

**E Networks Limited**

Registered office: Awfis, 1st Floor, A-24/9, Mohan Cooperative Industrial Estate, Mathura Road, Saidabad, New Delhi - 110044

CIN: L72900DL2009PLC341980

Statement of audited results for the quarter and year ended March 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

	Particulars	Quarter ended			Year ended	
		March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
		Unaudited (Note 1)	Unaudited (Note 1)	Unaudited (Note 1)	Audited	Audited
I	Revenue from operations	1,416.47	1,368.14	1,010.76	5,187.34	3,530.26
II	Other income	11.52	3.46	14.99	35.51	95.54
III	<b>Total revenue (I+II)</b>	<b>1,427.99</b>	<b>1,371.60</b>	<b>1,025.75</b>	<b>5,222.85</b>	<b>3,625.80</b>
IV	<b>Expenses</b>					
	Purchase of services and consumables	354.46	357.91	341.66	1,441.21	1,273.02
	Employee benefits expense	279.45	244.37	234.34	1,015.46	870.21
	Depreciation and amortisation expenses	554.81	508.41	445.06	1,782.64	1,235.77
	Finance costs	5.48	3.84	11.22	18.60	17.92
	Other expenses	146.27	92.90	75.47	436.34	352.99
	<b>Total expenses (IV)</b>	<b>1,340.47</b>	<b>1,207.43</b>	<b>1,107.75</b>	<b>4,694.25</b>	<b>3,749.91</b>
V	<b>Profit/(loss) before exceptional items and tax expense (III-IV)</b>	<b>87.52</b>	<b>164.17</b>	<b>(82.00)</b>	<b>528.60</b>	<b>(124.11)</b>
VI	Exceptional items	-	-	-	-	-
VII	<b>Profit/(loss) before tax expenses (V ± VI)</b>	<b>87.52</b>	<b>164.17</b>	<b>(82.00)</b>	<b>528.60</b>	<b>(124.11)</b>
VIII	<b>Tax expenses</b>					
	(a) Current tax	-	-	-	-	-
	(b) Deferred Tax	(116.50)	-	-	(116.50)	-
IX	<b>Profit/(loss) for the period/year after tax (VII ± VIII)</b>	<b>204.02</b>	<b>164.17</b>	<b>(82.00)</b>	<b>645.10</b>	<b>(124.11)</b>
X	<b>Other Comprehensive Income</b>					
	(A) (i) Items that will not be reclassified to profit or loss	651.98	-	157.98	651.98	157.98
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(164.09)	-	(31.64)	(164.09)	(31.64)
	(B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
XI	<b>Total comprehensive income for the period/year (IX+X) (comprising profit/(loss) and other comprehensive income for the period/year)</b>	<b>691.91</b>	<b>164.17</b>	<b>44.34</b>	<b>1,132.99</b>	<b>2.23</b>
XII	<b>Earnings/(loss) per equity share</b>					
	1) Basic	1.41	1.13	(0.57)	4.46	(0.86)
	2) Diluted	1.40	1.13	(0.57)	4.44	(0.86)

See accompanying notes to financial results.

**Notes:**

- The Company was listed on SME platform (EMERGE) ('SME Board') of the National Stock Exchange and has migrated from SME Board to Capital Market Segment ('Main Board') w.e.f April 12, 2022. Accordingly, the Company was not required to publish Quarterly results in terms of SEBI (LODR) Regulations. The Company has published half yearly results for the half year ended September 30, 2021 and September 30, 2020 which were subject to limited review by the Statutory Auditors of the Company. Figures for the quarter ended March 31, 2022 and March 31, 2021 are balancing figures between audited figures in respect of full financial year and the provisional year to date figures upto the nine months of the relevant year. The figures for the quarter ended December 31, 2021 are balancing figures between published half yearly results for the half year ended September 30, 2021 and the provisional year to date figures upto the nine months ended December 31, 2021. The Ind AS Compliant figures for the Quarter ended March 31, 2021, December 31, 2021 and March 31, 2022 have not been subject to audit, however, the Company has exercised necessary Due Diligence to ensure that such financial results provide true and fair view of its affairs.
- The above audited financial results for the year ended March 31, 2022 have been reviewed by the Audit Committee and approved by Board of Directors at its meeting held on May 27, 2022. The Statutory Auditor have expressed an unmodified audit opinion on these financial results.
- The requirement of Ind AS - 108 "Operating Segments" is not applicable to the Company as it is engaged in single business segment.
- The Company has received approval of shareholders for "E2E Networks Limited Employees Stock Option Scheme - 2021" (hereinafter called as "ESOP Scheme 2021") through postal ballot passed on April 5, 2021. Further, the Company has granted 1,90,000 option on September 1, 2021 and 50,000 options on March 24, 2022 under ESOP Scheme 2021.
- EPS and DEPS for the quarter ended March 31, 2022 is not annualized.



**EZE Networks Limited**

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CIN: L72900DL2009PLC341980

Statement of audited results for the quarter and year ended March 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

**6 Transition to Indian Accounting Standards (Ind AS)**

The Company's financial statements for the quarter and year ended March 31, 2022 are prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2020 as the transition date. Ind AS 101 requires that all Ind AS standards and interpretations that are effective for the interim Ind AS financial statements for the quarter and year ended March 31, 2022, be applied consistently and retrospectively for all fiscal years presented. All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Indian GAAP as at the transition date have been recognized directly in equity at the transition date.

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101:

- equity as at April 1, 2020;
- equity as at March 31, 2021; and
- total comprehensive income for the year ended March 31, 2021

**(I) Reconciliation of Equity**

Particulars	Note No.	As at	As at
		March 31, 2021	April 1, 2020
Equity under previous GAAP		917.13	1,008.69
Fair valuation as Deemed cost of Intangible assets (net of taxes)	(i)	265.60	265.60
Revaluation of Intangible assets (net of taxes)	(ii)	98.90	-
Reversal of Gratuity Expense	(iii)	16.40	-
<b>Equity as per Ind AS</b>		<b>1,298.03</b>	<b>1,274.29</b>

**(II) Reconciliation of total comprehensive income**

Particulars	Note No.	For the year ended
		March 31, 2021
Net loss under previous GAAP		(113.07)
Revaluation of Intangible assets (net of taxes)	(ii)	98.90
Reversal of Gratuity Expense	(iii)	16.40
<b>Total comprehensive income under Ind AS</b>		<b>2.23</b>

**(III) Explanations for reconciliation of equity and profit****(i) Fair valuation as deemed cost for intangible assets:**

Under the previous GAAP (Indian GAAP), Intangible assets, were carried in the balance sheet at cost. The Company has elected to carry intangible assets viz, IP addresses and software's at fair value. The fair value of softwares were broadly comparable to their book value. Accordingly, the Company regards the fair value of Intangible assets as deemed cost on the transition date, viz., April 1, 2020. As a result of this change, equity as on April 1, 2020 has increased by INR 265.60 lakhs (net of taxes).

**(ii) Revaluation of Intangible assets**

The Company has revalued certain Intangible asset, viz IP addresses. A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation surplus in equity. Accordingly, the total equity as on March 31, 2021 and total comprehensive income for the year ended March 31, 2021 has increased by INR 98.90 lakhs (net of taxes).

(iii) Under Ind AS, remeasurements i.e. actuarial gains and losses, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. Further, the Company has undertaken the valuation under Ind AS 19 as a result of which, profit for the year ended March 31, 2021 increased by Rs. 16.40 lakhs with a corresponding increase in equity by 16.40 lakhs.

For and on behalf of board of directors of

EZE Networks Limited

**FOR EZE NETWORKS LIMITED**

Srishti Baweja

Director

DIN: 08057000

Srishti

Director

Place: Noida

Date: May 27, 2022

**E2E Networks Limited**

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CIN: L72900DL2009PLC341980

Audited Balance Sheet as on March 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
	Audited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,260.95	1,987.65
Right of use asset	115.19	-
Other Intangible assets	1,323.28	662.51
Intangible assets under development	-	0.49
Financial Asset		
(i) Other financial assets	1.46	2.50
Non-current tax assets (net)	162.31	166.30
Other non-current assets	0.58	-
	<b>3,863.77</b>	<b>2,819.45</b>
<b>Current assets</b>		
<b>Financial assets</b>		
(i) Trade receivables	12.39	33.78
(ii) Cash and cash equivalents	384.34	69.10
(iii) Other Bank Balances	295.24	450.00
(iv) Other financial assets	200.71	177.35
Other current assets	43.48	112.09
	<b>936.16</b>	<b>842.32</b>
<b>Total assets</b>	<b>4,799.93</b>	<b>3,661.77</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	1,447.51	1,442.91
Other equity	2,398.36	1,298.03
	<b>3,845.87</b>	<b>2,740.94</b>
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
(i) Borrowings	59.75	-
(ii) Lease liability	78.08	-
Provisions	63.17	59.19
Deferred tax liability (net)	62.65	15.06
	<b>263.65</b>	<b>74.25</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
(i) Borrowings	34.34	380.38
(ii) Lease liability	38.05	-
(iii) Trade payables		
(iv) Other financial liabilities	-	0.36
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	224.90	215.87
(iv) Other financial liabilities	121.20	115.75
Provisions	2.20	3.69
Other current liabilities	269.72	130.53
	<b>690.41</b>	<b>846.58</b>
<b>Total equity and liabilities</b>	<b>4,799.93</b>	<b>3,661.77</b>

See accompanying notes to results

For and on behalf of the board of directors  
E2E Networks Limited  
**For E2E NETWORKS LIMITED**

Srishti  
Director

Srishti Baweja  
Whole time Director  
DIN: 08057000

Place: Noida

Date: May 27, 2022

**E2E Networks Limited**

Registered office: Awfis, 1st Floor, A-24/9, Mohan Cooperative Industrial Estate, Mathura Road, Saidabad, New Delhi - 110044

CIN: L72900DL2009PLC341980

Statement of audited cash flows for the year ended March 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash flow from operating activities</b>		
Profit / (loss) before tax	528.60	(124.11)
Adjustments for:		
Depreciation of property, plant and equipment	1,772.51	1,235.69
Depreciation on right to use asset	7.87	-
Amortization of intangible assets	2.26	0.08
Interest income	(15.16)	(35.30)
Liability and provisions no longer required, written back	-	(4.18)
Employee stock option outstanding expenses	15.86	10.55
Profit on sale of fixed assets	(8.55)	(30.60)
Bad debts written off	0.05	-
Assets written off	70.54	-
Interest expense on Lease Liability	2.02	-
Interest expenses	14.91	15.95
<b>Operating profit / (loss) before working capital changes</b>	<b>2,390.91</b>	<b>1,068.08</b>
<b>Movements in working capital :</b>		
(Decrease)/Increase in trade payables	8.67	45.47
(Decrease)/Increase in other current liabilities	139.19	79.15
(Decrease)/Increase in financial liabilities	5.45	33.78
Decrease/(Increase) in trade receivables	21.34	34.12
(Increase)/Decrease in other current assets	68.03	(51.05)
(Increase)/Decrease in other financial assets	(57.92)	(34.35)
(Decrease)/Increase in provisions	8.86	9.01
<b>Cash generated from operations</b>	<b>2,584.53</b>	<b>1,184.21</b>
Direct taxes paid (net of refunds)	3.99	87.81
<b>Net cash flow from operating activities (A)</b>	<b>2,588.52</b>	<b>1,272.02</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets, including intangible assets under development	(2,141.43)	(2,479.41)
Proceeds from sale of fixed assets	16.70	64.85
Redemption of / (Investment in) bank deposits	154.32	450.00
Interest received	51.20	31.04
<b>Net cash (used in) investing activities (B)</b>	<b>(1,919.21)</b>	<b>(1,933.52)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issuance of equity share capital	5.52	24.76
Payment for purchase of treasury shares	(49.44)	-
Proceeds from short-term borrowings	(132.91)	227.00
Repayment of Lease Liability	(6.93)	-
Interest on lease liability	(2.02)	-
Interest paid	(14.91)	(15.95)
<b>Net cash from / (used in) financing activities (C)</b>	<b>(200.69)</b>	<b>235.81</b>
<b>(iv) Other financial liabilities</b>	<b>468.62</b>	<b>(425.69)</b>
Cash and cash equivalents at the beginning of the period	(84.28)	341.41
<b>Cash and cash equivalents at the end of the period</b>	<b>384.34</b>	<b>(84.28)</b>
<b>Components of cash and cash equivalents:</b>		
- Cash on hand	0.93	0.93
- With banks- on current account	278.39	68.17
- Deposits with original maturity of less than 3 months	105.02	-
- Bank overdraft repayable on demand	-	(153.38)
<b>Cash and cash equivalents at the end of the period</b>	<b>384.34</b>	<b>(84.28)</b>

See accompanying notes to results

For and on behalf of the Board of directors  
E2E Networks Limited

Srishti

Srishti Baweja  
Whole time Director  
DIN: 08057000

Director

Place: Noida

Date: May 27, 2022

### Independent Auditor's Report

The Board of Directors of  
E2E Networks Limited

#### Report on the audit of the Annual Financial Results

#### Opinion

1. We have audited the accompanying annual financial results of **E2E Networks Limited** (hereinafter referred to as the "Company") for the year ended March 31, 2022, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

- a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income for the year ended March 31, 2022.

#### Basis for Opinion

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

#### Management's Responsibility for the Annual Financial Results

3. These annual financial results have been prepared on the basis of the Annual Ind AS financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and



## **B. B. & Associates**

*Chartered Accountants*

measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Annual Financial Results**

4. Our objectives are to obtain reasonable assurance about whether these annual financial results as a whole are free from material misstatements, 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 annual financial results.

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 annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to annual financial results 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.



**B. B. & Associates**  
Chartered Accountants

- 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 annual financial results 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 annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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


**Other Matter**

5. The Company was listed on SME platform (EMERGE) ('SME Board') of the National Stock Exchange and has migrated from SME Board to Capital Market Segment ('Main Board') w.e.f April 12, 2022. Accordingly, the Company was not required to publish quarterly results in terms of Listing Regulations. The annual financial results include the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year and the provisional year to date figures up to the third quarter of the current financial year.

**For B.B. & Associates**

Chartered Accountants

Firm registration No.: 023670N

  
**Balwan Bansal**  
Partner  
Membership No.: 511341



Place: New Delhi

Date: May 27, 2022

UDIN: 22511341AJS AHP9546