movement)			39.76	(39.76)	29.76	(29.76)

			Year-end rate (in INR)		
			31 March 2022	31 March 2021	31 March 2020
USD			75.81	73.50	75.39
Euro			84.66	86.10	83.05

33 A. Segmental information

The Ministry of Corporate Affairs, Government of India vide Notification GSR 463(E) dated 05-June-2015 has exempted disclosure of additional information of each class of goods with quantities and corresponding values under section 129 of Companies Act, 2013 and in view of the sensitive nature of the products and the area of operation, the information required under Indian Accounting Standard 108 - Operating Segments, has not been furnished for the current and previous financial years.

34 A. Related Parties - Ind AS-24

NewSpace India Limited is a wholly owned Government of India Company under the administrative control of Department of Space, Government of India. The Company is a Government related entity and is exempt from requirements of disclosure as per para 18. The Company shall disclose information as per Para 26 of IndAS 24. The relevant disclosures are as follows:

Controlling Entity **Department of Space, Government of India**

Key Management Personnel

Name of the related party	Relationship (For year ended 31.03.2022)	Relationship (For year ended 31.03.2021)
Shri Narayanan G	Chairman and Managing Director up to 31.07.2021	Chairman and Managing Director
Shri Radhakrishnan D	Chairman and Managing Director from 31.07.2021	Director (Technical & Strategy)
Shri Arunachalam A	Director (Technical & Strategy) from 01.08.2021	

List of transactions with Related Parties

Amounts- in Lakhs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Indian Space Research Organization		
Remuneration to Key managerial Personnel	110.78	87.77
Remuneration to Others	70.69	149.03
	181.47	236.80
Department of Space, Government of India		
Revenue from sales made during the Year	-	-
Costs incurred towards Product/Services during the Year	40,423.03	82,290.76
Revenue from rendering of Contract Management Services for Space Segment during the Year	-	-
	40,423.03	82,290.76

List of outstanding Balances with Related Parties

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Due to Department of Space, Government of India	5,44,466.01	196.18
Due to Indian Space Research Organization	18.12	23.88

35 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities less cash and cash equivalents. Adjusted equity comprises all components of equity other than amounts accumulated in the hedging reserve.

The Company's adjusted net debt to equity ratio at March 31, 2022 was as follows:

	Amount in Lakhs	
	As at 31 March 2022	As at 31 March 2021
Total liabilities	6,49,190.66	1,23,745.13
Less : Cash and cash equivalents & other bank balances	1,78,885.36	51,362.91
Adjusted net debt	4,70,305.29	72,382.22
Total equity	1,44,177.47	16,773.62
Less : Hedging reserve	-	-
Adjusted equity	1,44,177.47	16,773.62
Adjusted net debt to adjusted equity ratio	3.26	4.32

Considering the various state of affairs of the Company, the ratio is satisfactory.

36 Assets and liabilities relating to employee benefits

See accounting policy in Note 3

i. Gratuity

Amounts in Lakhs

	31-Mar-21	31-Mar-22
Current Service Cost	-	2.33
Net Periodic Benefit Cost Recognised In P& L	-	2.33
Other Comprehensive Income/ Loss	-	-
Present Value Of Defined Benefits Obligation (Dbo)	-	2.33
Fair Value Of The Plan Assets (Fva)	-	-
Net Assets/ Liabilities Recognised In Balance Sheet	-	(2.33)
Discount Rate as per Para 83 of IND AS 19	NA	7.58%
(Net Asset)/ Liability Recognised in OCI		

A. Remeasurement effects recognised in other Comprehensive Income

	31-Mar-21	31-Mar-22
Total Actuarial (Gain)/ loss included in OCI (Ind AS 19 para 57(d))	-	-
Actuarial (Gain)/ Losses due to Financial assumption changes in DBO		-
Actuarial (Gain)/ Losses due to Experience on DBO		-
B. Defined Benefit Cost (Para 120)		-
Cost Recognised in P&L (Ind AS 19 Para 57 c)	-	2.33
Remeasurement Effect Recognised in OCI; Para 120c	-	-
Total Defined Benefit Cost (Para 120 a,b,&c)	-	2.33
Amount not Recognised as an Asset (limit in Para 64(b))	-	-
NET EXPENSE	-	2.33

Amounts in Lakhs

Discount Rate as per Para 144 of (Ind AS) 19 - 7.58%

Net Asset/ (Liability) Recognised in Balance Sheet	31-Mar-21	31-Mar-22
Present value of Unfunded obligation	-	2.33
Funded status [(Deficit)] (Para 64(a))	-	(2.33)
Net Liability		-
Recognised in Balance Sheet		-
Present value of Encashment Obligation		-
Present Value of Availment Obligation	-	(2.33)
Funding Ratio	-	-

Assumption: Discount rate as per Para 83 of Ind AS19: 7.58%

A. Bifurcation of Current & Non- current on	31-Mar-21	31-Mar-22
PVO (Unfunded Scheme)		
Current	-	0.00
Non-current	-	2.33
		-

Change in DBO over the period ending on (Para 140(a)(ii) and 141)		-
Current Service Cost	-	2.33
Present Value of Defined Benefits Obligation (Opening)	-	-
Interest Cost	-	-
Actuarial (Gain)/ Loss	-	-
Present Value of Defined Benefits Obligation (Closing)	-	2.33

Weighted average duration of the D B O	0.01	17.85
---	-------------	--------------

Information on the maturity profile of the liabilities given below

Projected Benefit Obligation	-	2.33
Accumulated Benefits Obligation	-	0.90

FIVE YEAR PAYOUTS	31-Mar-22	
	Discounted values/ Present Value	Undiscounted Values/ Actual value
Year (I)	-	-
Year (II)	-	-
Year (III)	-	-
Year (IV)	-	-
Year (V)	-	-
Next 5 year pay-outs (6-10 years)	0.02	0.03
Pay-outs above Ten Years	2.30	9.87
Vested benefit Obligation as on 31/03/2022		0.00

Amount in Lakhs

Reconciliation of Net Balance Sheet Liability	31-Mar-21	31-Mar-22
Net Period Benefit (Cost)/ Income for the period excluding Para 64(b)	-	-2.33
(Accrued)/ Prepaid benefit cost (Before Adj) at the beginning of the period		-
Net Periodic Benefit (Cos)/ Income for the period		-
(Accrued)/ Prepaid benefit cost (Before Adj) at the end of period	-	(2.33)
Net Balance Sheet Asset/ Liabilities Recognised at the end of the period		-2.33

Components of Employer expense		
Present value of obligation as at the end of the period	-	2.33
Net Increase in Liability over the valuation period	-	2.33
Expenses recognised in the Statement of Profit/ Loss	-	2.33
P & L in Current Year	-	2.33
OCI in Current Year	-	-
Effect of Sec 64b	-	-
Total	-	2.33
Total Net Interest		
Disclosures of Stress Testing as on Valuation		
(Liability) Recognised in Balance Sheet		2.33

SCENARIOS	% Increase in DBO	LIABILITY	DECREASE OR INCREASE IN DBO
Discount Rate + 100 basis points	-14.33%	2.00	-0.33
Discount Rate - 100 basis points	17.65%	2.74	0.41
Salary Growth + 100 basis points	17.08%	2.73	0.40
Salary Growth -100 basis points	-14.12%	2.00	-0.33
Attrition Rate + 100 basis point	-3.88%	2.24	-0.09
Attrition Rate - 100 basis point	4.00%	2.42	0.09
Mortality Rate 10% Up	0.01%	2.33	0.00
Effect of No ceiling	0.00%	2.33	0.00

There is no change from the previous period in the methods and assumptions used in the preparation of above analysis, except that the base rates have changed.

Main Assumptions	31-Mar-21	31-Mar-22
Discount rate (Ind As 19 Sec 83)	NA	7.58%
Expected return on assets	NA	0
Salary Escalation	NA	7%
Attrition Rate	NA	5%

Age	Mortality Rate
20	0.000924
30	0.000977
35	0.001202

Demographic Assumptions

Mortality	Indian Assured Lives Mortality (2012-14) Ultimate
Disability	5% of mortality rate rates
Withdrawal	5.00%
Retirement Age	60

ii. Leave Encashment

	31-Mar-21	31-Mar-22
Current Service Cost	0.93	5.30
Net Periodic Benefit Cost Recognised In P& L	0.93	5.80
Other Comprehensive Income/ Loss	-	-
Present Value Of Defined Benefits Obligation (DBO)	0.93	6.73
Fair Value Of The Plan Assets (FVA)	-	-
Net Assets/ Liabilities Recognised In Balance Sheet	-0.93	-6.73
Discount Rate as per Para 83 of IND AS 19	7.58%	

(Net Asset)/ Liability Recognised in OCI**A. Remeasurement effects recognised in other Comprehensive Income**

	31-Mar-21	31-Mar-22
Total Actuarial (Gain)/ loss included in OCI (Ind AS 19 para 57(d))		
Actuarial (Gain)/ Losses due to Financial assumption changes in DBO	-	-0.41
Actuarial (Gain)/ Losses due to Experience on DBO	-	0.85
B. Defined Benefit Cost (Para 120)	-	0.00
Cost Recognised in P&L (Ind AS 19 Para 57 c)	0.93	5.80
Remeasurement Effect Recognised in OCI; Para 120c	-	-
Total Defined Benefit Cost (Para 120 a,b,&c)	0.93	5.80
Amount not Recognised as an Asset (limit in Para 64(b))		
NET EXPENSE		
Discount Rate as per Para 144 of (Ind AS) 19	7.58%	

Net Asset/ (Liability) Recognised in Balance Sheet	31-Mar-21	31-Mar-22
Present value of Unfunded obligation	0.93	6.73
Funded status [(Deficit)] (Para 64(a))	-0.93	-6.73
Net Liability	-0.93	-6.73
Recognised in Balance Sheet	-0.93	-6.73
Present value of Encashment Obligation	0.86	6.20
Present Value of Availment Obligation	0.07	0.53
Funding Ratio		
Assumption: Discount rate as per Para 83 of Ind AS19: 7.58%		

A. Bifurcation of Current & Non- current on	31-Mar-21	31-Mar-22
PVO (Unfunded Scheme)		
Current	0.12	0.86
Non-current	0.82	5.87

Change in DBO over the period ending on (Para 140(a)(ii) and 141)	-	-
Current Service Cost	0.93	5.30
Present Value of Defined Benefits Obligation (Opening)	-	0.93
Interest Cost	-	0.07
Actuarial (Gain)/ Loss	-	0.43
Present Value of Defined Benefits Obligation (Closing)	0.93	6.73
Weighted average duration of the DBO	15.19	17.85

Information on the maturity profile of the liabilities given below

Projected Benefit Obligation	0.93	6.73
Accumulated Benefits Obligation	-	-

FIVE YEAR PAYOUTS	31-03-2022 (Earned Leave)		31-03-2022 (Half Pay Leave)	
	Discounted values/ Present Value of Earned Leave	Undiscounted Values/ Actual value of Earned Leave	Discounted values/ Present Value of Half Pay Leave	Undiscounted Values/ Actual value of Half Pay Leave
Year (I)	0.27	0.29	0.09	0.10
Year (II)	0.25	0.29	0.08	0.10
Year (III)	0.24	0.30	0.08	0.10
Year (IV)	0.22	0.30	0.07	0.10
Year (V)	0.21	0.31	0.07	0.10
Next 5 year pay-outs (6-10 years)	9.00	1.61	0.30	0.54
Pay-outs above Ten Years	2.95	16.59	0.99	5.44
Vested benefit Obligation as on 31/03/2022				

Reconciliation of Net Balance Sheet Liability	31-Mar-21	31-Mar-22
Net Period Benefit (Cost)/ Income for the period excluding Para 64(b)	-	-0.93
(Accrued)/ Prepaid benefit cost (Before Adj) at the beginning of the period	-	-0.93
Net Periodic Benefit (Cos)/ Income for the period	-0.93	-5.80
(Accrued)/ Prepaid benefit cost (Before Adj) at the end of period	-0.93	-6.73
Net Balance Sheet Asset/ Liabilities Recognised at the end of the period	-0.93	-6.73
Components of Employer expense	-	-
Present Value of Obligation as at the beginning of the period	-	-
Current Service Cost	0.93	5.30
Total Service Cost	0.93	5.30
Interest Expense on DBO	-	0.07
Total Net Interest	-	0.07
Immediate Recognition of (Gain)/ Losses-Other Long Term Benefits	-	0.43
Defined Benefits cost included in P& L	0.93	5.80

Disclosures of Stress Testing as on Valuation

SCENARIOS	% Increase in DBO in respect of Earned Leave	Liability in Respect of EL	Decrease or increase in DBO of EL	% Increase in DBO For HPL	Liability For HPL	Decrease or Increase in DBO for HPL
Discount Rate + 100 basis points	-11.52%	4.46	-0.58	-11.38%	1.50	-0.19
Discount Rate - 100 basis points	14.29%	5.76	0.72	14.10%	1.93	0.24
Salary Growth + 100 basis points	13.45%	5.72	0.68	13.27%	1.91	0.22
Salary Growth - 100 basis points	-11.04%	4.48	-0.56	-10.91%	1.51	-0.18
Attrition Rate + 100 basis point	0.48%	5.06	0.02	0.46%	1.70	0.01
Attrition Rate - 100 basis point	-0.52%	5.01	-0.03	-0.50%	1.68	-0.01
Mortality Rate 10% Up	0.02%	5.04	0.00	0.02%	1.69	0.00
Effect of ceiling						

37 Details of Corporate Social Responsibility and Sustainable Development (CSR & SD) Expenditure

Sl. No	Particulars	Name of Implementing Agency	Amount allocated during 2021-22	Amount allocated during 2020-21	Amount spent during the year 2021-22 (on actual payment and not in kind)	Amount spent during the year 2020-21 (on actual payment and not in kind)	Amount committed during 2020-21 and spent during 2021-22	Remaining amount transferred to specified fund	Amounts- in Lakhs	
									Committed amount kept in separate Bank account as on 31/03/2022	
1	Armed Force Flag Day Fund	-	-	5.00	-	5.00	-	-	-	-
2	The Culture Fund	-	-	5.00	-	5.00	-	-	-	-
3	The Capacity Building Programme	-	-	10.00	-	5.51	3.13	1.36	-	-
4	Supply of wooden desks benches, tables to colleges	-	-	13.00	-	6.50	6.13	0.37	-	-
5	Construction of Community Toilet	-	-	36.67	-	7.33	29.33	0.00	-	-
6	Distribution of Aids and appliances to persons with disabilities	-	-	35.00	-	8.75	26.25	0.00	-	-
7	Providing Oxygen Concentrators in 28 PHCs and Basic life support Ambulance in Narmada District	District Collector, Narmada	47.40	-	14.22	-	-	-	-	33.18
8	Providing inflammatory marker diagnostic machine at GHs, and Electrification works for PSA Plant at a GH in Yadgiri District, Karnataka	District Collector, Yadgiri	20.00	-	6.00	-	-	-	-	14.00
9	Equipment for Public Health Centre at Virudhunagar, Tamil Nadu (Aspirational District)	District Medical Officer, Public Health Centre, Virudhunagar	13.93	-	2.79	-	-	-	-	11.14
10	Primary Health Care for the selected villages of Kalsi block in Dehradun, Uttarakhand	Himalayan Institute Hospital Trust, NGO at Dehradun	13.14	-	3.94	-	-	-	-	9.20
11	Prevention of Drug abuse among homeless women in New Delhi	Society for Promotion of Youth & Masses, NGO at New Delhi	10.64	-	3.19	-	-	-	-	7.45
12	Providing portable water at Theppaakadu Village at Mudhumalai Tiger Reserve Area, Nilgiri District, Tamil Nadu	Nilgiris Adivasi Welfare Association, NGO at Tamil Nadu	8.75	-	2.63	-	-	-	-	6.13
13	Skill Development of the Mentally challenged with focus on Agriculture	Central Institute on Mental Retardation, NGO at Kerala	6.24	-	1.87	-	-	-	-	4.37

14	Enabling, equipping and empowering the Persons with Disability (PwDs) with required Assistive and Adaptive devices & Livelihood opportunities for PwDs	Association of People with Disability, NGO at Bengaluru	6.08	-	-	-	6.08	-	-	-	-
15	Making India Hunger Free - Procurement of SS Insulated Tank for milk packing and LID Racks at ISKON Bangalore Kitchen	Akshaya Patra Foundation at Bengaluru	5.91	-	-	-	2.96	-	-	-	2.96
16	Contribution towards facility to care for persons with dementia	Schizophrenia Research Foundation, NGO at Tamil Nadu	5.00	-	-	-	1.50	-	-	-	3.50
17	Laptop & Printer at Public Health Centre (PHC) for Covid Vaccinations at Balanagar & Shadnagar, Telengana	Through the National Remote Sensing Centre of ISRO at Telengana	1.60	-	-	-	1.60	-	-	-	-
18	To provide dresses, bed-sheets and towels to the inmates of orphanage at Tamil Nadu	United Orphanage for The Disabled, at Tamil Nadu	2.50	-	-	-	2.50	-	-	-	-
19	Providing science equipment to Government Secondary and Higher Secondary Schools at Narmada District	District Collector, Narmada District, Gujarat	10.00	-	-	-	3.00	-	-	-	7.00
20	Providing inflammatory marker diagnostic machine with consumables at New District Hospital at Yadgiri District	District Collector, Yadgiri	10.00	-	-	-	3.00	-	-	-	7.00
21	Providing Infrastructure/ Items to Govt. High School at Thiruvananthapuram, Kerala	Through the Liquid Propulsion Systems Centre of ISRO at Kerala	19.17	-	-	-	19.17	-	-	-	-
22	Building career pathways for tribal children	Mrida Education and Welfare Society, NGO at Madhya Pradesh	5.04	-	-	-	1.51	-	-	-	3.52
23	Providing legal accessibility services for Women at Shillong	Grassroot, an NGO at Meghalaya	5.00	-	-	-	2.50	-	-	-	2.50
24	Construction of one check dam across Jarebada Vanka near Burugu Pali village at Andhra Pradesh	Mysore Resettlement and Development Agency (MYRADA), NGO at Bengaluru	10.96	-	-	-	3.29	-	-	-	7.67
25	Construction of Toilet at Government Higher Primary School, Hodigere, Chennagiri Taluk, Karnataka	Through the Civil Engineering Programme Office of ISRO HQ, Bengaluru	10.48	-	-	-	5.24	-	-	-	5.24
26	Distribution of Sanitary pads and conducting talks on Menstrual Hygiene for girl students at Haveri District, Karnataka	Through ISRO HQ, Bengaluru	1.20	-	-	-	0.60	-	-	-	0.60

27	Skill upgradation and design development training for Weavers at Guwahati	Rashtriya Gramin Vikas Nidhi, NGO at Guwahati	5.00	-	2.50	-	-	2.50
28	Residential girls training program (healthcare) under Comprehensive Rural Tribal Development Programme at Nagpur	CRTDP, NGO at Nagpur, Maharashtra	5.00	-	1.50	-	-	3.50
29	Cricknet Coaching Camp for Blinds at Bengaluru	M/s Samarthanam Trust, NGO at Bangalore, Karnataka	3.00	-	3.00	-	-	-
30	Construction of six concrete benches at the newly constructed toilet complex at Challakere Govt Hospital, Chitradurga	M/s Sulabh International, Karnataka	1.25	-	0.63	-	-	0.63
	Total		227.29	104.67	95.21	38.10	64.84	132.08

I. Summary of CSR fund allocation, commitment & expenditure

		Amounts- in Lakhs	
Details	2021-22	2020-21	
a	Gross amount required to be spent by the Company during the year	231.25	138.00
b	Amount spent during the year	95.21	38.10
c	Amount committed unspent kept in a separate Bank account	132.08	66.57
d	Remaining amount to be transferred (2021-22)/ transferred (2020-21) to a specified fund	3.96	33.33
e	Total CSR Expenditure	231.25	138.00

II. Details of committed amount unspent kept in a separate Bank account

		Amounts- in Lakhs	
Details	2021-22	2020-21	
1	Amount kept in sperate Bank Account	132.08	66.57
2	Out of above amount spent in 2021-22		64.84
3	Out of above amount transferred to specified fund in 2021-22		1.73
4	Remaining fund balance in a separate bank account	132.08	0.00

		Figures as at end of current reporting period 31.03.2022	Figures as at the end of previous reporting period 31.03.2021
38	CONTINGENT LIABILITIES AND COMMITMENTS: (to be extent not provided for) i) Contingent Liability: a) Claims the company not acknowledged as debt b) Guarantees: c) Other money for which the Company is contingently liable:- i) Commitments: (a) Estimated amount of contracts remaining to be executed on capital account and not provided for, (b) Other commitments	Nil Company has not issued any Guarantee to another person on behalf of third party to result in contingent liability. Nil Nil	Nil Company has not issued any Guarantee to another person on behalf of third party to result in contingent liability. Nil Nil
	The Company is of the view that there will be no outflow of resources for liabilities considered as contingent.		
39	Board opinion about assets other than Property, Plant & Equipment and Non-Current Investments in respect of its realization in the ordinary course of business at least equal to the amount at which they are stated.	Board is of the opinion that such assets will have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Books of Accounts.	Board is of the opinion that such assets will have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Books of Accounts.

40 OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS**40.1 Related Party Disclosure :**

- NewSpace India Limited is a wholly owned Government of India Company under the administrative control of Department of Space (DOS), Government of India (GOI).
- The Workforce of the company consists of officials from ISRO on working arrangement and Company's own roll. The salary expenditure incurred by ISRO for ISRO workforce in the Company is reimbursed to them at actuals. Payment towards retirement benefits in respect of them are borne by ISRO.
- The Key Managerial Personnel as per Accounting Standard 18 "Related Party Disclosures" are Shri Narayanan G, Chairman and Managing Director (up to 31/07/2021); Shri Radhakrishnan D, Director (Technical & Strategy) (up to 31/07/2021) and Chairman and Managing Director thereafter and Shri Arunachalam A, Director (Technical & Strategy) from 01/08/2021 onwards . There are no transactions with such parties during the period other than reimbursement of their remunerations and employees benefits to Indian Space Research Organisation (ISRO).

Name of the related party	Relation
1) Department of Space	Wholly Owned Company
2) Indian Space Research Organization	A wing under the administrative control of Department of Space
3) Key Managerial Personnel	
a) Shri Narayanan G	Chairman and Managing Director (up to 31/07/2021)
b) Shri Radhakrishnan D.	Director (Technical & Strategy) up to 31/07/2021 and thereafter Chairman and Managing Director.
c) Shri Arunachalam A	Director (Technical & Strategy) from 01/08/2021.

The relevant disclosure as per AS-18 “ Related Party Disclosures” are as below

Transactions with the Related Party: Please refer a separate Note No. 34

- 40.2** The Company has requested confirmation of balance as on 31st March 2022 from its customers, except the customers with whom the contracts are closed or dues received before Balance Sheet preparation and responses were received from a few customers. In the opinion of the management, there will not be any material effect in the Statement of Profit and Loss on account of non-confirmation of balances.

In respect of Space Segment Charges-INSAT/GSAT, as DOS / GOI has approved the transfer of satellite assets to the company with effect from 1st April 2021, the Company hasn't sought the confirmation of balance from DOS.

- 40.3** The details of Corporate and Social Responsibility:

(a) Gross amount required to be spent by the Company during the year INR 231.25 Lakh (Previous year- INR 138.00 Lakh)

(b) Amount spent during the year: Please refer a separate Note No. 37

- 40.4** Proposed Dividend:

Particulars	Figures for the current year ended 31-03-2022	Figures for the current year ended 31-03-2021
(a) The amount of Dividend proposed to be distributed to Equity Shareholders for the period	Proposed to seek exemption from DIPAM ***	Exempted **
(b) Dividend per share	Not Applicable ***	Exempted **

*** NSIL Board in its meeting held on 7th March 2022 had detailed discussion and approved for seeking exemption from DIPAM guidelines through Administrative Ministry for (i) Payment of Dividend (ii) Buy Back of shares (iii) Issue of Bonus shares for the FY 2021-2022.

** The Committee for Monitoring of Capital Management and Dividend in CPSEs (CMCDS)/ Department of Investment and Public Asset Management (DIPAM) meeting held on 12.03.2021 under the Chairmanship of Secretary, Department of Investment and Public Asset Management (DIPAM) vide F. No. 4 (30) (1)/2018-DIPAM-I (Pt) dated 18.03.2021, exempted the Company from payment of annual dividend for the FY 2020-21.



- 40.5** During the year 2020-21, the Company raised certain invoices on M/s Syzygy Space Technologies Private Limited, Bangalore towards launch services. The contract could not be fulfilled due to reasons including delay in making available the satellite to the Company by the Customer for launch within the period specified. Therefore, these receipts have not been recognised as revenue and kept under Creditors. In 2021-22, the contract was amended to provide launch service for their satellite at a revised upward launch cost. The amount already received initially will be adjusted accordingly. Company will recognise these receipt as Revenue in the year of launch of their proposed satellite.
- 40.6** Deposits held as margin money against guarantees issued classified under 'Other non-current assets include an amount of INR 552.26 Lakh maturing within 12 months of Balance sheet date as these deposits are required to be renewed automatically till the validity of the BG.
- 40.7** The Company has entered into Novation agreement with Parties, accordingly contract partially performed by a earlier party are taken up by the Company for completing the performance towards dedicated launch services. In accordance with the said agreement, the revenues to be received by the Company under the contract would alone be the revenue of the Company. The Revenue recognition is being made accordingly.
- 40.8** As per the provisions of the launch service agreements, the Company is liable to maintain at no cost to customers, through self-insurance against legal liability for bodily injury, including death and loss of damage to property of Third Parties regarding dedicated as well as co-passenger customer satellite launches using ISRO Launch Vehicles. ISRO follows policy of Self-Insurance with respect to each and every launch, thus eliminating the requirement for Third Party Liability (TPL) Insurance to be taken by the Company.
- 40.9 Additional Information of the general instruction for preparation of statement of profit and loss**
- 5 (ii) (a) (1) & (2) & 5(iii) - NSIL is not a manufacturing company, hence not applicable.
- 5(viii)(a) Value of imports calculated on C.I.F basis by the company during the financial year in respect of (I) Raw materials; (II) Components and spare parts (III) Capital goods: - NIL
- 5(viii)(c) Total value of all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption:-NIL
- The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividend related: - NIL
- 5(viii)(b) Expenditure in foreign currency during the financial year on account of know-how professional and consultation fees and interest : - NIL
- 5(viii) (e) Earning in foreign exchange classified under the following heads, namely: II. know-how, professional and consultation fees, III. Interest and dividend: - NIL
- 40.10** Government of India, Ministry of Corporate Affairs vide Notification No.2437(E) dated 04 September 2015 exempted from disclosure of Additional Information of the General Instructions for preparation of Statement of Profit and Loss in Schedule III of the Companies Act 2013 in respect of the following paras:
- 5(viii)(b) Expenditure in foreign currency during the financial year on account of royalty and other matters;

5(viii) (e) Earning in foreign exchange classified under the following heads, namely: I. Export of goods calculated on F.O.B basis, II.Royalty, IV Other income, indicating the nature thereof.

40.11 The Details of the Year End Currency Translation are as follows:

Particulars	Year end currency translation [amount in lakhs]	Dr/Cr	Statement of Profit and Loss
Relating to Outstanding Liabilities and Assets	163.49	Cr	Credited to Other Income
	(158.34)	Cr	(Credited to Other Income)

Previous year's figures are shown in bracket, " Cr" denotes "Credit" and "Dr" denotes "Debit"

40.12 DOS has communicated the approval for transfer of its 10 in-orbit operational communication Satellites viz. GSAT-8, 10, 12R,14, 15,16, 17, 18, 30 and 31 to NSIL with effect from 01/04/2021 through Office Memorandum dated 04 July 2022. The transfer price (herein after referred as price) as informed by DOS is being discharged by way of equity shares. As the equity can be issued prospectively only, the price of the satellite assets transferred to NSIL is classified as Trade Payable under Current Liability. The Company will discharge the liability by issue of equity shares of equivalent value during 2022-23. As the transfer was informed during 2022-23, the assets are not insured in 2021-22. However, Company will review the same and take a suitable decision on insurance of the satellite assets during 2022-23. The value of the transponders switched off by DOS on or before the date of transfer due to overlapping have not been included in the price fixed by them. In case, NSIL propose to switch on these transponders, NSIL need to seek the approval of DOS. The switched on transponder(s) will not be charged if used as a replacement to existing functional transponders. In case of new additional use on commercial basis, DOS will charge NSIL at proportionate book value on the date of switching.

The transferred satellites are continue to be maintained by Master Control Facility (MCF)/ ISRO, Hassan. Company is in the process of entering into a suitable understanding towards terms and conditions including maintenance cost payable to them. As the understanding is not finalised, the satellite maintenance cost is taken as per the concerned Satellite Project sanction order issued by DOS.

40.13 The fixed assets consist of equipment and software amounting to INR 108.17 Lakh procured to have Company's own mail services and automation of Transponder Leasing which will be installed and commissioned during 2022-23 and depreciation for these assets will be accounted in 2022-23 as per accounting standards and the Company policy.

40.14 Company has maintained fixed deposits amounting to INR 22,738.96 Lakh [Previous year (2020-21) INR 15,447.76 Lakh] as Security against Bank Guarantees issued by State Bank of India for Euro 238.50 Lakh [Previous Year 2020-21 Euro 165.50 Lakh and INR 8.00 Lakh equivalent to INR 20,191.38 Lakh [Previous Year 2020-21 INR 14,257.38 Lakh]. Company is earning interest at card rates on such fixed deposits. At present, there is no incident of "Provision" as defined in Accounting Standards and accordingly disclosure does not arise. The Exchange rate considered for arriving BG value are INR 86.099 for FY 2020-21 and INR 84.6599 for FY 2021-22 per EURO.

40.15 Opinion of the Board about realisable value of any of the assets other than fixed assets and non-current investments in the ordinary course of business:

Board is of the opinion that such assets will have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Accounts.

40.16 Disclosure under Indian Accounting Standard Ind AS 38: Intangible Assets

(a)	Class of Intangible Assets	Computer Software
(b)	Nature of Intangible Assets	Purchase of Computer software
(c)	Useful lives or the amortisation rates used	3 years from the date of purchase of software available for use and 5 years for software under development from the date of acceptance.
(d)	Amortisation methods used	Straight Line Method
(e)	Gross carrying amount	INR 3.94 Lakh
(f)	Accumulated amortisation	INR 0.70 Lakh
(g)	Accumulated impairment losses at the beginning and end of the period	NIL
(h)	Reconciliation of the carrying amount at the beginning and end of the period	As furnished in the Annexure to Note 5C
(i)	Additions, indicating separately those from internal development and through amalgamation	Bought out Software of INR 3.60 Lakh
(ii)	Retirements and disposals	NIL
(iii)	Impairment losses recognised in the Statement of Profit and Loss during the period (if any)	NIL
(iv)	Impairment losses reversed in the Statement of Profit and Loss during the period (if any)	NIL
(v)	Amortisation recognized during the period	INR 0.69 Lakh
(vi)	Net exchange differences arising on the translation of the financial statements into the presentation currency, and on the translation of a foreign operation into the presentation currency of the entity.	NIL
(vii)	Other changes in the carrying amount during the year	NIL

40.17 NSIL is functioning from a building owned by DOS. No rent has been fixed by DOS for the building till date. NSIL has obtained the rental value from a Chartered Engineer and suitable liability is created for the period from 23/05/2019, the day on which Company started to function in the building.

40.18 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS**40.18.1 Disclosure in relation to undisclosed income**

The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended March 31, 2022 and March 31, 2021 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

40.18.2 Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company during the year ended March 31, 2022 and March 31, 2021 for holding any Benami property.



40.18.3 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021

40.18.4 Utilisation of Borrowed Fund & Share Premium

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (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.

40.18.5 The Company has not advanced or lent or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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 (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

40.18.6 Borrowing secured against Current Assets: NIL

40.19 Additional disclosures relating to the requirement of revised Schedule III

40.19.1 Loans or advances (repayable on demand or without specifying any terms or period of repayment) to specified persons:

During the year ended March 31, 2022 the Company did not provide any Loans or advances which remains outstanding (repayable on demand or without specifying any terms or period of repayment) to a persons (NIL as on March 31, 2021).

40.19.2 Relationship with Struck Companies:

The Company did not have any transaction with companies struck off during the year ended March 31, 2022 and also for the year ended March 31, 2021.

40.19.3 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period. In the event of the creation of the charges above, the said charges would be registered with ROC, Bengaluru within the statutory period.

40.19.4 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules 2017.

40.20 Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of liquidity and going concern assumption, the recoverability of receivables, intangible assets, cash and cash equivalent. The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The Company will continue to monitor future economic conditions and its consequent impact on the business operations, given the uncertain nature of the pandemic.



40.21 Figures have been rounded off to the nearest Lakhs and figures for the previous years have been regrouped/ rearranged wherever necessary to confirm to the presentation of the current year.

40.22 Approval of financial statements

The financial statements were approved for issue by the Board of Directors on 06 August,2022.

As per our report of even date attached

For and on behalf of the Board of Directors

For M/s Pal and Shanbhogue

Chartered Accountants

Firm Regn No: 002528S

K.R.Shanbhogue

Partner

ICAI Membership No. 18578

Annamalai Arunachalam

Director, Technical & Strategy

DIN: 0009262267

Radhakrishnan Durairaj

Chairman and Managing Director

DIN: 08382973

Place: Bangalore

Date: 06-08-2022

ICAI UDIN : 22018578AONTTS7339

K Renu

Company Secretary

Place: Bangalore

Date: 06-08-2022

Ratios

The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows :

Particulars	Numerator	Denominator	As at March 31		Variance
			2022	2021	
Current ratio	Current assets	Current liabilities	0.52	1.03	-0.52
Debt - Equity ratio	Total Debt	Shareholders equity	NA	NA	NA
Debt service coverage ratio	Earnings available for debt service	Debt service	NA	NA	NA
Return on Equity (ROE)	Net profits after taxes	Average shareholders equity	0.42	1.25	-0.83
Trade receivables turnover ratio	Revenue	Average trade receivables	2.20	1.39	0.80
Trade payables turnover ratio	Purchases of services and other expenses	Average trade payables	0.10	0.25	-0.15
Net capital turnover ratio	Revenue	Working capital	-0.54	12.02	-12.56
Net profit ratio	Net profit	Revenue	0.27	0.41	-0.14
Return on Capital Employed	Earning before interest and taxes	Capital employed	0.31	1.07	-0.76
Return on Investment	Income generated from investments	Time weighted average investments	NA	NA	NA



NewSpace India Limited (NSIL)

(A CPSE under Department of Space, Govt. of India)

REGISTERED OFFICE: Room No. F01, HSFC Building, ISRO HQ, New BEL Road, Bengaluru-560 094

CORPORATE OFFICE: ISRO HQ Campus, New BEL Road, Bengaluru-560 094

Phone: +91 80 2217 2695 Fax: +91 80 2351 7222 E-mail: contact-nsil@isro.gov.in Website: www.nsilindia.co.in

CIN: U74999KA2019GOI122175

GSTIN: 29AAGCN4411P1Z1