

DIGITAL INDIA CORPORATION

ANNUAL REPORT 2017-2018



Students listening to Prime Minister during 'Pariksha pe Charcha' event



GCCS 2017, UMANG launch on Nov 23, 2017



Global Conference on Cyber Space 2017

Digital India Corporation

**Annual Report
2017-2018**

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Corporate Information

BOARD OF DIRECTORS

Chairman

Shri Ravi Shankar Prasad (ex-officio)

Hon'ble Minister of Law & Justice, Electronics & Information Technology, Govt. of India

Deputy Chairman

Shri. S.S. Ahluwalia (ex-officio)

Hon'ble Minister of State Electronics & Information Technology, Govt. of India, from May 16, 2018

Shri. Alphons Kannanthanam IAS (ex-officio)

Hon'ble Minister of State Electronics & Information Technology, Ministry of Tourism, Govt. of India, until May 15, 2018

Directors

Shri Ajay Prakash Sawhney IAS (ex-officio)

Secretary, Ministry of Electronics and Information Technology, Government of India from June 23, 2017

Ms. Anuradha Mitra

Additional Secretary and Financial Adviser,

Ministry of Electronics and Information Technology until September 20, 2018

Shri Kiran Karnik

Former President, NASSCOM

Dr. Saurabh Srivastava

Founder, Indian Angel Network

Ms. Neeta Verma,

CEO, MyGov, Digital India Corporation until February 6, 2018

Shri Arvind Gupta

CEO, MyGov, Digital India Corporation from February 12, 2018

Shri. Sanjeev Gupta IAS

MD & CEO, Digital India Corporation until February 27, 2018

Shri Sanjay Kumar Rakesh IAS

Joint Secretary, Ministry of Electronics and Information Technology and

MD & CEO, Digital India Corporation from March 6, 2018 to September 12, 2018

Shri M.S. Rao IAS

President & CEO, National e-Governance Division and

MD & CEO, Digital India Corporation from September 19, 2018

Senior Executives

Research & Development

Prof. Narendra Ahuja, Director, IT Research Academy
Shri V.K. Bhatia, Sr. Director (Research), Digital India Corporation
Shri Vinay Thakur, Director, Project Development, NeGD
Shri Bhavani Prasad Yerrapalli, Research Director, Digital India Corporation

Finance and Administration

Shri George Arakal, Director (Admin & Finance), Digital India Corporation
Shri Neeraj Kumar, Director, Project Appraisal and Finance, NeGD
Shri K.P. Sivadas, Chief Manager (Finance), Digital India Corporation

Auditors

A.P.Sanzgiri & Co.
Chartered Accountants, Mumbai – 400 055

Registered & Corporate Office:

Digital India Corporation

Samrudhi Venture Park, 4th Floor, Central MIDC Road, Andheri (E), Mumbai – 400 093

CIN : U72900MH2001NPL133410

TEL : (022) 28312931/28327505

FAX : (022) 28379158

www.digitalindiacorporation.in

Research Hubs:

Digital India Corporation – Technology Development & Deployment Division (TDDD)

708-723, 7th Floor, Devika Tower, 6 Nehru Place, New Delhi – 110019

Digital India Corporation – National e-Governance Division (NeGD)

4th Floor, Electronics Niketan, 6 CGO Complex, Lodhi Road, New Delhi – 110003

www.negd.gov.in

Digital India Corporation - MyGov

Room No. 3015, 3rd Floor, Electronics Niketan, 6 CGO Complex, Lodhi Road, New Delhi – 110003

www.mygov.in

Digital India Corporation – Information Technology Research Academy (ITRA)

Block 4, 2nd Floor, CDoT Campus, Chhatarpur, Mehrauli, New Delhi, 110030

www.itra.medialabasia.in

Digital India Corporation – Vivesvaraya Phd scheme for Electronics & IT

Room No. 2084, 2nd Floor, Electronics Niketan,
6 CGO Complex, Lodhi Road,
New Delhi – 110003

www.phd.medialabasia.in

Foreword



It is my proud privilege to present this 17th Annual Report of Digital India Corporation (DIC) for the year 2017-18. The Company is dedicated to bring the benefits of the Information & Communication Technologies (ICT), other allied disciplines and emerging knowledge fields for uplifting the common and needy people at grass-root level. In this endeavour, the Company collaborates with other Government & Non-Government organizations to reach the benefits of innovation and research to all parts of India, especially the rural areas. It enables and implements sustainable and culturally appropriate solutions for the people.

National eGovernance Division (NeGD) plays a pivotal role in Programme Management, Technology Management, Project Appraisal, Awareness & Communication and Capacity Building support to Ministry of Electronics & Information Technology (MeitY) for implementation of the Digital India Programme.

NeGD continued with the Capacity Building (CB) scheme during the year to take the Digital India Programme forward across the country in all States & Union Territories through State eGovernance Mission Teams (SeMT) and Training Institutions. As per third party assessment, the scheme has been successful in intended impact and needs to be continued to achieve the vision of Digital India.

DigiLocker is a service that enables citizens to store documents in digital form on the cloud. It reduces the need to carry physical documents, and is a part of the Government's Digital India initiatives. As on 31st March 2018, it contained a repository of over 240 crore authentic digital documents from over 50 organizations. It can function as a key document verification platform and has the potential to evolve into a National Data Exchange platform.

UMANG (Unified Mobile App for New Age Governance) was launched on Nov 23, 2017 by the **Hon'ble Prime Minister** of India during the Global Conference on Cyber Space (GCCS) 2017. It won the 'Best M Government Service' award in the 6th World Government Summit, held at Dubai, UAE in Feb. 2018. As on 31st March 2018, 207 services of various Central and State Government Departments were available on UMANG. The App was been installed more than 52 Lakh times and had an average rating of 4.45 on Google Play Store. More than 2.14 crore transactions were executed on UMANG platform.

NeGD organized the 5th GCCS during 23 - 24 November 2017 in New Delhi. The theme of the GCCS 2017 was **"Cyber4All: A Secure and Inclusive Cyberspace for Sustainable Development"**. **132 nations participated in the event. India's prowess as a Digital Economy was firmly established and with** the organization of such a massive conference successfully, India emerged as a global champion.

MyGov is a participatory governance initiative to bring the Government closer to the common man by the use of online platform creating an interface for healthy exchange of ideas and views with the ultimate goal to contribute to the social and economic transformation of India. During the year, MyGov hosted discussions on various important topics like Smart City, Auction of Spectrum, Mobile Number Portability Regulations, Prime Minister's Independence Day Speech etc. MyGov also provided platform to citizens to share their creative ideas in the form of logos / designs / taglines for various National level programme and policies. MyGov also engaged citizens in hackathons and innovation challenges. Smart India Hackathon 2018 saw a participation of 20000+ people. MyGov also crowdsourced thousands of suggestions for the **Prime Minister's**

monthly Mann Ki Baat Episodes. MyGov provided an opportunity to students to listen to Prime Minister on the 'ParikshaPeCharcha' event.

A major achievement for Technology Development & Deployment Division (TDDD) during the year was that its mobile based agro-advisories system implemented in the State of Meghalaya has been **handed over to** the State Government **under its banner '1917iteams' to extend** the services to the entire state covering 40,000 farmers (ultimate target is to reach 200,000 farmers). The Company is running a similar system in 2 other States viz. Andhra Pradesh & Telangana in collaboration with the respective State Agriculture Universities to facilitate advisories in local language. The system has been integrated with the push based **'Text & Voice' message services under National Mobile Governance Initiative of MeitY. Two mobile apps on** system have also been launched under UMANG platform of MeitY.

The Division continued the services of its two ICT based Resource Centres for women empowerment through technology at Lallapura, Varanasi and Bithoor, Kanpur in Uttar Pradesh. In addition, one more Resource Centre has been initiated for Basani, Varanasi with the support of Department of Science & Technology. Two **workshops with users' groups were convened on Computer Aided Design (CAD) tool for weavers (DigiBunai™). The interest shown by the users in** the workshops was encouraging and a proposal has been submitted to Ministry of Electronics & Information Technology (MeitY) for enhancement of the **tool as per users' feedback.**

During the year 2017-18, in the IT Research Academy (ITRA) projects in the area of Mobile (Mobile Computing, Networking and Applications) and Water (IT based Innovations in Water Resources Sustainability), steps were taken towards transfer of technology (ToT) and information dissemination of 16 Proof of Concept (PoC) prototypes and technologies developed and having potential for commercialization. The Visvesvaraya PhD scheme for Electronics & IT supports PhD Research Scholars in IT, IT Enabled Services (ITES) and Electronics Systems Designs and Manufacturing (ESDM). Evaluation of research works of these Scholars undergoing PhD was undertaken during the year.

The endeavours of the Company are aimed towards realizing the vision and objectives of Digital India programme. The company is not only implementing the ICT based solutions as per social, ethnical and economic needs of the rural and urban settlements but also working on technical skills enhancement of the populace.

As I reflect on the achievements of DIC over the year, I would like to acknowledge the excellent support and guidance **received from the Hon'ble** Minister for Electronics and Information Technology and Chairman, Board of Directors (BoD), **Hon'ble Minister of State for Electronics and Information Technology** and Deputy Chairman, BoD, the Directors and the Members of DIC, the Ministry of Electronics and Information Technology and various collaborators and stakeholders from Government, Academia, Industry, NGOs and other organizations. I thank all of them and pledge to work with renewed vigour while continuing to empower the citizens through technologies.

M.S. Rao IAS

Managing Director and Chief Executive Officer

Board's Report

Board's Report

The Board of Directors have pleasure in presenting their Seventeenth Annual Report and Audited Financial Statements of Digital India Corporation (formerly Media Lab Asia), for the year ended March 31, 2018.

Financial Results for the Year Ended March 31, 2018

(Rs.in Crore)

Particulars	March 31, 2018	March 31, 2017
Income	217.89	279.31
Research and/or Development Expenditure	140.44	129.97
Other Expenditure	77.45	149.34
Total Expenditure	217.89	279.31

Performance of the Company

1. Introduction

Digital India Corporation (formerly Media Lab Asia) is a 'not for profit' Company set up by the Ministry of Electronics and Information Technology, Government of India. The Company has been spear heading the Digital India programme of the Government of India, and is involved in promoting use of technology for e-Health / Telemedicine, e-agriculture, e-Payments etc. The Digital India programme promotes safety and security concerns of growing cashless economy and addresses challenges confronting its wider acceptance. It also promotes innovation and evolve models for empowerment of citizens through Digital initiatives and to promote participatory governance and citizen engagement across the government through various platforms including social media.

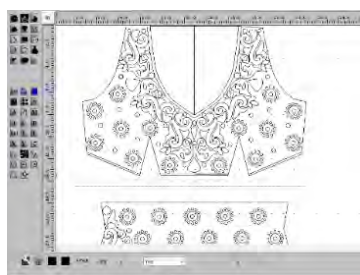
Achievements during 2017 – 2018

2. Technology Development & Deployment (TDD) Division

2.1 ICT Based Integrated development program for women empowerment in Lallapura Craft cluster of Varanasi



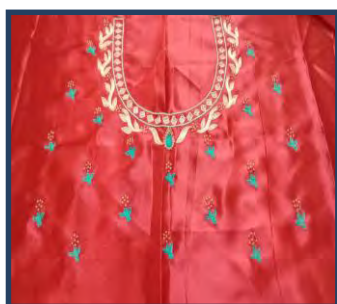
Training Session at the Centre



Digital Design created with Chic™



District Probation Officer Visiting the Centre Activities



Design on Cloth



Showing the Finished Products at the Centre



Centre visit by a socialist worker "Anna Maria De Witte" from Belgium

The second phase of the project is being implemented with the support of MeitY (under IT for Masses scheme) for skill improvement, livelihood enhancement and health awareness to women / girls in cluster. The project comprises providing training to women on digital designs using Computer Aided Design (CAD) software, e-Commerce, online marketing, brand value of the products, retail management and entrepreneurship development of Lallapura craft cluster at Varanasi, Uttar Pradesh. 984 Women / Girls have been benefited from the training provided under the second phase of the project as follows:

▪ Chic™ (CAD Tool for Craft)	- 185
▪ e-Commerce	- 119
▪ Enterprise Development Programme (EDP)	- 100
▪ Health Awareness Programs	- 580

The target is to reach up to 3500 girls / women under current phase. In addition, 23 Awareness Building / Sensitization programs have been conducted and 240 khaka patterns have been prepared.

2.2 Skill Enhancement & Health Awareness via Knowledge Transformation using ICTs for Women Empowerment in Bithoor Cluster of Kanpur – Bithoor Shakti

DIC with the support of MeitY, is implementing this project to enhance the skills, productivity & livelihood of identified women artisans (engaged in Zari & Zardozi work) of Bithoor Cluster in Kanpur using Computer Aided Design (CAD) software viz. Chic™. The project also aims to empower the adolescent girls and women in & around Bithoor by providing awareness and counseling on issues viz. Health & Hygiene, Education, Career and Social Security etc.



Artisan learning operation of Chic™ CAD software to create digital designs

Premises have been hired to train the artisans. Capital equipment have been procured and installed at the Center. A web portal and application development have been taken-up to monitor the activities of the Centre. The portal has modules: User Creation Module, Registration Module (Artisans, Healthcare & Adolescent), Batch Creation, Student Allotment, Student Approval, Workshop Creation and Dashboards – Admin etc. The portal & application will contain the details of activities & events at the Centre. Details of participating women & artisans will also be recorded.



Health Awareness Program for Women

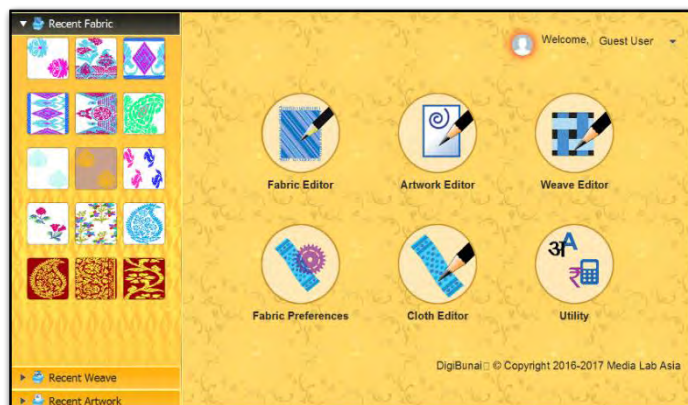


Awareness Program on Health & Hygiene Issues for Adolescent Girls

So far, 325 women have been trained in 6 batches on Chic™ CAD for making digital designs. More than 1800 designs have been created by women trainees. 8 Health awareness camps have been organized for 670+ Women. 8 awareness camps to give information on health & hygiene were organized and attended by 580+ adolescent girls.

2.3 DigiBunai™ - “An Open Source CAD Tool for Weaving of Banarasi Sarees”

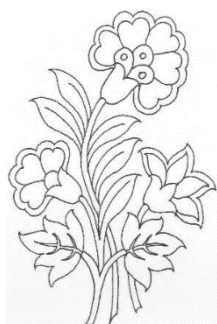
DigiBunai™ is an open source CAD tool to create designs, generate graph, and punching the jacquard cards to help the weavers in their pre loom loading processes. It is first of its kind Open Source multi lingual software in India for Jacquard and dobby weaving; customized for Banarasi Saree. The users can see the complete cloth (Saree) digitally to experiment with different parameters of the design. The software is customizable (local language and library of local designs) and can also integrate 3rd party design tools of the user's choice. Card punching services helps the weaver avail the services of punch card vendors enlisted on the platform. The application has been developed under the guidance of Weavers Service Centre (WSC) Delhi (including NCTD), Department of Textile Technology, IIT-Delhi and Amity school of Fashion Technology. Copyrights of the software have been reserved.



Dashboard of Application

Pilot Testing

With the support from O/o DC-Handloom (Ministry of Textile, Government of India), the application and services are being pilot tested at WSC and its 4 Common Facility Centre (CFCs) in Varanasi with active engagement of weaving community from Varanasi cluster. 8 fabric samples (cutwork, kadhua, butidar, jaal pattern) and more than 50 digital designs have been created using the application. Below are the different stages of fabric generation:



Sketch of Design



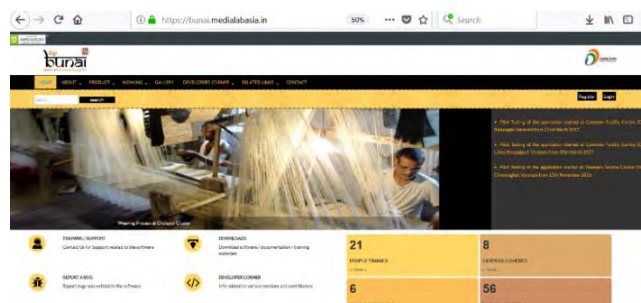
Graph of Design



Real Fabric

Web Portal (bunai.medialabasia.in)

- For designers to avail card punching services from various vendors through our CPS (Card Punching Services) facility
- To Promote the designs and fabric (digital cloth) shared by the user
- To provide information on various government resources
- To download the most recent version of the application



Web Portal (bunai.medialabasia.in)

i. The first users' group workshop on DigiBunai™ was held on 6th - 7th Nov 2017 at WSC, Varanasi. More than 90 users (Experts from WSC, CFCs, Clusters, IIHT, NIFT & community, young Weaver/ Designer and Students of NIFT and IIHT) participated in the workshop. The results were very encouraging. The users showed their interest in the application and gave their feedbacks & suggestions

ii. The Second users' workshop was conducted on 22nd Dec 2017 at WSC, Varanasi after incorporating the feedback / suggestions of the users as a follow-up of first Users' workshop. The usability of the software was found satisfactory by the users. They found the application with many unique features which are not available in other commercial tools viz.:

- User interface in local Language.
- Local color catalogue.
- Library of location specific weaves & designs.
- Garment viewer as play area for designers.
- Customized graphs of the designs (color segregated, superimposed).
- Synchronization of weaves, designs & fabric with the central server.

Besides the above, users liked the feature of visualizing the fabric with the interlacing of yarns, assigning the weaves to designs, changing the density of the fabric, front and back view of the fabric, provision for repeat patterns of designs, creating weaves, colorways and dobby fabric.



Experts and Users in the First Users' Workshop at WSC, Varanasi



Discussion on DigiBunai™ at WSC, Varanasi

Further Development:

During the users' workshops, it was suggested that the functionality of the application should be explored for other intricate Banarasi designs (Tanchoi, Ektara-Tanchoi, Jamwar). To increase the user base, the users recommended to incorporate some advanced features into the application viz. extra warp and weft for dobby designs, extra warp for jacquard designs, multi-layer cloth, fabric simulation and draping, application the multi form factor devices (tablet/mobile). These advanced features are proposed to be undertaken in the next phase. A project proposal would be submitted to MeitY seeking support. Development of a similar application will be explored for the carpet designing jointly with India Institute of Carpet technology (IICT), Bhadohi (U.P.).

"Uniqueness"

- Developed as per Indian handloom weaving sector catering local languages, weaves, designs, clothes & color catalogs
- Play-area for garments' layout
- 3 level data security

2.4 Setting up of Rural Women Technology Park at Basani, Varanasi

Science for Equity Empowerment and Development (SEED) Division, Department of Science & Technology (DST), Government of India has awarded DIC this project at total cost of Rs. 49,75,061/- for 3 years. The objective of the project is women empowerment in Basani, Varanasi through training on following:

- Embroidery design training for Varanasi crafts - **Chic™ CAD tool: 550 women artisans**
- Healthcare awareness & training: 5000 girls / women
- Retail management training: 375 girls / women
- Food processing training: 750 girls / women

2.5 'Interactive Information Dissemination System (IIDS)'

IIDS is a pull & push based system currently being used for delivery of agro-advisories. It is a combination of Smart Phone Application, Interactive Portal and Interactive Voice Response System. There is a mobile interface at front end and web interface at back end. Data is transmitted through voice, text, images and videos from both ends (farmers to experts & back). IIDS has become a useful tool in enhancing the outreach of Agriculture Universities. It enables farmers to interact directly with local Agro-Scientists in their native

languages (currently Telugu in AP & Telanagana and Khasi & Garo in Meghalaya). The experts, using IIDS, has an access to knowledge & farmer database. It enables them to understand the farmer and appreciate his field problems in a better way - *Know Your Farmer (KYF)*.

DIC has integrated IIDS with the push based 'Text & Voice' message services under National Mobile Governance Initiative from MeitY. So far, 2240 text messages and 309 voice messages in local languages (Telugu, Khasi & Garo) have been pushed on various need based issues to the registered farmers.

AKPS & M4agriNEI Mobile Apps have been developed and deployed under UMANG platform of MeitY.



Farmer showing UMANG AKPS Mobile App



Farmer capturing image of his crop to send to agro-experts via UMANG AKPS Mobile App

Deployments of IIDS: A brief on the deployment of IIDS during the year 2017-18 is as follows:

A. Annapurna Krishi Prasaar Seva (AKPS): IIDS deployed as AKPS along with Acharya N G Ranga Agricultural University (ANGRAU) and Prof Jayashankar Telangana State Agricultural University (PJTSAU) in 22 districts of Andhra Pradesh (AP) & Telangana.



AKPS PRSG Review Meeting at PJTSAU under the Chairmanship of Director ATARI, ICAR



Dr N Venugopalarao, ADR, RARS, Anakapalle addressing Scientists during IIDS Training Program

Progress made during FY 2017-18 is as follows:

Technical support for AKPS services continued for F.Y. 2017-18 on the requests of ANGRAU and PJTSAU. 5747 new farmers were registered for AKPS services from AP & Telangana and the total number of farmers registered have reached 36,840. 4530 queries received from farmers on Agriculture, Animal Husbandry & Fisheries were resolved by different Krishi Vigyan Kendras (KVKs) and District Agricultural Advisory and Transfer of Technology Centres (DAATTCs) Scientists / Experts through toll free number. Need based 1712 text & 242 voice messages were sent by KVKs / DAATTCs to their respective farmers consuming 121.54

Lakhs SMSes and 3.57 Lakhs Voice Calls. Assistant Director of Extension, PJTSAU and IIDS team presented IIDS model to the extension professionals from various parts of the country during a training programme on **New Media Technological Tools for Agriculture and Allied sectors** at Extension Education Institute (EEI), Rajendranagar, Hyderabad.

B. Mobile based Agro Advisory System for North-East India (m4agriNEI)

DIC undertook the project in the year 2012 in Meghalaya on Mobile Based Agro Advisory System (m4agriNEI) along with CAU, Imphal with the objective to empower farmers by providing right information at right time. The software platform being used for m4agriNEI is IIDS. Two multimedia agro-advisory labs were established at College of Post Graduate Studies (CPGS), Barapani, Meghalaya and College of Home Sciences (CHSc), Tura, Meghalaya of CAU to cater the farmers' queries in local dialects – Khasi & Garo.

w.e.f. Jan 1, 2018, Meghalaya Govt. has taken over m4agriNEI project under the banner '1917iteams' to extend services to entire state covering 40,000 farmers (ultimately target is to reach 200 thousand farmers)



Distribution of Ginger Rhizomes to Farmers of Ri-bhoi

During 2017-18, 1455 new farmers from Ri-Bhoi, East Khasi Hills, West Jaintia Hills, West

"IIDS reach at a glance"
Villages Covered: 6692
Beneficiaries: 48,000
Message pushed: 19 million
Queries received: 40,000

Khasi Hills and Garo Hills districts were registered under the project and with this total registered farmers has reached 13126. 3549 queries of the farmers were resolved by m4agriNEI labs at CPGS Barapani and CoHSC Tura. 1500+ farmers were contacted by project team to get their feed-back regarding the advisory provided under the project. Need based 528 text & 67 voice messages were

sent by both the colleges to their respective farmers in Khasi & Garo dialects consuming 11.71 Lakhs SMSes and 1.21 Lakhs Voice Calls.

A training programme on 'Disease and Pest Management of Kharif Rice Cultivation' was organized at Govt. Girls School, Koinadhubi under Dalu Block. 105 farmers (including 91 females) participated. The level-I and level-II experts made 11 field visits to inspect crop fields, animal husbandry farms and others.



IIDS demonstration to CM Meghalaya during launch of 1917iTEAMS

The m4agriNEI has been integrated with the Govt of Meghalaya's integrated program namely 1917iTEAMS – Connecting Farmers to Market. Department of Agriculture, GoM has established 45 seater Agriculture Response Center (ARC) at Shillong using DIC's IIDS2.0 platform. The existing communication infrastructure of DIC established at its Mumbai office is being used for the implementation of the program. The program was launched by the Chief Minister of Meghalaya on 29th Dec 2017.

2.6 "Punarbhava™" (www.punarbhava.in) - Web portal for 'Divyangjan'

The web portal facilitates all the information related to different disability issues at one place for persons with disabilities (Divyangjans), NGOs, professionals, policy makers, students, parents, community workers, parents and other stakeholders in the field of disability. The portal is accessible as per W3C guidelines. It also has a font resizer and color switcher options for accessibility. The information on portal is segregated under different sections such as Disability Register, Legal Instruments, Resources, Careers, Assistive Devices, Blogs, Accessible Content, Latest News, Events, Employment Opportunities, Publications, Useful Links, National Institutes, and feedback etc. The portal is regularly updated and average daily hits have increased from around 8000 to 12,000 during the year.

2.7 "Punarjjani™" (www.punarjjani.in) – Web based bilingual (Hindi & English) tool to assist special teachers in assessment of children with mental retardation (MR)

Three standard methods widely used manually for regular assessment of children with MR in the age group 6-18 years viz. FACP (Functional Assessment Checklist Programming), BASIC-MR (Behavioral Assessment Scale for Indian Children with Mental Retardation), MDPS (Madras Development Programming System) have been digitalized & integrated. The tool assists special teachers in easy & quick assessment of children with MR in structured way and hence saves their time. Teachers can devote more time with children in developing their skills.

846 special teachers representing 501 special schools & 122 Sarva Shiksha Abhiyan (SSA) blocks from around 150 cities/towns of 28 States/UTs throughout the country have been trained and provided access to the tool. Requests have been sent to all State Education Secretaries and Social Welfare Secretaries in Hindi belt to consider deployment of the tool (Hindi version) in their respective States. A training workshop was conducted at Jaipur, Rajasthan with the support of Directorate for Welfare of Persons with Disabilities, Govt. of Rajasthan. The tool is being enhanced as per feedback.



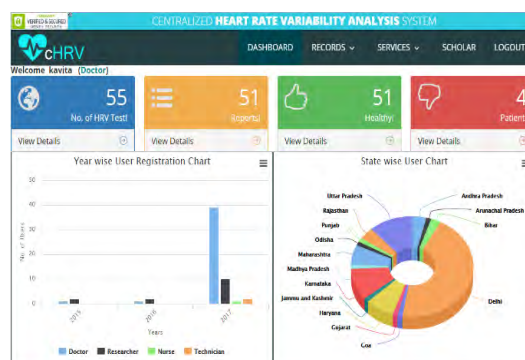
Training Workshop on Punarjjani™ at Jaipur

2.8 Centralized System for Heart Rate Variability (cHRV) Analysis System

The project is being executed in collaboration with All India Institute of Medical Science (AIIMS), New Delhi to make HRVA technology available at remote places and to provide the HRV tool in a more advanced way so that the doctors, researchers, health professionals, people and communities have easy access for their specific needs.



Hands-on Workshop on cHRV



cHRV User Interface and Statistics

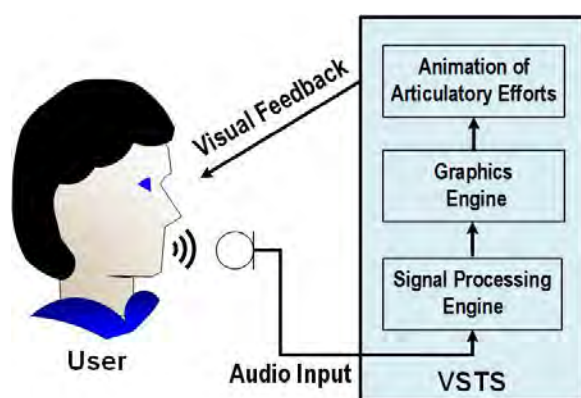
HRV is an important human body performance indicator to assess the role of autonomic nervous system fluctuations in healthy individuals and patients. It offers prognostic information independent of and beyond that provided by traditional risk factors. Centralized HRV empowers medical community through reproducible and collaborative research platform developed using Open CPU and R. The system creates database on HRV & associated health for benchmarking, clinical utility and policy making.

During the year, the system has been customised with additional features viz. User specific statistical display, URL based publication management, Email notifications, Benchmarking of HRV analysis, Data import/export, HRV analysis report & referral management etc. The cHRV application is running on a server at DIC (formerly MLAsia) Mumbai office. 16 medical organizations are registered across the country. 65 users from these organizations are using the system for HRV analysis and provides feedback. A concept **note on 'Establishment of a Centralized Facility for Autonomic Tone Quantification and Formulation of a National Database for Preventive and Curative Care'** has been prepared jointly with AIIMS, Delhi and submitted to Department of Science and Technology (DST) and Indian Council of Medical Research (ICMR), Government of India. The same was presented by Digital India Corporation and AIIMS, Delhi to the Secretary, DST on 13th Sep, 2017.

The cHRV system was presented at **"First World Non-communicable Disease Congress 2017"** held on 4th - 6th November 2017 at PGIMER Chandigarh and at **"Telemedicon 2017"** held on 9th – 11th Nov 2017 in Pune.

2.9 Visual Speech Training Software (VSTS) for Hearing Impaired

VSTS is a computer-based speech training system which uses information obtained by speech signal analysis to provide a visual feedback of efforts involved in speech production. It is an application software which runs on a PC with sound card, without needing any additional hardware. It has been developed for use as an analysis and diagnostic tool by speech therapists and speech training professionals and as a speech training aid to assist in acquisition of correct articulatory efforts by children with hearing impairments and second language learners. The software has been developed in collaboration with IIT Bombay with support of an R&D grant from Ministry of Electronics and Information Technology (MeitY), Government of India.



Schematic of VSTS



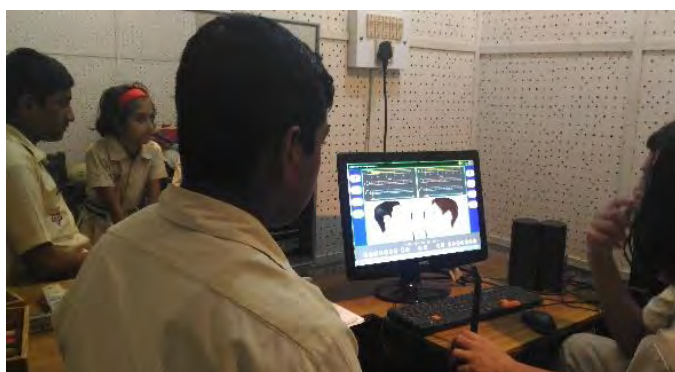
User Interface of VSTS

The main features of the system are as follow:

- i) Signal acquisition: recording of speech signal as an audio clip of up to 10 s and loading of pre-recorded sounds;
- ii) Signal analysis and display: signal waveform, pitch, energy, spectrogram (2D plot of time-varying magnitude spectrum), and areagram (2D plot of time-varying vocal tract shape);



VSTS in use at YMCA School for the Deaf, Pune



Field Visit of Project Team at MR School for the Deaf, Pune

iii) Animation of articulatory efforts: display of time-varying vocal tract shape (as obtained from the analysis and displayed in the areagram) with adjustable animation speed along with optional indicators for frame energy, pitch, and place of articulation.

In order to provide corrective feedback with reference to a model speech utterance, the system has two side-by-side display panels which can be used for acquisition and processing of two speech signals. For example, one signal can be from the learner and the other signal can be from the teacher or a reference speaker. It is also possible to use the same signal in both the panels with analysis result in one panel and animation in the second panel. The animation is reconfigurable. In each panel, the face can be selected as that of a man, woman, boy, or girl, and its orientation can be selected as left or right facing. The color scheme of the overall display can be modified and saved for subsequent use. The present version of the system can be used for speech segments containing vowels, semivowels, and diphthongs.

2.10 Information Technology Research Academy (ITRA)

ITRA is an enabling programme initiated by Ministry of Electronics and Information Technology (MeitY), Government of India, to help build a national resource for advancing the quality & quantity of R&D in Information and Communications Technologies (ICT) and Electronics and its applications in IT and related **institutions across India. Implementation of the five year 'ITRA project' with a total outlay of Rs. 148.83 Cr** was entrusted to Digital India Corporation (formerly Media Lab Asia), by MeitY in November 2010. Subsequently, ITRA operations have been extended till Dec 2018. ITRA is operating as a division of DIC.

ITRA is designed to produce a large numbers of IT researchers who are well equipped with the latest IT knowledge, educated in relating classroom knowledge to developing solutions, trained to spot problems amenable to IT solutions, motivated to identify societal problems in IT and other domains, and exposed to mechanisms for converting lab solutions to working prototypes. ITRA activities are aimed at a major increase in the national capacity of producing PhDs who could become faculty in academic institutions and address the needs of the industry and society at large. ITRA uses the following mechanisms for enhancing the quality of R&D at institutions:

- a) Eminent experts are invited to nurture R&D teams in emerging areas and collaborate with ITRA Institutions / Faculty
- b) Fellowships, awards, professorships, etc., are given to recognize performance
- c) Researchers are exposed to state of the art facilities, best practices and mentorship
- d) Programs are formulated to promote creativity and innovation through nurturing societal sensitivity
- e) Mechanisms are defined to transfer deserving technologies developed by the teams to companies, etc.

ITRA has so far taken up 4 **focus areas, viz., "Mobile Computing, Networking and Applications (*ITRA-Mobile*)"; "IT based Innovations in Water Resources Sustainability (*ITRA-Water*)". Subsequently, "IT based Transformations in Indian Agriculture and Food (*ITRA-Ag&Food*) and "Human Simulator for Amyloids related Diseases (*ITRA-HuSim*)"**

ITRA-Mobile:

ITRA in the research area *ITRA-Mobile* targets applications of IT in Healthcare, Transport and Disaster Management. *ITRA-Mobile* projects are running in 33 institutions, involving 64 faculties and 98 Ph.D. students.

During FY 2017-18, *ITRA-Mobile* research community has published 46 research papers in conferences and journals of international repute; number of courses were developed / modified and several workshops were

conducted at associated institutions. The projects were evaluated twice during the financial year. Based on the recommendations of the Governing Council of ITRA, projects have been extended till Dec 2018.

ITRA-Mobile teams are working on 11 proof of concept (PoC) prototypes and technologies having potential for commercialization (start-ups or ToT). PoC teams have showcased their technologies at various places to domestic & international investors and other potential stakeholders where these technologies were **appreciated**. A technology, “Cough and Wheeze Analyzer” developed under *ITRA-Mobile* Project Virtual Assistant has also registered a startup company named as SALCIT Technologies Pvt Ltd.

2018 being the final year of the projects, the teams consolidated the work they have done over the entire project period. A meeting, focused on transfer of technology (ToT) and information dissemination held at Bangalore during Jan 7 - 9, 2018 where the project teams presented their 2018 work plan in following main parts:

- i) Conversion of the lab prototypes of the various technologies / solutions into field prototypes.
- ii) Dissemination of the scientific information produced.



ITRA-Mobile Evaluation Meeting July 13-14, 2017

ITRA-Water:

ITRA in the research area *ITRA-Water* is focusing on the multifaceted challenge of sustainable access to water for all sectors. *ITRA-Water* projects are running in 23 institutions, involving 33 faculties and 38 Ph.D. students.

During FY 2017-18, ITRA-Water research community has published 10 research papers in conferences / journals of international repute; a number of courses were developed / modified and several workshops were conducted at associated institutions. A monsoon school was conducted successfully at IISc Bangalore during July 2017 where eminent experts from India and abroad and other participants from SAARC countries participated. Based on the recommendations of the Governing Council of ITRA, projects have been extended till Dec 2018.

ITRA-Water teams are working on 5 proof of concept (PoC) prototypes and technologies having potential for commercialization (start-ups or ToT). PoC teams have showcased their technologies at various places to domestic & international investors and other potential stakeholders where these technologies were appreciated. A weather / rainfall forecasting technology developed by IIT Gandhinagar under *ITRA-Water* project 'Measurement to Management' is being successfully used by India Meteorological Department (IMD), Govt. of India.



2018 being the final year of the projects, the teams consolidated the work they have done over the entire project period. A meeting, focused on transfer of technology (ToT) and information dissemination held at New Delhi during Jan 11 - 13, 2018 where the project teams presented their 2018 work plan in following main parts:

- i) Conversion of the lab prototypes of the various technologies / solutions into field prototypes.
- ii) Dissemination of the scientific information produced.

ITRA-Ag&Food:

ITRA, in its third research area *ITRA-Ag&Food*, is aiming to create collaborative, multi-institutional, interdisciplinary teams to catapult the state of Agriculture & Food in India using IT, into a new orbit of productivity. Two R&D team projects on various aspects of Pigs and Goats in North East India, were initiated at 14 institutions comprising 45 researchers.

Annual Review of these two projects is due in Jan-Feb 2018. ITRA is planning to conduct an Evaluation Workshop for these projects in Feb 2018.

ICAR has now joined hands with ITRA to fund an umbrella project "Sensors and Information Technology for Resource Efficient Agriculture (ASITREA)" comprising of 22 institutions and 92 researchers.

A cost committee meeting was held at Indian Council of Agricultural Research - Indian Agricultural Research Institute (ICAR-IARI), Pusa Campus for finalizing the cost of the ASITREA project, funded by ICAR. The meeting was attended by Dr. P. K. Agrawal, ADG & Director (NASF), ICAR, Shri Devendra Kumar, Director (Finance), NASF, ICAR, PIs and Co-PIs of ASITREA project and ITRA team. The PIs and Co-PIs of the project presented the estimated cost of the project including Capital Equipment and Manpower expenses along with the justifications to ICAR officials. In accordance with the agreed budgetary provisions in the Cost Committee meeting on Dec 20, 2017, DIC submitted the umbrella project to NASF.

The Empowered Committee Meeting was held on Dec 27, 2017 in the Board Room, National Agricultural Science Fund (NASF) Complex, PUSA Campus, New Delhi. In this meeting, all the components of the umbrella project presented their technical details and outcomes. Approval of the Empowered Committee is awaited for the launch of ASITREA projects.

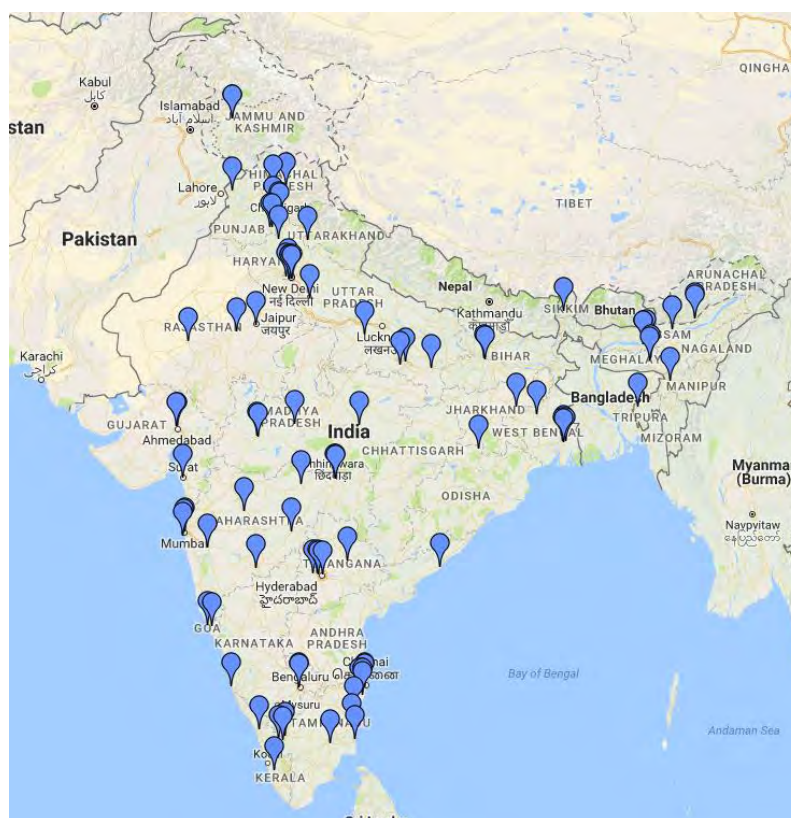
With the approval of Secretary MeitY, ITRA is initiating 4 more projects in this area.

New focus area:

Based on the recommendations by Secretary MeitY, ITRA is in the process of initiating new focus areas related to Food Safety, Cyber Security, IoT etc.; where collaborative, multi-institutional, inter-disciplinary teams would be dealing with the ground problems of the areas. Several rounds of meetings are currently being held for the same.

2.11 Visvesvaraya PhD Scheme for Electronics & IT

MeitY has entrusted Digital India Corporation (DIC) (formerly Media Lab Asia) with implementation of Visvesvaraya PhD Scheme to enhance the number of PhDs in Electronic Design & Manufacturing (ESDM) and IT / IT enabled Services (ITES) sector. The objective is to support 3000 additional PhDs students (1000 full time + 2000 part time) in ESDM and IT / ITES and to support 200 Young Faculty to encourage & recognize their work in research & technology development.



Map showing Coverage of the Scheme

The scheme is being implemented in 27 states & 3 UTs in India in 99 institutions with a total allocation of 1086 full-time & 666 part-time PhD fellowships so far. A total of 966 full-time & 190 part-time candidates have been enrolled. 129 **awardees of 'Young Faculty Research Fellowship (YFRF)'** identified so far out of the target of 200 YFRF.

First Workshop for Young Faculty Research Fellows (awardees of YFRF) was held at IISc Bengaluru on July 28th 2017. 45 YFR Fellows participated in the workshop and presented their work. The workshop was also attended by MeitY Officials and sub- committee of Academic Committee.

The short-listed candidates of 1st Technical Workshop for YFRF were invited along with their Guides to **present their research work during "3rd Workshop for Presentation, Evaluation of Research Work"** held on 17th - 18th Nov 2017 at Andhra University, Vishakhapatnam. The workshop was attended by the other 200 PhD candidates, their Guides and Nodal officer of PhD Scheme.

Online Portal: A web portal has been setup on scheme for information dissemination, processing of the proposals received, monitoring of the scheme etc. Details about the scheme are available at <http://phd.medialabasia.in>. New Modules have been developed which include:

- Inter Research Group Discussion Forum
- YFRF module
- Workshop Archive Module
- Research Abstract Module for Workshops with YFRF domain experts

3. National eGovernance Division (NeGD)

I. NEGD Role- Digital India (Programme Management)



Digital India programme is a flagship programme of Government of India with a vision to **transform India into a digitally empowered society and knowledge economy**. The Digital India programme weaves together various government schemes, many of which cut across all the Central Ministries/ Departments. The programme is to be implemented by the entire government both Central and State and coordinated by Ministry of Electronics and Information Technology (MeitY).

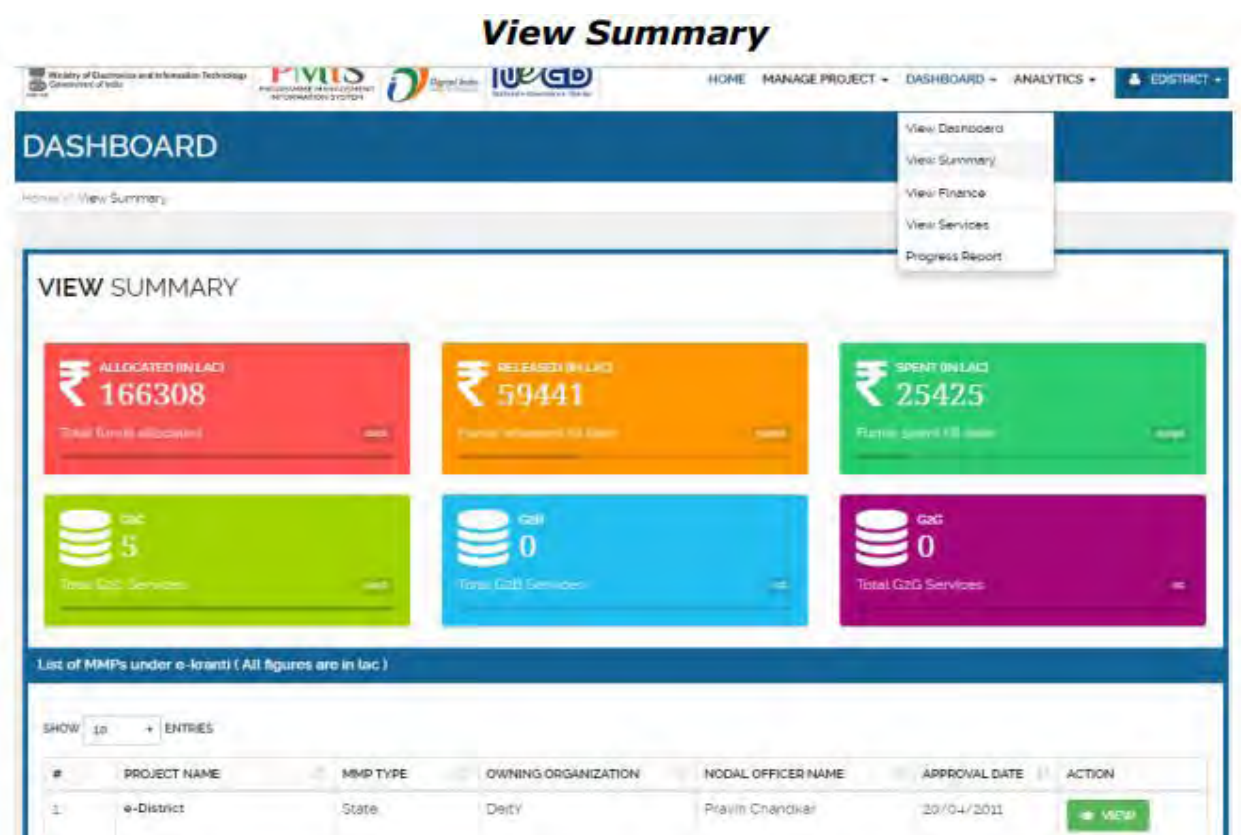
NeGD has been playing a pivotal role in supporting Ministry of Electronics & Information Technology not only for mandate of work assigned but has also added value to eGovernance projects/initiatives undertaken by Ministries / Departments both at Central/ State levels. NeGD has been assigned the responsibility of providing the programme management, technology management, project appraisal, awareness & communication and capacity building support to MeitY for Digital India. NeGD was also assigned implementation of some innovative unique projects under Digital India. Digital India programme is monitored by an Apex Committee chaired by Cabinet Secretary.

- **Consulting and Technology Management Support:**

NeGD acts as one of the key catalysts and integrators for initiatives under Mission Mode Projects and support components under NeGP across the country. While ongoing initiatives under NeGP have reached a certain stage of maturity, several new initiatives are on the anvil for bringing about further transformation. These include redefining and reprioritizing of the NeGP portfolio, integrated services, mandatory Govt. processes reengineering, comprehensive process reform, standardization, integration, automation and self-service, infrastructure, platform and service on demand (IaaS, PaaS, SaaS), leveraging cloud & mobile, setting up of an e-Governance Academy, putting in place HR Policies and structures for e-Governance, capacity building awareness creation and impact assessment index.

- **Monitoring and coordination of MMP/ e-Gov projects:**

- **Programme Management Information System (PMIS):**



PMIS is a web-based, centralized tool for monitoring and evaluation of the physical, financial and outcome parameters of the Mission Mode Projects under e-Kranti framework of Digital India program and other such e-Governance projects.

Objectives:

- Provide Centralized monitoring and analytics for physical & financial progress
- Assist the Central/State Departments to track and monitor the progress of the project Centrally and State-wise
- Support decentralized data collection at source
- Generate project specific, state/ district/ national level MIS and Dashboard reports
- Enable stakeholders to communicate information and decisions on MMPs/NeGD projects quickly, effectively and periodically
- Reduce turnaround time in generating periodic progress reports.

Role:

- Pre-implementation (Conceptualization, Core scoping, design and development)
- Implementation and operations
- Post implementation (Operate, sustain and monitoring and evaluation of outcomes).

- **Secretariat to Apex Committee and coordination of Digital India Implementation.**

The support to Apex Committee on Digital India are being provided by NeGD. NeGD provides full-fledged liaison, management and secretarial support in organization of the meetings chaired by Cabinet Secretary. NeGD has also kept track on action taken in respect of the decision points made during the meetings.

- **International and National Conferences / workshops related to Digital India:**

- **GCCS 2017:**



GCCS-2017 was much bigger in size and outreach compared to previous 4 editions of GCCSs. There were 3862 participants during 4 days of Curtain Raiser and Main Event which is more than twice compared to the GCCS at The Hague. There was virtual outreach through up to 2800 VC / Webinar locations at a time. There were 3 plenary and 16 parallel sessions in the main Event. Due to tremendous demand for sessions during the main Event, it was decided to hold 16 Curtain Raiser Events also for the first time in the history of GCCS. There were 31 run up events which too is unprecedented.

132 nations participated in New Delhi as against 98 nations in the last edition. GCCS2017 was number one trending hashtag in India for quite some time and UMANG was numero uno in top charts of Google Play Store. Huge participation has taken place from developed nations including 265 persons from G20 countries.



The tangible outcomes of the GCCS are as follow:

- India Book on transformation ICT based success stories.

- Book on Global Innovations in Cyberspace.
- Dedication of UMANG to the nation
- Institutionalization of Digital Knowledge Sharing Platform
- Global convergence in views on free and open internet with international cooperation for combating cyber menace.
- **GCCS Chairman's statement included several points on which general convergence of opinion emerged among nations.** In particular, the Chairman announced setting up of Digital Knowledge Sharing Platform.
- World level enlightening discussion took place in India for the first time on new areas such as Blockchain, IoT, Big Data, Technology for the Disabled
- Delhi Communique by Global Forum on Cyber Expertise emphasised on sharing of global best practices in the field of e-Governance and capacity building.
- GCCS- 2017 was much bigger in size and outreach compared to previous 4 GCCS events
- On-boarding of creative and event management agency for GCCS 2017
- Development of GCCS creatives- Outdoor, Social Media, Event etc.
- Public Relation (PR) activities for GCCS 2017
- Film Production- GCCS, UMANG, GCCS Logo Launch
- **Management of GCCS speakers' profiles, photos and other details as a part website e-content, and social media pre-event promotion**
- Preparation of EOI, Reaching out to 50 Sponsors; on-boarding and closing of deals
- Conducting 31 Run up events / Uploading of events onto the website
- 3862 participants, 132 Nations participated
- 2800 virtual outreach through Video Conference/Webinar at multiple locations at a same time
- 265 persons from G20 countries
- **Hon'ble Prime Ministers of India and Sri Lanka graced the occasion**
- GCCS website and app provided paperless solution to this event
- 3 plenary and 16 parallel sessions were held in main event
- 16 curtain raiser events and 31 run up events also took place for the 1st time in history of GCCS

India's prowess as a Digital Economy was firmly established and with organization of such a massive Conference successfully, India emerged as global champion.

- **Capacity building:**

Building Internal Capacity within Government: Capacity Building Scheme was initially approved by Government in Year 2008 for taking National e-Governance Plan (NeGP) forward across the country in all the States and Union Territories. The Scheme envisioned the following:

- (i) Establishment of an institutional framework for State Level Strategic decision- making including setting-up of State e-Governance Mission Team (SeMT) having relevant expertise and experience to provide technical & professional support.
- (ii) Imparting of specialized training, Orientation program for decision makers (State legislature and senior bureaucrats) and SeMTs, knowledge sharing and bringing in international best practices.
- (iii) Strengthening of Government Training Institutions in States.

A brief status on the CB initiatives under the above component is given below:

S.No.	CB II Project	Status
1	Knowledge Management System(KMS)	First phase Launched. As of now there are 463 registered users.
2	Learning Management System (LMS)	The Learning Management System (LMS) and Knowledge Management System (KMS) under Digital India Program established the LMS/KMS portals with various stake holders within national and international presence. Conducted 58

		<p>Webinars on GST, Cyber Security, Cloud Computing, IT and e-governance.</p> <p>Entered MoU with IGNOU for creating e-contents without any capital cost. On boarded Harvard Manage Mentor Courses and technology courses from Simplilearn without any capital cost for the development of e-courses related to e-governance. Customized the LMS for the international solar alliance (ISA), Indian Railways. On boarding is in progress for Cyber Forensic and Cyber Crimes National Law School Bangalore and Delhi.</p>
3	Collaboration with ATIs-CTI and other Trg Institutions	<p>A. MOU has been signed with 8 ATIs & CTIs and 3 other organizations to take up need-based e-Gov Training programs and embedded Training.</p> <ul style="list-style-type: none"> i. Yashada, Pune ii. IIPA, New Delhi iii. CIPS, Hyderabad iv. APHRD, Vizag v. NIFM, Faridabad vi. MCRHRD, Hyderabad vii. ATI, West Bengal viii. RIPA, Rajasthan ix. NIELIT, Delhi x. NISG, Delhi xi. IIM Ahmedabad, xii. MGSIPA, Pujnab xiii. IGFNA, Deharadun <p>B. While the discussions are in progress with other Central and State Training/ academic Institutes, content and Faculty support is being extended to National Postal Academy-Ghaziabad, National Police Academy-Hyderabad, ATI Kerala, iCISA Noida and ATI Goa.</p>
4	Content Development / Customization	<ul style="list-style-type: none"> ✓ Transliteration of existing STeP content in Hindi ✓ New Teaching Case Study development for trainings (2 cases under review) ✓ CISO design and coordination of development of content
5	Revamping of high value Training programs & content to map to dynamic training needs	<ul style="list-style-type: none"> ✓ 79 Trg programs conducted out of 86 budgeted in DPR. ✓ 5090 officials trained in NeGD funded programs and around 2234 through innovative approach of faculty and content support to ATI-CTI. ✓ The Chief Information Officers (CIOs) Training Program have been on offer for around a decade. The duration, structure, and the content for these courses were augmented to an extent from time to time and the current structure is in practice for around last 4 years. Many aspects of e-Governance scenario in the Country have changed since the CIO programmes were last reviewed. A number

		<p>of shared services and common service infrastructure are now available..</p> <p>A working group with members from academia and training, industry, Government and NISG was created to review the program.</p> <p>The group submitted its recommendations and accordingly the existing 3 variant of CIO programmes are re-categorized at 2 levels; Leadership and Champion level for a duration of 4 and 12 days, leveraging LMS for knowledge based inputs and the skilled based inputs are redesigned for experiential learning.</p>
6	Setting up of Virtual Cadre	<ul style="list-style-type: none"> ✓ Virtual cadre has been setup within NeGD ✓ Pursuing with Virtual cadre setup in State/UTs
7	Impact Assessment for CB II	<ul style="list-style-type: none"> ✓ As envisaged in the scheme, a third-party impact assessment of CB efforts was undertaken around the mid-term. As per the report Capacity Building efforts have been successful in creating the intended impact and there exists a need to continuously build capacities across the country in order to achieve the vision of Digital India programme. It becomes critical to undertake a new phase of Capacity Building programme.
8	Global Collaborations and Centre of Excellence	<ul style="list-style-type: none"> ✓ Global collaborations are explored to bring in global learning and exchange of experiences ✓ Short duration fellowships are being designed to take up research and in-depth study in niche areas ✓ Partnership with academia and research institutes to establish Centre of excellence
9	SeMT	<ul style="list-style-type: none"> ✓ State e-Governance Mission Teams (SeMTs) have been set up to provide technical & professional support to the States. NeGD facilitate SeMTs, provide orientation during the initial period of employment, cross learning with the other SeMTs and the related SMEs. ✓ 161 members as of now
10	Cyber Surakshit Bharat(CSB) : Deep dive training programmes for CISOs(Pan India)	<ul style="list-style-type: none"> ✓ Launch Programme held on 17 Jan 18 , 250 officials from Centre/State/Govt PSUs) attended the programme. ✓ Further Deepdive training of 1200 Chief Information Security officer (CISOs/CTOs) in an year's time. ✓ So far, 5 batches of 4 days deep dive training programme have been conducted on regional basis for 4 Region- North, East and West in Delhi, Mumbai and Kolkatta.

• **Awareness and Communication Report:**

Awareness and Communication (A&C) is an integral component of the Digital India Programme. A&C performs the crucial role of generating and raising the level of awareness about Digital India, related

services and service delivery channels amongst diverse stakeholders across the country. The main objectives of A&C activities are:

- (i) **Build Brand Recognition** and **enhance recall** about Digital India Programme
- (ii) **Motivate stakeholders** as well as beneficiaries to participate and **benefit from various services** being offered under Digital India Programme
- (iii) **Facilitate and enhance multi stakeholder participation** in making Digital India more effective –Youth, Academia, Industry, Government etc.
- (iv) **Facilitate demand creation** among citizens for Digital India services leading to adoption of various e-services
 - a. Increase in downloads of App based services
 - b. Increase in likes on Social Media platforms

II. Achievements (2017-18)

- In order to formulate a Media & Communications strategy and to implement Public Relation Campaign activities for Digital India Programme, services of a PR agency namely Dentsu was hired for a period of 1 year from December 2016 - November 2017. For this purpose, a Scope of Work document **had been prepared and shared with NeGD's 12 empanelled agencies.**
- Creation of Logo Design and Tagline for Unified Mobile App for New Age Governance (UMANG) **through NeGD's empanelled agency; UMANG was launched by the Hon'ble Prime Minister on November 23, 2017**
- PRSG meeting held in June 2017 for extension of A&C Project till March 2018 and another meeting was held in June 2018 and the project has been extended till December 2018.
- Organizing and Management of 1 Trillion Dollar Digital Economy in India- A consultative meeting **with Industry Leaders and CEOs was held on June 16, 2017 and presided over by the Hon'ble Minister of Electronics and IT, Law and Justice**
- Publishing 3 Special Features on Digital India in EXOTICA Magazine (wellness, travel and lifestyle of the Pioneer Group of newspapers) in 2017 on the following topics-
 - Digital India (September 2017 Issue)
 - UMANG (October 2017 Issue)
 - DigiLocker, NCOG & GIS (November 2017 Issue)
- Organizing meeting of the High Level Organizing Committee (HLOC) for GCCS 2017 on July 21, 2017 **under the chairmanship of Hon'ble Minister, Electronics & IT and Law & Justice to take inputs from various stakeholders in the Government and industry for planning of the Global Conference on Cyber Space (GCCS) held in India in November 2017.**
- A Request for Proposal defining the Scope of Work for GCCS 2017- Event Agency and German Hangar were prepared and published on 14th June and 31st August 2017 respectively. Expression of Interest documents were also prepared and published for selection of hotel and sponsorship of Industry for GCCS 2017.
- Organizing and Event Management of the mega event- Global Conference on Cyber Space (GCCS 2017) in Aerocity, New Delhi on 23-24 November, 2017. GCCS was a prestigious global event where

political leaders, policy makers, think tanks, academia and industry experts deliberated on the **potential and challenges regarding using Cyber Space for achieving national goals. GCCS' Main event** was preceded by Curtain Raiser events on 20-21, November 2017 at Aerocity, New Delhi and a post conference event was also held on 25 November 2017.

- Event agency was assisted by A&C Team for the following tasks: -
 - Event planning and preparation as per timelines
 - Layout, design, decor and fabrication of venue
 - Protocol, Security (SPG), surveillance, entry-exits of VIP, Participants
 - Liaising with external agencies for various supporting work- GMR, BSES, NIC
 - Logistics and Venue Management- Exhibition area, branding/art installation, stage-set-up, run-up events
 - PR management (seating, parking, media centre at hotel, OB vans)
 - On-site inspection, report preparation, bill processing and vendor payment
- In order to discuss action items pertaining to initiatives under e-Governance and electronic manufacturing and broadband for all, a conclave of the IT Ministers and IT Secretaries from all **States/UTs, under the chairmanship of Hon'ble Minister for Electronics & Information Technology** was organized on 12th & 13th February, 2018 at Vigyan Bhawan, New Delhi. The tasks performed included (but not limited to) branding of the event in NDMC area, Sitting Arrangement, Venue arrangement, Logistics etc
- Participation in 21st National Conference on e-Governance held on 26-27th Feb, 2018 in Telangana and Global exhibition on Service held on 17-20th April 2017, Greater Noida; exhibition stalls were set up to showcase Digital India products
- 4 Years of Digital India:
 - In order to showcase 4 years achievements of Digital India since its inception, ***films on Digital India, CSC, Electronics Manufacturing*** were made showcasing achievements and success stories under the Programme
 - **A television programme was also organized on Doordarshan wherein the Hon'ble Minister of Electronics and IT interacted LIVE with CSC, BPO, Electronics Manufacturing beneficiaries.**
 - Execution of Radio and TV Campaigns on AIR and Doordarshan marking 4 years of Digital India.
- Outdoor Campaigns conducted across the country:
 - GCCS 2017
 - Bill boards in Delhi/NCR, Bihar and Rajasthan in respect of Digi Dhan Campaign
 - Digital India Campaign in 7 Cities (Delhi, Patna, Mumbai, Chennai, Bangalore, Hyderabad and Ranchi)
 - OOH Campaign in Lutyens Delhi, additional sites taken in 5 cities (BHIM Campaign for one month)
- Print Ads published in leading publications
 - Regional Workshop, Jaipur for Small and Medium on Digital Payment
 - EOI for Sponsoring the Activities and events of Global Conference on Cyber Space 2017
 - Culmination of Digidhan Mela and launch of Bhim Aadhaar
 - Independence Day 2017
 - Tender Ad for installation of German Hanger for GCCS 2017

- Tender Ad for installation of selecting an agency in respect of Tableau for Republic Day 2018
 - Tender Ad for installation of selecting an agency for cultural event for GCCS 2017
 - Tender Ad for production of UMANG launch film for GCCS 2017
 - Tender for production of cultural event for GCCS 2017
 - Digital India Ad during GCCS 2017
 - GCCS 2017 Ad
 - UMANG App Ad
- Publishing Advertorial in Manthan **magazine's special issue on Kashmir Vishashank, April-June 2018**, a full page advertisement on some of key projects under Digital India Programme such as UMANG, Online registration System in Hospitals, Digital Literacy, Digital Locker, Jeevan Pramaan, e-NAM, CSC, Digital Payment BHIM-UPI, Mobile Phone Manufacturing and India BPO Promotion Scheme
- **Digital North East 2022 presided over by the Hon'ble Minister of Electronics & IT and Law and Justice** was held in Guwahati on August 11, 2018. Work delivered included production of Film for launching the Vision document – Digital North East 2022; a book on the Vision document was published for the said event wherein content was developed, and designed in-house at NeGD.
- **Logo and Financial Support for Workshops/Seminar/ Conference/Exhibition:** Proposals from University, College, Private organizations were considered for logo and financial support such as ASSOCHAM, Delhi Institute of Advances Studies (DIAS), Confederation of Indian Industry (CII), Mail Today Newspapers Pvt Ltd, Management Education & Research Institute (MERI), Bharti Vidyapeet Deemed University, All India Association (AIMA), Mahamaya Government Degree College, **Manufacture's Association for Information, Mahona, U.P., Department of Commerce, Delhi School of Economics, University of Delhi, Veermatajijabhai Technological Institute (VJTI), India Business Chamber (IBCHAM), Economics Times, National Institute of Technology, Warangal, Telangana, ABP Pvt Ltd, Cyber Peace Foundation, CII, Ministry of Commerce, Adya IT Consultancy Pvt Ltd etc.**
- Regular printing of merchandise items- plastic name badges, lanyards, Invitation cards, brochures, Coffee Table book, The India Book, Bag, Pen, Pen stands, Pen Drives, writing notebooks, brass bookmarks, gifts for delegates for multiple conferences/ exhibitions/events
- Printing of Books/ Reports/Documents/Brochures
- **Books**
 - Coffee Table Book- Global Innovations in Cyberspace
 - The India Book
 - Digital North East Vision 2022
 - **Booklets**
 - Digital India for Sustainable Development Goals
 - One Trillion Dollar Digital Economy
 - 4 years Achievement Booklet
 - Transforming India (English and Hindi)
 - New India Digital India (English and Hindi)
 - **Brochures**
 - UMANG
 - DigiLocker
 - RAS
 - NCoG

III. Social Media Activities:

April 2017 – September 2018

- Rigorous promotional activities on Digital India Facebook, YouTube, Instagram, Twitter & LinkedIn accounts
- Launch of UMANG Facebook, Twitter & Instagram handles in December 2017
- Live tweeting of various events organized by MeitY & NeGD
 - Global Conference on Cyber Space (GCCS 2017)
 - IT Ministers' Conclave
 - Prime Minister's Video Conference with Digital India beneficiaries (#DigitalIndiaKiBaatPMKeSaath trending hashtag)
 - IT Minister's Doordarshan Programme - Digital India: Saaf Niyat, Sahi Vikaas
 - Digital North East 2022, CIO Training Programme organized by NeGD etc
- Organic coverage of Union Budget 2018 on Facebook and Twitter in terms of extensive coverage of live statements of Finance Minister
- Creation of official Twitter Handle for Global Conference on Cyber Space (GCCS 2017)
- Provided e-content for GCCS website and social media organic posts
- Disseminating various news/updates/speaker corner etc regarding GCCS
- Promotion of services launched during GCCS 2017 (including live tweets & videos)
- **Promotion of videos produced by MeitY, CSC & NeGD via Digital India's official YouTube channel**
- Development of various web-pages such as Cyber Surakshit Bharat and Digital India eNewsletter on www.negd.gov.in
- Dissemination of exclusive content on social media channels on a daily basis like Did You Know, Digital India Initiatives and Essentials, Digital India Videos, Digital India News, UMANG updates, third party news updates, service updates etc.
- Promotion of services- local/State level activities organized by various CSCs, SPTI Centers, NIELIT Centers etc
- Running contests like quizzes, crosswords etc on Facebook and Twitter handles as well as on Digital India portal for user engagement
- Promotion of various discussions and tasks from MyGov related to NeGD or Digital India
- Regular promotion of Digital India Programme fortnightly quiz on social media platforms via official DI website

August- September 2018

- Empanelment of 14 Audio Visual agencies for production of Films, TV Commercials, Radio Ads etc.
- **Verification of UMANG's Twitter, Facebook and Instagram handles**
- Extending Scope of Work to hire services of Digital Media agency to manage Social Media for a period of 2-6 months (Paid Marketing)
- Extending Scope of Work to hire services of creative agency for Production of Republic Day Tableau 2019 based on theme- **Digital India- Minimum Government, Maximum Governance through Presence-less, Cashless and Paperless services** highlighting the transformational impact on the lives of average citizens and as a country as a whole

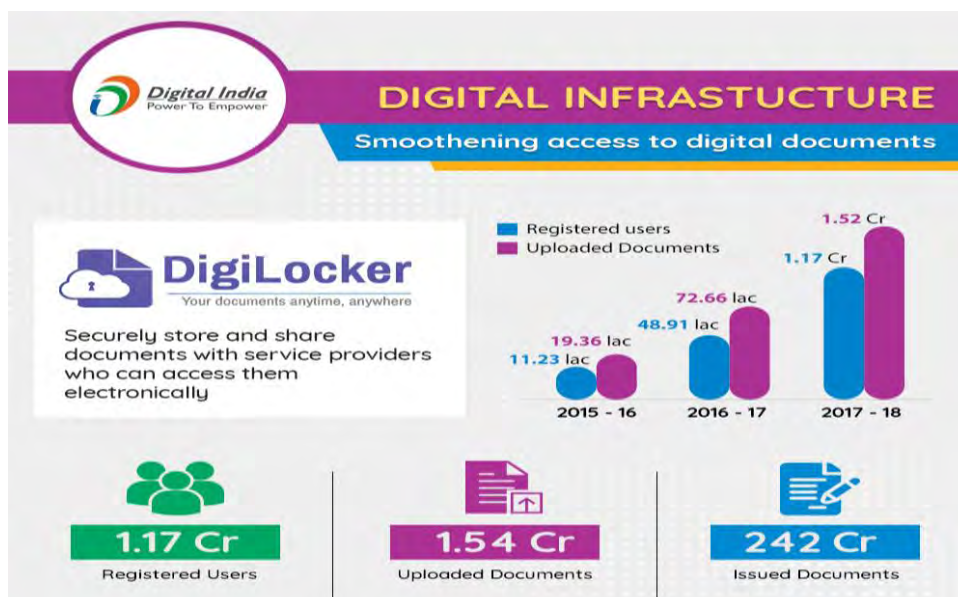
IV. Innovative Common Service Infrastructure Initiatives:

➤ DIGILOCKER:

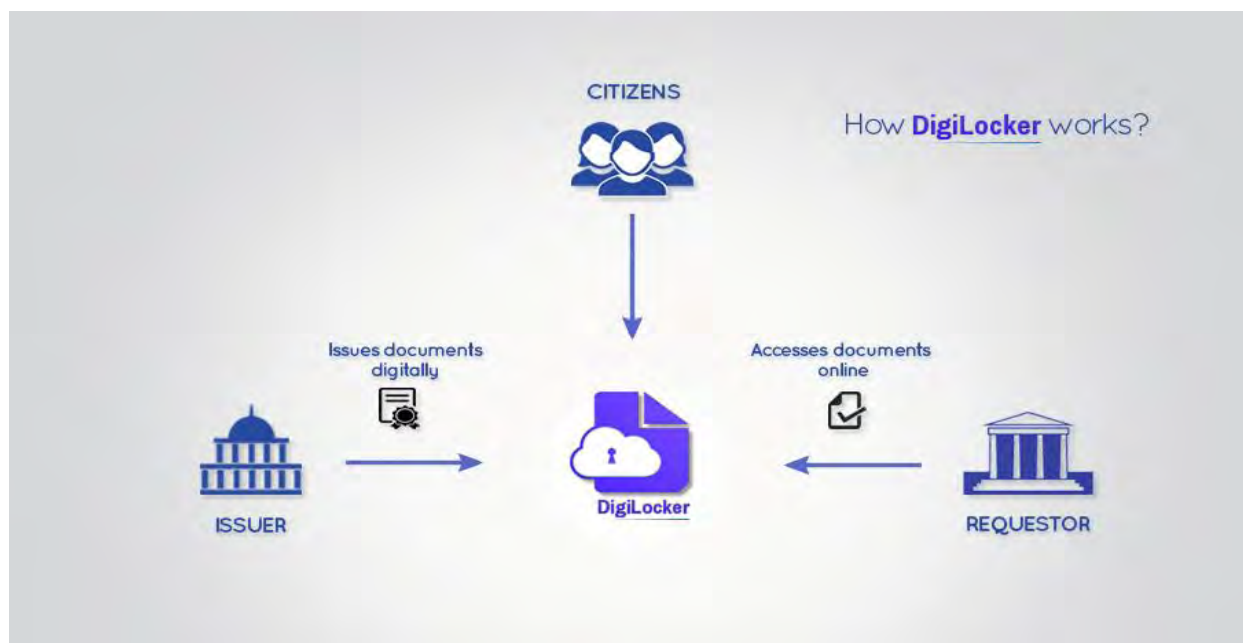
DigiLocker now provides the access to over 294 crore authentic certificates from over 60 organizations.

Central and State Education and Skill Development Agencies have been a primary focus for DigiLocker. A lack of a central repository to store educational and skill certificates was a common problem with many education agencies. DigiLocker now provides a shared repository service to these agencies at no cost. About 15 Education Boards, Skill Development Agencies and Technical Education Councils are providing digital

certificates through DigiLocker. CBSE has also carried out special drive to provide digital certificates to students in Kerala who lost their school certificates.



Many important documents were lost or damaged during recent flood in Kerala. The Government of Kerala has started a "Certificate Adalat (Camp)" to provide the lost/damaged certificates to the residents of Kerala. The Government now plans to provide the documents in digital format in residents' DigiLocker account during these camps. DigiLocker is proud to provide this much needed support to restore the lost certificates Kerala.



Ministry of Road Transport and Highways issued an advisory to the State Transport departments to clarify that the Digital Driving Licenses, Vehicle Registrations and other documents such as insurance certificates provided through DigiLocker are at par with the physical documents. Further, it is also clarified that the impounding of physical document will no longer be necessary as the status of Driving License and Vehicle Registrations can be updated online using eChallan application. This advisory is one step closer to a paperless driving experience in India.

The photo identification documents such as Driving License and Aadhaar presented through DigiLocker will also be accepted as a valid proof of identity while travelling on Indian Railways. Ministry of Railways issued a notification in June 2018 in this regard. Odisha becomes the first state to provide land record documents such as Record of Rights and Sale Deed through DigiLocker. This facility was inaugurated in July

2018. DigiLocker is also working with major insurance providers to provide insurance certificates through DigiLocker. New India Assurance and Bajaj Allianz are now providing digital insurance certificates through DigiLocker.

With access to about 300 crore documents on a single platform, DigiLocker can become a key document verification platform for departments that need to verify documents such as educational certificates, birth certificates, proof of identification etc. DigiLocker has now started offering this facility to departments to help them expedite the electronic service delivery. This verification platform will soon evolve into a National Data Exchange platform.



➤ **UMANG:**

A promotional graphic for the UMANG App. At the top left is the Digital India logo with the tagline "Power To Empower". To the right, it says "DIGITAL SERVICES" and "One App for Many Government Services". Below this is the UMANG logo and the text "UMANG App". In the center, it says "Over 64 Lakh Downloads". To the right, a smartphone displays the app's interface. Below the phone, it lists "220 Services", "55 Departments", and "11 States". At the bottom, there are icons for various user groups: Youth, Students, Utilities, Pensioners, and Farmers. The bottom right corner includes the website "www.umang.gov.in" and the phone number "Give Missed Call on 97183-97183".

UMANG was dedicated to the nation on 23rd Nov. 2017 by the Hon'ble Prime Minister during Global Conference on Cyber Space (GCCS). UMANG won the 'Best M Government Service' award, which was given during 6th World Government Summit, held at Dubai, UAE in Feb. 2018. As of now, 208 services of various Central/State Government Departments were available on UMANG as on 31st March 2018. UMANG app was installed by 49 Lakhs users and had an average rating of 4.4 on Google Playstore.

More than 2.13 crore transactions were executed on UMANG platform.



GCCS 2017, UMANG launch on Nov 23, 2017

➤ **NCoG:**

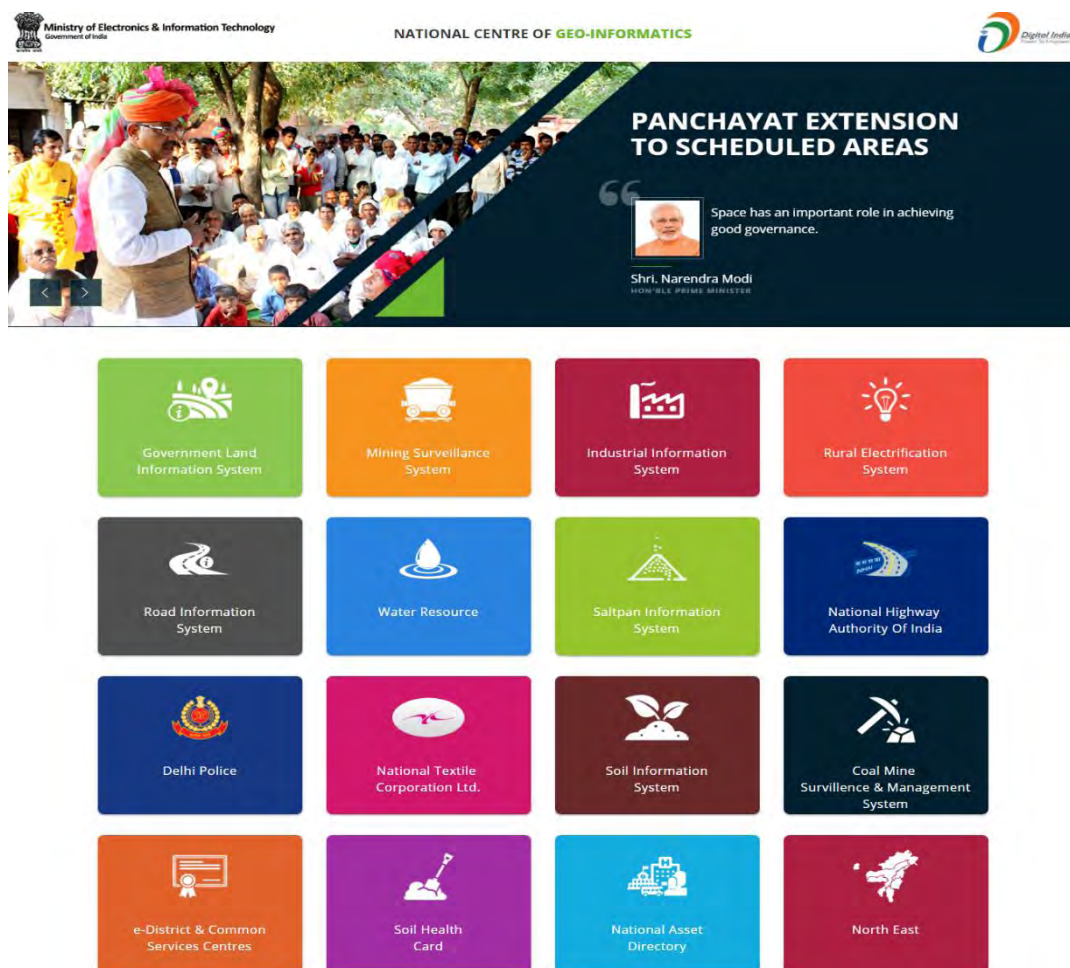
The Geographic Information System (GIS) based decision support system (DSS) platform was established under the National Centre of Geo-Informatics (NCoG) which was approved by the Competent Authority on 31.12.2015 for total outlay of Rs. 98.28 Cr.

The platform is a single source GIS platform for sharing, collaboration, location-based analytics and decision support system, catering to Central and State government departments across the country. The GIS platform has provision to integrate with MIS data of Ministries/Departments.

The following GIS application has been developed / under implementation:

- i. Industrial Information System (DIPP): GIS based master plan for industrial areas, zones, parks etc.
- ii. Coal Mining Surveillance System (M/o Coal) – system for surveillance & monitoring of any illegal coal mining activity taking place in the coalfield region.
- iii. GIS for North-Eastern States (M/o Development of North Eastern Region): asset mapping of North East region.
- iv. Road Information System (MoRTH): Geo-mapping present status of lanes, impedances of national highways, state highways etc.
- v. Delhi Police GIS system and Mobile App for Dark Spot Area (MHA): Web/mobile based application to represent operational status of light poles and dark areas in Delhi.
- vi. Mapping of water resources under Accelerated Irrigation Benefits Programme and Repair, Renovation & Restoration of Water Bodies (MoWR,RD&GR).
- vii. GIS system for NHAI (NHAI): Plot national highways alongwith advanced analytics for basic details, construction progress matrix, land status, clearance status, commercial operations, focus projects.
- viii. Soil Information System - Integration of Soil Health Card with NBSS&LUP soil survey data (M/o Agriculture) to represent soil information on GIS platform including crop recommendations.

- ix. Mapping of mortgaged land assets of companies (M/o Corporate Affairs) – GIS based application to represent
- x. Logistics Information System (M/o Commerce & Industry)
- xi. Electronic Manufacturing Units Mapping - MeitY
- xii. Central Board of Secondary Education (CBSE) applications
- xiii. GIS bases applications for states such as Telangana, Haryana, Uttarakhand, Uttar Pradesh, Andaman & Nicobar Islands and Tripura.
- xiv. GIS based system to monitor progress under 115 Aspirational Districts (Niti Aayog): Under this project, portals concerned for the GIS portals for 65 districts have been made operational (refer Annexure).



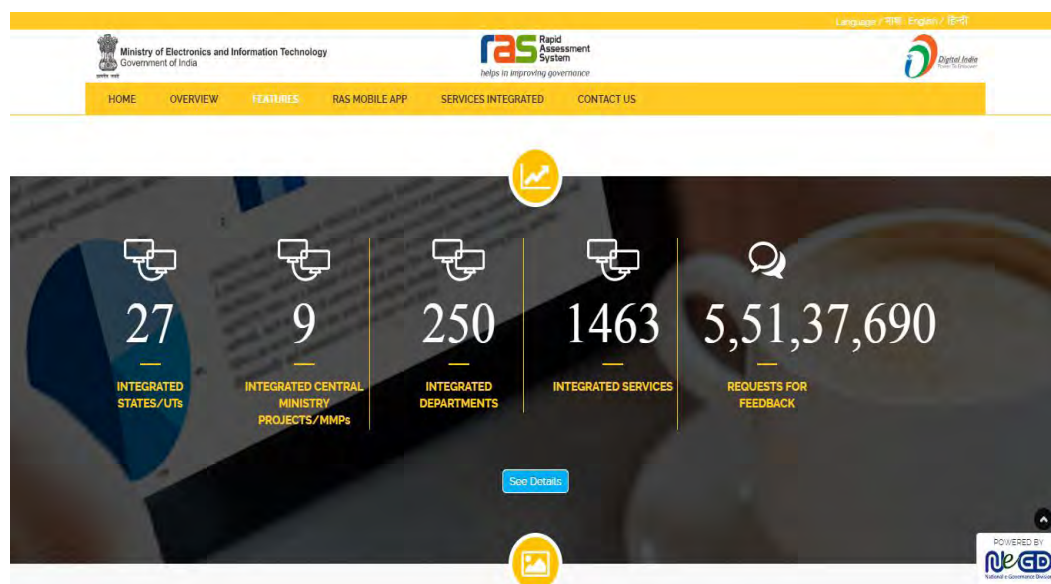
NCoG is also working on the following new projects:

- i. Geographic Indications Web Portal – A web portal to promote and undertake GIS mapping of Geographic Indications under the Department of Industrial Policy and Promotion
- ii. A dashboard to manage Technology and Innovation Support Center to capture R&D Activities is also being created for Department of Industrial Policy and Promotion.
- iii. Delhi Police - **Design, development, amalgamate and maintenance of 'Delhi Police ... One Touch Away'** – a citizen centric app with more than 26 services provided by Delhi Police through the previous apps or Web applications
- iv. Ayushman Bharat (MoH&FW): infrastructure & disease level mapping of health facilities (including primary, secondary and tertiary care) and identify gaps therein to plan for new health & wellness centres establishment.

- v. Implementation of National Mission on Cultural Mapping (Ministry of Culture).



➤ **Rapid Assessment System (RAS)**



Rapid Assessment System (RAS) is for online feedback for e-services delivered by Government of India and State Governments. It gives an opportunity to citizens, availing these services, to provide instant feedback for these services. It collects their feedback and generates certain reports and dashboards for respective State. The analytic features of RAS help integrated departments for continuous system improvement and better delivery of services. As of now it has been integrated with 1398 services of 245 Departments from 28 States / UTs and 8 Central Projects. More than 5 crore requests for feedback have been made so far.

➤ **Government e-Market Place(GeM)**

It is another example of this regime's commitment to removing corruption and ensuring good governance. Savings of around 10 per cent have been observed in the procurements made on GeM. The World Bank is **studying India's innovation in public procurement.**

The Government of India has created a one stop Government e-Marketplace to facilitate on-line procurement of Goods & Services required by various Government organizations. The portal has been developed by Directorate General of Supply & Disposal (DGS&D) in association with National e-Governance Division (NeGD), Ministry of Electronics & IT, Government of India. The portal was launched on 9th August

2016 by Smt. Nirmala Sitharaman, Hon'ble Minister of State (Independent Charge) for Commerce & Industry, Government of India. Government e-Market Place is one more initiative implemented under the Digital India Programme that would further strengthen "Ease of Doing Business" and "Make in India".

Online Market for Smart Buyers

GeM Government e Marketplace
LOGIN / REGISTER TO GEM

SEARCH PRODUCT // ADD TO CART // GET YOUR ORDER // MAKE PAYMENT

1-800-102-3430 / 1-800-419-3430 Support Desk

Need Help? ▾ New on GeM Bids ▾ Analytics Login Signup ▾

Government Organisation Buyer Sign Up
Please read [this document](#) before sign up
Email creation guidelines for government buyers ↗

CREATE YOUR ORGANISATION BUYER ACCOUNT
We don't share your personal and official details with anyone.

For Primary User registration - you require the following before you can proceed:

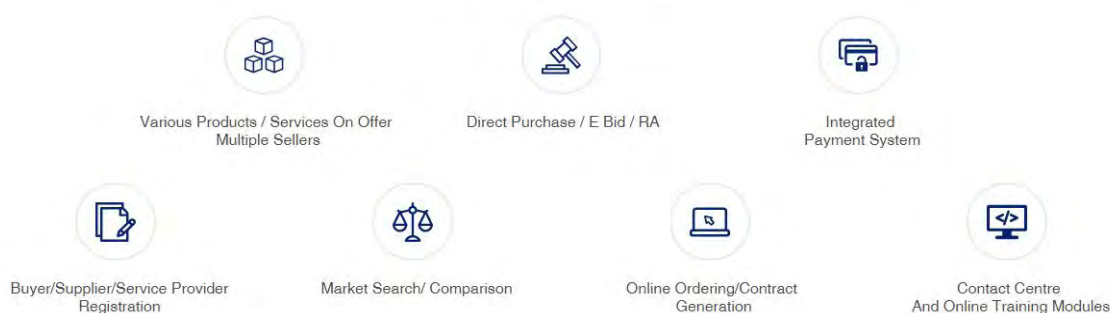
- Government email id - preferably designation based
- Aadhaar number
- Active Mobile number to which your Aadhaar is linked - for OTP purpose

Aadhaar Number *

Mobile number linked with AADHAAR *

VERIFY AADHAAR

Why Buy On GeM?



The GeM Platform facilitates transparency, accountability and efficiency in the procurement at a competitive price. The platform is integrated with Aadhaar, PAN, Ministry of Corporate Affairs, Biometric Attendance System, PFMS, Payment Gateways, etc. and has facility of easy registration process for Government buyers and sellers & service providers. The Government buyers can directly purchase Goods & Services or purchase

through Bidding and Reverse Auction. The portal also provides opportunity to Sellers/Service providers to get easy access to the Government departments to sell their products or provide their services at competitive prices. This would also enable Government departments to swiftly make electronic payments to their sellers/service providers for products or services procurement.

Over 28,954 sellers providing over 140,407 types of products including Air conditioner, Printer, Desktop, Laptop, water bottles etc. to 10,183 buyer organizations across the country. 17 different types of services are being offered including transport services, scanning and digitization services, IT professional services etc. and more and more Goods & Services are increasingly being offered.

4. MyGov

MyGov is a unique path breaking initiative, which was launched on July 26, 2014 by the Hon'ble Prime Minister of India. It is first of its kind participatory governance initiative involving the citizens at large. The idea of MyGov brings the government closer to the citizens by leveraging online platform creating an interface for healthy exchange of ideas and views involving the citizens and experts with the ultimate goal to contribute to the social and economic transformation of India.

In last one year MyGov have been successful in not only bridging the gap between the citizen and government but also enabling active participation of citizens in various government initiatives. The period saw an increase of user base from around 43 lakh in 2017 April to 53 Lakh as on March 2018.

During this annual period MyGov was able to host various discussions like discussion on smart city, discussion on Consultation Paper on Auction of Spectrum in 700/800/900/1800/2100/2300/2500/3300-3400/3400-3600 MHz bands by TRAI, discussion on Draft Telecommunication Mobile Number Portability Regulations, 2017, discussion on Suggestions Invited for Prime Minister's Independence Day Speech 2017 etc. MyGov also provided platform to citizens to share their creativities in form of logo/design/taglines for various National Level Program and Policies in last one year. Few of the key such initiatives are Logo & Punchline for IRSDC, Logo for Ministry of Food Processing , National Nutrition Mission Logo & Tagline Contest, Logo Design for Khelo India etc.



MyGov also engaged citizens in various on ground initiatives by collaborating with ministries to launch Hackathons and innovation challenge. Smart India Hackathon 2018 saw a participation of more than 20000 people in 2017.

MyGov for the first time enabled common citizens to witness the grandeur of Rashtrapati Bhawan by launching an innovative contest around Padma Awards. Around 60 MyGov users got the opportunity to watch the civil investiture in Rashtrapati Bhawan in 2018.

In this period MyGov also crowdsourced thousands of suggestions for **Prime Minister's monthly Mann Ki Baat Episode.**

MyGov also provided an opportunity to students to listen to Prime Minister on the parikshapecharcha event hosted by MHRD on February 2018.





5. Particulars of Loans, Guarantees or Investments under Section 186:

The Company has not given any loans or guarantees and not made any investments covered under the provisions of Section 186 of the Companies Act, 2013.

6. Particulars of Contracts or Arrangements with related parties (Section 188) :

Information on transactions with related parties pursuant to Section 134 (3)(h) of the Companies Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 : **Nil**

7. Particulars of Employees

Particulars of employees in receipt of remuneration of Rs.5,00,000/- or more per month or Rs. 60,00,000/- or more per year during the year, as prescribed under the provisions of Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 : **Nil**

8. Extract of Annual Return

As provided under Section 92(3) of the Companies Act, the extract of annual return is given in Annexure I in the prescribed form MGT-9 which forms part of this report.

9. Board of Directors

Since the previous Annual General Meeting, following Directors ceased to be Directors on the Board of Digital India Corporation:

- Shri. Alphons Kannanthanam, Hon'ble Minister of State Electronics & Information Technology, Ministry of Tourism, Govt. of India, w.e.f. May 15, 2018
- Ms. Neeta Verma, CEO, MyGov w.e.f. February 6, 2018
- Shri. Sanjeev Gupta, Managing Director & CEO, Digital India Corporation w.e.f. February 27, 2018
- Shri. Sanjay Kumar Rakesh, MD &CEO, Digital India Corporation w.e.f. September 12, 2018
- Ms. Anuradha Mitra, Additional Secretary and Financial Adviser, Ministry of Electronics and Information Technology w.e.f. September 20, 2018

The Directors of the Company place on record their appreciation for the valuable contribution made by the above directors during their tenure as Directors of the Company.

The following Directors are being inducted/appointed on the Board of Digital India Corporation:

- Shri Arvind Gupta, CEO, MyGov, Digital India Corporation w.e.f. February 12, 2018
- Shri. Sanjay Kumar Rakesh, MD &CEO, Digital India Corporation w.e.f. March 6, 2018

- Shri. S.S. Ahluwalia, Hon'ble Minister of State Electronics & Information Technology, Govt. of India (ex-Officio Director w.e.f. May 16, 2018)
- Shri. M.S. Rao, Managing Director & CEO, Digital India Corporation w.e.f. September 19, 2018.

In accordance with the provision of section 152(6) of the Companies Act, 2013, Shri Kiran Karnik will retire by rotation at the ensuing Annual General Meeting and eligible for re-appointment as Director.

10. Corporate Social Responsibility

The Company is out of the purview of "Corporate Social Responsibility" as defined in Section 135 of the Companies Act, 2013 and related rules. Nevertheless, the Company accepts responsibility for our business, our employees and society and has a strong sense of social responsibility.

11. Directors' Responsibility Statement

[Pursuant to Section 134 (5) of the Companies Act, 2013]

The Board of Directors of the Company, to the best of their knowledge and ability, confirm that:

- In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- Selected Accounting policies were applied consistently and the Directors 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 as at March 31, 2018 and of the statement of income and expenditure of the company for the year ended March 31, 2018;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the financial statements have been prepared on a going concern basis; and
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. Grant-in-aid

Ministry of Electronics and Information Technology, Government of India, has provided grant-in-aid of Rs.67.07 Crores to National e-Governance Division, Rs.58.25 Crores to MyGov, Rs.11.96 Crores to IT Research Academy, Rs.53.30 Crores to Visvesvaraya PhD Scheme for Electronics & IT and Rs. 6.87 Crores to Digital India Corporation (TDDD), totalling to Rs.197.45 crores during the financial year 2017-18.

13. Public Deposits

The Company has neither invited nor accepted any deposits within the meaning of Section 73 of the Companies Act, 2013.

14. Details of Subsidiary/Joint Venture/Associate Companies :

There are no Subsidiary, Joint Venture or Associate Companies.

15. Change(s) in the nature of business

There were no material changes with regard to the nature of activities of the Company.

As per the Certificate of Incorporation pursuant to change of name issued by the Registrar of Companies, name of the Company has been changed from "Media Lab Asia" to "Digital India Corporation" with effect from September 8, 2017. The Memorandum and Articles of association have been amended to reflect the changes. The objective of the Company is to bring the benefits of most advanced Information and

Communication Technologies (ICT) to the common man. Further, the objects were amended to include the Digital India programme of the Government of India, and is involved in promoting use of technology for e-Health / Telemedicine, e-agriculture, e-Payments etc. The Digital India programme promotes safety and security concerns of growing cashless economy and addresses challenges confronting its wider acceptance. It also promotes innovation and evolve models for empowerment of citizens through Digital initiatives and to promote participatory governance and citizen engagement across the government through various platforms including social media.

Material changes and commitments, affecting the financial position

There were no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the balance sheet relates to, and the date of the report.

16. Details of establishment of vigil mechanism for directors and employees:

Vigil mechanism is **Not Applicable**, as the Company is not covered under Section 177(9) of the Companies Act, 2013.

17. Internal Financial Controls:

The Company has in place, adequate internal financial controls with reference to financial statements, commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed except to the extent of the observation made by the statutory auditors and explained separately by the Board in the subsequent paragraphs. However, there is no financial irregularities or fraud in respect of accounts for the year under review.

18. Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

18.1 Conservation of Energy

Digital India Corporation is not an energy intensive unit. However, all measures for conservation of energy at all levels have been taken.

18.2 Technology

Company is conscious of implementation of latest technologies in key working areas and has used latest Technology for carrying on its operations.

19. Foreign Exchange Earnings and Outgo

Particulars	Rupees
Foreign Exchange Earnings	Nil
Foreign Exchange Outgo	1,589,900

20. Risk and Internal Adequacy

The Company's internal control systems commensurate with the nature of its activities and the size and complexity of its operations. These are routinely tested. Significant audit observations and follow up actions thereon are reported to the Accounts Committee. The Accounts Committee reviews adequacy and effectiveness of the Company's internal financial control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

21. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013

The Company has always believed in providing a safe and harassment free workplace for every individual employees working with the Company. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Aligning with the guidelines prescribed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013, Digital India Corporation has constituted Prevention of Sexual Harassment Committee ("PSC"). During the year ended March 31, 2018, the committee received [nil] complaints pertaining to sexual harassment.

22. Auditors

A.P.SANZGIRI & Co., Chartered Accountants, Statutory Auditors of the Company will retire as the auditor of the Company upon expiration of its current term of office at the close of the AGM. M/s. A.P.SANZGIRI & Co., Chartered Accountants, were the statutory auditors of the Company from financial year 2014-15.

The Office of the Comptroller and Auditor General of India vide letter No./CA.V/COY/CENTRALGOVERNMENT, media (2)/728 dated August 17, 2018 has appointed M/s. YARDI PRABHU & ASSOCIATES LLP, Chartered Accountants, 2, Samadhan, 1ST Floor, Agarkar Chowk, Andheri (E), Mumbai-400 069 as the statutory auditors of the Company for the financial year 2018-19 and M/s. MADAN DOGRA & ASSOCIATES, Chartered Accountants, B 46, II Floor, Kalkaji, New Delhi -110 019 as the Branch auditors of the Company for the financial year 2018-19 to audit the Divisional accounts of NeGD and MyGov, Digital India Corporation.

M/s. YARDI PRABHU & ASSOCIATES LLP, have confirmed that their appointment, if made would be the within the prescribed limits under section 141 (3)(g) of the Companies Act 2013 and that they are not disqualified for appointment. Accordingly, in terms of the provisions Section 139(5) of the Companies Act 2013, the Board of Directors recommend the appointment of M/s. YARDI PRABHU & ASSOCIATES LLP, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next (18th) AGM.

The Board of Directors of the Company place on record their appreciation for the services rendered by A.P.SANZGIRI & Co., Chartered Accountants, retiring statutory auditors of the Company.

23. Auditors' Report

The report of the Statutory Auditors of the Company, M/s. A.P.SANZGIRI & Co., Chartered Accountants, is attached herewith.

There is a qualified opinion in the Auditors Report on the audited financial statements of Digital India Corporation for the financial year 2017-18. Board's response to Auditors' comments are given below:

	Auditors Report	Management Comments/Reply
	Basis for Qualified Opinion	
	5. As pointed out in Note 29, the Company has not accounted for promotional expenses relating to SMS Gateway and OutBound Dialing services for the period July 2017 to March 2018 amounting to Rs. 11,73,41,785/- although the services have been utilised by the Company. The same is not in accordance with Accounting	MyGov Division, Digital India Corporation has disclosed this fact in the Notes to Accounts forming part of the financial statements of the Division. The Notes to Accounts states that "During the year MyGov Division has used the services of SMS Gateway and Out Bound Dialing (OBD) from NICSI, a registered vendor

	<p>Standard 29 on Provisions and Contingencies prescribed under section 133 of the Act. Had the said expenses been accounted for, the amount of other Current Liabilities (for expenses) (Note 6), Grant in Aid Income (Note 15) and Advertising and Conferences expenditure under Administration and other Expenses (Note 19) would have increased by the same amount whereas Grant in Aid under other Current Liabilities (Note 6) would have reduced by the same amount.</p> <p>We conducted our audit in accordance with 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 we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.</p>	<p>for Pradhan Mantri's Mann Ki Baat Programme. Due to insufficient funds, MyGov Division did not issue work order to NICSI for the period July 2017 to March 2018. Hence, the Division did not make any provision for Rs. 11,73,41,785/-, which was calculated on the basis of data provided by NICSI and past billings." MyGov has clarified that PRSG has recommended funding of approximately Rs.12 crore to MyGov and Division would be in a position to issue work order and account for the expenditure in the current financial year.</p>
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The observations of the Statutory Auditors w.r.t inherent limitations of internal financial controls over financial reporting and the Companies comments on this observation are given under:

Observation No.	Auditors Observation	Management Comments/Reply
a)	The Company's Technology Development and Deployment Division does not have a process to carry out Independent physical verification of Fixed Assets procured by project implementing institutions	Technology Development and Deployment Division (TDDD) clarified that they are dealing with more than 150 project implementing institutions and that it is difficult to physically verify the assets lying with these institutions. Therefore, Technology Development & Deployment Division relies on the Audited (Chartered Accountant certified) or Certified (certified by the Head of the institution) Fixed Asset Register provided by the project implementing institutions. For keeping track of the assets procured by these institutions

		under projects, a cumulative fixed assets register shall be obtained from these project implementing institutions.
b)	<p>The Company's National e-Governance Division's</p> <p>Internal financial controls had the following material weaknesses:</p> <ol style="list-style-type: none"> 1. No process of obtaining on regular and timely basis Utilisation Certificates duly certified by Chartered Accountants or Head of the Institutions/Departments for funds granted to National Institute for Smart Government (NiSG) towards outsourced recruitment and Human Resource Management Services and other States, Institutions and Organizations towards implementation of various projects. 2. Human Resource Audit was not conducted of the agency outsourced for Human Resource Management Services by NiSG. 3. Non recognizing the provision of expenses, when there is a present obligation as a result of a past event that requires probable outflow of resource to settle the obligation, which could potentially result in misstatement of expenses. 4. Non identification and capitalization of tangible & intangible assets including the date when the asset has been put to use for purpose of calculation of depreciation. 	<p>NeGD has taken steps to strengthen the internal financial control system w.r.t obtaining Utilisation Certificates, making adequate provision for expenses, human resource audit and identification & capitalization of assets. Further, it was informed that an internal auditor is being appointed starting from the FY 2018-19 which is also expected to strengthen the internal financial control system.</p>
c)	<p>The Company's MyGov Division's Internal financial</p> <p>controls had the following material weakness :</p> <ol style="list-style-type: none"> 1. Non Recognizing the provision of expenses, when there is a present obligation as a result of a past event that requires probable outflow of resource to settle the obligation, which could potentially result in misstatement of expenses. 2. Non identification and capitalization of tangible & intangible assets including the date when the asset has been put to use for purpose of calculation of depreciation. 	<p>MyGov has taken steps to strengthen the internal control system w.r.t making adequate provision for expenses and identification & capitalization of assets.</p>

24. Acknowledgements

The Board of Directors wish to place on record their appreciation for the valuable support received by the Company from the Ministry of Electronics and Information Technology, Government of India, State Governments and concerned Government Departments, Implementing Agencies, Academic Institutions and banks.

The Board of Directors also express their sincere gratitude to all employees and executives for their contribution to the operation of the company.

For and On behalf of the Board of Directors

M.S. Rao

Managing Director &CEO
[DIN – 08073419]

Arvind Gupta

Director
[DIN – 00090360]

Place : New Delhi

Date : **28 January 2019**

Annexure -1
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

i.	CIN	:	U72900MH2001NPL133410
ii.	Registration Date	:	20 th September, 2001
iii.	Name of the Company	:	Digital India Corporation (formerly Media Lab Asia)
iv.	Category / Sub-Category of the Company	:	Incorporated under Section 25 of the Companies Act, 1956 (now Section 8 under Companies Act, 2013). A Public Company not having Share Capital
v.	Address of the Registered office and contact details	:	Digital India Corporation 4 th Floor, Samruddhi Venture Park, Central MIDC Road, Andheri (East), Mumbai – 400 093. Tel : (022) 28312931 / 28327505 Fax : (022) 8379158
vi.	Whether listed company Yes / No	:	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Not Applicable

II. Principal business activities of the company

All the Business activities contributing 10 % or more of the total turnover of the company are: -

Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Research, Development and Deployment in Information Communication Technologies for the benefit of the common man.	Not Applicable	Nil

III. Particulars of holding, subsidiary and associate Companies : Nil

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity) :

The Company does not have Equity Share Capital. It is a Company Limited by Guarantee.

i.	Category-wise Share Holding	:	Not Applicable
ii.	Category-wise Share Holding	:	Not Applicable
iii.	Change in Promoters' Shareholding	:	Not Applicable

Annexure to the Board's report

iv.	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	:	Not Applicable
v.	Shareholding of Directors and Key Managerial Personnel	:	Not Applicable

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payments

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due				
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. Remuneration of directors and Key Managerial Personnel

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager : NA
B. Remuneration to other directors : NA
C. Remuneration to Key Managerial Personnel other than MD/Manager/WTM : NA

VII. Penalties / Punishment/ Compounding of offences :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if Any(give Details)
A. Company					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. Directors					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA

Annexure to the Board's report

Compounding	NA	NA	NA	NA	NA
C. Other officers in default					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

For and On behalf of the Board of Directors

M.S. Rao

Managing Director & CEO
[DIN – 08073419]

Arvind Gupta

Director
[DIN – 00090360]

Auditor's Report

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Digital India Corporation (Formerly Media Lab Asia) ("the Company")** which comprise the Balance Sheet as at March 31, 2018, and the Statement of Income and Expenditure and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors are responsible for the matters stated in the section 134(5) of the Companies Act, 2013 ("**the Act**") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of internal financial control, 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material mis-statement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an

opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of system controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Qualified Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state affairs of the company as at March 31, 2018 and its income/expenditure, and its cash flow for the year ended on that date.

Basis for Qualified Opinion

5. *As pointed out in Note 29, the Company has not accounted for promotional expenses relating to SMS Gateway and OutBound Dialing services for the period July 2017 to March 2018 amounting to Rs. 11,73,41,785/- although the services have been utilised by the Company. The same is not in accordance with Accounting Standard 29 on Provisions and Contingencies prescribed under section 133 of the Act. Had the said expenses been accounted for, the amount of other Current Liabilities (for expenses) (Note 6), Grant in Aid Income (Note 15) and Advertising and Conferences expenditure under Administration and other Expenses (Note 19) would have increased by the same amount whereas Grant in Aid under other Current Liabilities (Note 6) would have reduced by the same amount.*

We conducted our audit in accordance with 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 we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

6. We draw attention to the following matters in the Notes to the financial statements:

(a) We have relied and accepted as correct the Statements of Accounts for Expenses including capital expenditure and Interest earned during the year ended March 31, 2018 aggregating to Rs.22,50,21,120/-, and Rs. 14,11,038/- respectively, which are received from 104 Institutions/Departments that have been incorporated into the Company's books of account on the basis of certification from other Chartered Accountants. (Refer Note 28)

(b) We have relied on the Statements of Accounts for Expenses including capital expenditure and Interest earned during the year ended March 31, 2018 aggregating to Rs. 99,30,78,668/- and Rs. 23,14,230/- respectively, which are received from 104 Institutions/Departments that have been

incorporated into the Company's books of account on the basis of certification by the Heads of the concerned Institutions/ Departments. These accounts are subject to audit by Chartered Accountants of the respective Institutions/ Departments. (Refer Note 28)

(c) Of the total Advances given to Institutions/Departments considered good and outstanding as on March 31, 2018 amounting to Rs. 42,87,25,534/-, advances given to 102 Institutions/Departments amounting to Rs. 11,68,92,726 are outstanding for a period of more than one year and no Statements of Accounts and Utilization Certificates were received during the year ended March 31, 2018. (Refer Note 28)

The extent of consequential adjustments, if any, which would arise on receipt of Statements of Accounts and Utilization Certificates from the Institutions/ Departments mentioned above is currently not ascertainable.

Our opinion is not modified in respect of these matters.

Report on other Legal and Regulatory Requirements

7. As required under Section 143(5) of the Companies Act, 2013, we give in the "Annexure I", a Statement on the Directions issued by the Comptroller and Auditor General of India.
8. This report does not include a statement on the matter specified in the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since in our opinion and accordance to the information and explanation given to us, the said order is not applicable to the Company.
9. 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 appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Income and Expenditure and the Cash Flow Statements dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the Directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II" to this report.
 - g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. The provisions relating to transfer to Investor Education and Protection Fund does not apply to the company.

For **A. P. Sanzgiri & Co.**
Chartered Accountants
Firm Registration No.: 116293W

CA. Ankush Goyal
Partner
Membership No: 146017

Place: New Delhi

Date: 28 January 2019

Annexure I to the Independent Auditor's Report of even date on the Financial Statements of Digital India Corporation (Formerly Media Lab Asia) for the year ended March 31, 2018

Comments on directions u/s 143(5) of Companies Act 2013

- 1) To report whether the company has clear title/lease deeds for freehold and leasehold respectively? If not, state the area of freehold and leasehold land for which title/lease deeds are not available?**

As per the information, documents and explanations provided to us by the management, the company does not have any freehold property. The company has clear lease deeds for leasehold properties held by it during the period under audit.

- 2) To report whether there are any cases of waiver/write off of debts/loans/interest etc. if yes the reasons thereof, and the amount involved.**

As per the information and explanations given to us the Management, there were no cases/instances of waiver/write-off of any loans/debts/interest etc. during period under audit.

- 3) Whether proper records are maintained for inventories lying with third parties & assets received as gift from Government and other authorities?**

The Company is not engaged in manufacturing or trading business, hence records for inventories are not applicable to the company. We have been informed that there are no assets received as gift from the Government during the year.

Annexure II to the Independent Auditor's Report of even date on the Financial Statements of Digital India Corporation (Formerly Media Lab Asia) as on March 31, 2018.

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 Digital India Corporation (Formerly Media Lab Asia) ("the Company") as of March 31, 2018 in conjunction with our audit of the 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Standards on Auditing, to the extent applicable to an audit of internal financial controls and the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") both issued by the Institute of Chartered Accountants of India (ICAI). Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management of the Company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

According to the information and explanation given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2018:

- a) The Company's Technology Development and Deployment Division does not have a process to carry out Independent physical verification of Fixed Assets procured by project implementing institutions.
- b) The Company's National e-Governance Division's Internal financial controls had the following material weaknesses:
 - 1. No process of obtaining on regular and timely basis Utilisation Certificates duly certified by Chartered Accountants or Head of the Institutions/Departments for funds granted to National Institute for Smart Government (NiSG) towards outsourced recruitment and Human Resource Management Services and other States, Institutions and Organizations towards implementation of various projects.
 - 2. Human Resource Audit was not conducted of the agency outsourced for Human Resource Management Services by NiSG.
 - 3. Non recognizing the provision of expenses, when there is a present obligation as a result of a past event that requires probable outflow of resource to settle the obligation, which could potentially result in misstatement of expenses.

4. Non identification and capitalization of tangible & intangible assets including the date when the asset has been put to use for purpose of calculation of depreciation.

c) The Company's MyGov Division's Internal financial controls had the following material weakness:

1. Non Recognizing the provision of expenses, when there is a present obligation as a result of a past event that requires probable outflow of resource to settle the obligation, which could potentially result in misstatement of expenses.
2. Non identification and capitalization of tangible & intangible assets including the date when the asset has been put to use for purpose of calculation of depreciation.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

Opinion

In our opinion, except for the possible effects arising out of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 issued by the ICAI.

We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the Company, and this material weakness do not affect our opinion on the financial statements of the Company.

For **A. P. Sanzgiri & Co.**

Chartered Accountants

Firm Registration No.: 116293W

CA. Ankush Goyal

Partner

Membership No: 146017

Place: New Delhi

Date: 28 January 2019

Consolidated Financial Statements

Digital India Corporation

BALANCE SHEET AS AT MARCH 31, 2018

	Particulars	Note No	As at March 31, 2018	As at March 31, 2017
			Amount (in Rs.)	Amount (in Rs.)
I.	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	(a) Share Capital		-	-
	(b) Reserves and Surplus	3	254,245,782	210,565,940
	(c) Reserve Fund for Contingencies	4	93,498,775	75,478,008
2	Non Current Liabilities			
	(a) Long term Provisions	5	11,154,683	9,344,588
3	Current liabilities			
	(a) Other Current Liabilities	6	1,284,515,639	1,693,692,773
	(b) Short Term Provisions	7	2,656,940	320,494
	Total		1,646,071,819	1,989,401,803
II.	ASSETS			
1	Non Current Assets			
	(a) Fixed Assets	8		
	(i) Tangible Assets		132,636,255	196,754,712
	(ii) Intangible Assets		121,609,527	13,811,228
	(iii) Capital Work in Progress		154,884,961	88,431,681
			409,130,743	298,997,621
	(b) Non Current Investments	9	2,400	2,400
	(c) Long Term Loans and Advances	10	15,719,324	15,479,428
	(d) Other Non Current Assets	11	-	-
2	Current Assets			
	(a) Cash and Cash Equivalents	12	786,987,829	907,788,103
	(b) Short Term Loans and Advances	13	431,218,488	758,242,436
	(c) Other Current Assets	14	3,013,035	8,891,815
	Total		1,646,071,819	1,989,401,803

Summary of Significant Accounting Policies

2

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith.

As per our report of even date attached.

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

For and on behalf of the Board

M.S. Rao
Managing Director & CEO
[DIN – 08073419]

CA Ankush Goyal

Partner

Membership No. : 146017

Arvind Gupta
Director
[DIN – 00090360]

Place : New Delhi
Date : 28 January 2019

Place : New Delhi
Date : 28 January 2019

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2018

Particulars		Note No.	March 31, 2018 Amount(in Rs.)	March 31, 2017 Amount(in Rs.)
I.	Transferred from Grant-in-aid account (Refer Notes 2(g) and 24)	15	2,178,516,476	2,792,901,446
II.	Other income	16	348,655	198,379
III.	Total		2,178,865,131	2,793,099,825
	Expenditure			
	Research and / or Development Expenditure (Refer Note 2(l))	17	1,404,371,014	1,299,660,245
	Employee benefits expense	18	345,171,940	167,253,698
	Administration and Other Expenses	19	429,322,177	1,326,185,882
	Depreciation and amortization expense			
	- On Research Assets		232,392,571	78,322,580
	- On Other Assets		2,546,615	2,666,084
			234,939,186	80,988,664
	Less: Transferred from Reserve for Fixed Assets (Refer Note 3)		234,939,186	80,988,664
IV.	Total		2,178,865,131	2,793,099,825
V.	Excess of Income over Expenditure before exceptional and extraordinary items and tax (III-IV)		-	-
VI.	Exceptional items		-	-
VII.	Excess of Income over Expenditure before extraordinary items and tax (V - VI)		-	-
VIII.	Extraordinary Items		-	-
IX.	Excess of Income over Expenditure before tax (VII- VIII)		-	-
X.	Tax expense:		-	-
XI.	Excess of Income over Expenditure for the year(IX-X)		-	-

Summary of Significant Accounting Policies

2

Notes referred to above form an integral part of the Statement of Income and Expenditure and should be read in conjunction therewith.

As per our report of even date attached.

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

For and on behalf of the Board

M.S. Rao

Managing Director & CEO

[DIN – 08073419]

CA Ankush Goyal

Partner

Membership No. : 146017

Arvind Gupta

Director

[DIN – 00090360]

Place : New Delhi

Date : 28 January 2019

Place : New Delhi

Date : 28 January 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	Particulars	Amount(in Rs.) 2017-18	Amount(in Rs.) 2016-17
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Transfer from Grant in Aid to Income & Expenditure Account	(2,178,516,476)	(2,792,901,446)
	Transfer from Reserve & Surplus for Depreciation	(234,939,186)	(80,988,664)
	Total Transfer to Income & Expenditure Account	(2,413,455,662)	(2,873,890,110)
	Adjustments to reconcile net income (expense) to net cash provided		
	Depreciation including Depreciation due to implementation of Schedule II of the Companies Act, 2013	234,939,186	80,988,664
	Fixed Assets adjusted/discarded/written off	1,719,750	132
	Grant refunded to Government of India	(70,333,796)	(22,325,532)
	Grant Received during the year	1,977,000,877	1,270,351,246
	Interest on Fixed Deposits	43,999,512	94,129,090
	Operating Cash inflow (Outflow) before Working Capital Changes	(226,130,133)	(1,450,746,510)
	Adjustments for:		
	Decrease/(Increase) in Assets	332,662,832	(194,026,715)
	Decrease/(Increase) in Long Term Loans & Advances	(239,896)	(5,327,060)
	Decrease/(Increase) in Short Term Loans & Advances	327,023,948	(218,607,350)
	Decrease/(Increase) in other Current Assets	5,878,780	29,907,695
	Increase/(Decrease) in Liabilities	119,276,602	580,502,774
	Increase/(Decrease) in Other Current Liabilities	115,130,061	578,054,775
	Increase/(Decrease) in Long term Provision	1,810,095	3,164,158
	Increase/(Decrease) in Short Term Provisions	2,336,446	(716,159)
	Net Cash inflow (outflow) from operating activities	225,809,301	(1,064,270,451)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Addition to Fixed Assets including Work-in-progress	(346,609,575)	(88,850,937)
	Gain on disposal of obsolete items	-	-
	Net Cash used in investing activities	(346,609,575)	(88,850,937)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Net Cash used in financing activities	-	-
	Net increase/(decrease) in cash & Cash Equivalents(A+B+C)	(120,800,274)	(1,153,121,388)
	Opening Cash and Cash equivalents	907,788,103	2,060,909,491
	Closing Cash and Cash equivalents	786,987,829	907,788,103

As per our report of even date attached.

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

CA Ankush Goyal

Partner

Membership No. : 146017

For and on behalf of the Board

M.S. Rao

Managing Director & CEO

[DIN – 08073419]

Arvind Gupta

Director

[DIN – 00090360]

Place : New Delhi

Date : 28 January 2019

Place : New Delhi

Date : 28 January 2019

Notes to Financial Statements for the year ended March 31, 2018

1 Background :

Digital India Corporation [formerly Media Lab Asia] (hereinafter referred to as 'the Company') is a 'not for profit' Company set up by the Ministry of Electronics and Information Technology, Government of India. The Company has been spear heading the Digital India programme of the Government of India, and is involved in promoting use of technology for e-Health / Telemedicine, e-agriculture, e-Payments etc. The Digital India programme promotes safety and security concerns of growing cashless economy and addresses challenges confronting its wider acceptance. It also promotes innovation and evolve models for empowerment of citizens through Digital initiatives and to promote participatory governance and citizen engagement across the government through various platforms including social media. The objective of the Company is to bring the benefits of most advanced Information and Communication Technologies (ICT) to the common man. The Company was incorporated on September 20, 2001 as a **Company Limited by Guarantee** and not having share capital under Section 25 of the Companies Act, 1956[now Section 8 under Companies Act, 2013].

As per the Certificate of Incorporation pursuant to change of name issued by the Registrar of Companies, name of the Company has been changed from "Media Lab Asia" to "Digital India Corporation" with effect from September 8, 2017.

National e-Governance Division (NeGD) is an independent business division within Digital India Corporation. NeGD has been mandated to support Ministry of Electronics and Information Technology, Government of India in its various programme management aspects of the Digital India and eKranti initiatives including strategic planning and capacity building; development of standards, policies and guidelines; awareness and communication; evaluation and assessment; and citizen engagement through physical and digital/ social platforms. NeGD is also responsible for implementing of projects under National Digital Locker, National Centre of Geo-Informatics and Digital India. NeGD has complete financial and HR autonomy. The accounts, finance and human resource of NeGD are controlled, managed and maintained by the division itself and the division is headed by President & CEO, NeGD.

MyGov is an independent business division within Digital India Corporation. MyGov platform is a unique first of its kind participatory governance initiative involving the common citizen at large. The idea of MyGov brings the government closer to the common man by the use of online platform creating an interface for healthy exchange of ideas and views involving the common citizen and experts with the ultimate goal to contribute to the social and economic transformation of India. MyGov aims to provide an internet based platform to enable all citizens to contribute to the democratic process of ideation, feedback and participation in policy formulation and execution. The accounts, finance and human resource of MyGov are controlled, managed and maintained by the division itself and the division is headed by CEO, MyGov.

Information Technology Research Academy (ITRA) is an enabling National Programme initiated by Ministry of Electronics and Information Technology (MeitY), Government of India, to help build a national resource for advancing the quality and

Notes to Financial Statements for the year ended March 31, 2018

quantity of R&D in Information and Communications Technologies and Electronics (ICTE) and its applications, in IT and related institutions across India. ITRA programme is implemented by Digital India Corporation.

Visvesvaraya PhD Scheme for Electronics & IT is a Programme initiated by Ministry of Electronics and Information Technology (MeitY), Government of India to enhance the number of PhDs in the Electronics System Design and Manufacturing (ESDM) and IT/IT Enabled Services (ITES) sectors. Digital India Corporation would provide secretariat, managerial support and creation of institutional mechanism as Implementation Agency to Ministry of Electronics and Information Technology, Government of India.

2 Significant Accounting Policies :

(a) Basis of Preparation of Financial Statements:

The financial statements are prepared to comply in all material aspects with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with the generally accepted accounting principles ('GAAP') in India. The accounts have been prepared under historical cost convention on accrual basis and under going concern assumption. The accounting policies have been applied consistently except for changes due to adoption of newly issued accounting standards or where a revision is made to an existing accounting standard that requires a change in the accounting policy hitherto in use.

(b) Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the Management to make estimates and assumptions to be made that affect the reported amounts of assets and the liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimation. Changes in estimates are reflected in the financial statements for the periods in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(c) Cash & Cash Equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

(d) Tangible and Intangible Fixed Assets:

Tangible assets are stated at historical cost less accumulated depreciation/amortization and impairment losses, if any. Cost includes borrowing cost, inward freight, duties, taxes and incidental expenses related to the acquisition and installation of the assets incurred to bring the assets to their working condition for their intended use.

Notes to Financial Statements for the year ended March 31, 2018

Assets acquired by Indian Institutes of Technology and other organisations are capitalised based on reports audited by independent accountants or certified by Heads of concerned organisations, received from the respective entities at periodic intervals.

Intangible Assets are recorded at the consideration paid for acquisition of such assets and are stated at cost less accumulated amortization and impairment.

(e) Depreciation / Amortisation:

Depreciation on Tangible Fixed Assets other than leasehold premises is provided on written down value method over the estimated useful lives of assets from the date the asset is put to effective use. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its fixed assets and has adopted the useful lives as prescribed in Schedule II. Assets individually costing ₹5,000 or less are depreciated fully in the year of acquisition. Leasehold premises are amortised on straight line basis over the primary period of lease. Chemicals and components acquired are depreciated fully in the year of acquisition.

Intangible Assets comprising computer software is amortized on a straight line basis over a period of five years or the estimated useful life whichever is lower.

Assets purchased out of grant-in-aid are capitalised and an equivalent amount is transferred to Reserve for Fixed Assets. Accordingly, deletion of such fixed assets are also adjusted from the Reserve for fixed assets.

(f) Investments

Long-term investments, included under Non-Current Investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value and resultant decline if any, is charged to revenue. Cost of investments includes acquisition charges such as brokerage, fees and duties.

(g) Grant-in-aid

Grant-in-aid utilised for expenditure incurred during the year is transferred to income and expenditure account to the extent of expenditure incurred. The portion of Grant-in-aid utilised for the purchase of fixed assets, is transferred to Reserve for Fixed Assets. An amount equivalent to depreciation charged during the year on fixed assets, purchased from the Grant-in-aid, is transferred from the Reserve for Fixed Assets to the Statement of Income and Expenditure and reduced from depreciation charge. The unutilised portion of the approved Grant-in-aid is recognised as a liability.

(h) Employee Benefits:

(i) Short Term Employee Benefits

All short term employee benefits obligations payable wholly within twelve months of the rendering the services are classified as Short Term Employee Benefits. Such Benefits are estimated and provided for in the period in which the employee renders the related service.

Notes to Financial Statements for the year ended March 31, 2018

(ii) Defined Contribution Plan

All eligible employees of the Company are entitled to receive benefits under the provident fund through a defined contribution plan in which both the employees and the Company contribute monthly at specified percentage of employee's basic salary. These contributions are made to a Government approved provident fund. Contributions to the said Government regulated provident fund scheme is a defined contribution plan.

The contributions paid/ payable under the schemes are recognized during the period in which the employees render the related service.

(iii) Defined Benefit Plan

The costs of providing Gratuity (funded) is determined using projected unit credit method on the basis of actuarial valuation carried out at each balance sheet date. The Company has entered into an agreement with the Life Insurance Corporation of India to administer its gratuity scheme. The maximum amount of gratuity each employee is eligible to, is subject to the limits as specified under the payment of Gratuity Act.

(iv) Long Term Employee Benefits

The obligation for long term employee benefits such as compensated absences is recognized during the period, based on an actuarial valuation.

In respect of contractual staff, Provision for Leave encashment including availment is accrued and provided for on the basis of un-availed accumulated leave of employees as at the date of Balance Sheet on a full liability basis in accordance with the contract entered with the concerned staff.

(i) Expenses incurred at Indian Institutes of Technology, National Institute for Smart Government and other organisations:

Advances to Indian Institutes of Technology, National Institute for Smart Government and other Organisations are either expensed in the Statement of Income and Expenditure or capitalised as fixed assets based on the Statement of Accounts, audited by independent Auditors or certified by Heads of the concerned organisations, received from the respective entities at periodic intervals.

(j) Foreign Currency Transactions:

Foreign currency transactions are recorded in the books at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised as income or expense in the Statement of Income and Expenditure of the same period.

Foreign currency assets and liabilities are translated at the year-end rates and the resultant exchange differences are taken to the Statement of Income and Expenditure. Non-monetary items, carried at historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(k) Leased Assets:

Assets acquired on leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating leases. The rental and all other expenses of leased assets are treated as revenue expenditure.

Notes to Financial Statements for the year ended March 31, 2018

(l) Research and / or Development Expenditure:

Research and/or Development expenditure includes all costs incurred by the Company, Indian Institutes of Technology, National Institute for Smart Government and other organisations, for the conduct of Research, Development, Deployment and Implementation activities.

(m) Impairment of Assets:

The Management assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Management estimates the recoverable amount of the asset (i.e. higher of the asset's net selling price and value in use). If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized in the Statement of Income and Expenditure. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the amount is reflected at such recoverable amount subject to a maximum of the depreciable historical cost. Such reversal of impairment loss is made if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

(n) Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes a provision when there is a present obligation as a result of a past event that requires probable outflow of resources to settle the obligation and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made where there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources or where no reliable estimate is possible. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized, nor disclosed. Provision, Contingent Liabilities and Contingent assets are reviewed at each Balance sheet date.

Note 3 - Reserves and Surplus

(Refer Notes 2(g) and 6)

Particulars	March 31, 2018		March 31, 2017	
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Reserve for Fixed Assets				
As per last Balance Sheet	210,565,940		138,463,365	
Add :				
Assets purchased during the year transferred from grant-in-aid account	280,156,295		153,091,371	
Less :				
Written down value of deletions during the year	1,537,267		132	
		489,184,968		291,554,604
Less:				
Transferred to Income and Expenditure Account:				
-Depreciation for the year (Refer Note 8)		234,939,186		80,988,664
Total		254,245,782		210,565,940

Note 4 - Reserve Fund for Contingencies

(Refer Note 27)

Particulars	March 31, 2018		March 31, 2017	
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Reserve Fund for Contingencies				
a) Opening Balance	75,478,008	-	67,011,855	-
b) Additions during the year				
i) Interest earned during the year	4,389,040		4,727,428	
ii) Other additions				
- Institutional Overheads - Visvesvaraya PhD Scheme for Electronics & IT	2,311,000		1,437,000	
- Overheads - online platform & information system			-	
- Overheads - sponsored projects	448,000		474,000	
- Overheads - ITRA project	10,872,727		1,827,725	
Total (a+b)		93,498,775		75,478,008
Less :				
c) Utilisation / Expenditure of funds				
i) Revenue Expenditure	-		-	
ii) Capital Expenditure	-		-	
Total (c)		-		-
Closing Balance at the year end (a+b-c)		93,498,775		75,478,008
Total		93,498,775		75,478,008

Note 5 - Long Term Provisions

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Provision for employee benefits		
Leave Encashment (Refer Notes 2(h) and 33)	11,154,683	9,344,588
Total	11,154,683	9,344,588

Note 6 - Other Current Liabilities

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
(a) Grant-in-aid account (Refer Notes 2(g))		
As per last Balance Sheet	957,988,386	2,570,292,420
Add:		
Transferred from Reserve on deletion of Fixed Assets	1,719,750	132
Grant-in-aid received during the year (Refer Note 24)	1,977,000,877	1,270,351,246
Interest earned on Grant-in-aid during the year (Refer Note 25)	39,610,472	89,401,662
gain on disposal of obsolete items	-	-
Less:		
Amount refunded to the Government of India (Refer Note 25)	70,333,796	22,325,532
Transferred to Reserve for Fixed Assets (Refer Note 3)	280,156,295	153,091,371
Project overheads transferred to Reserve Fund for Contingencies- (Refer Note 27)	13,631,727	3,738,725
Transferred to Income and Expenditure Account (Refer Note 15)	2,178,516,476	2,792,901,446
	433,681,191	957,988,386
(b) Deposits		
- Earnest Money	-	-
- Security	16,380,594	43,000
(c) Other Current Liabilities (for fixed assets)	177,459,324	1,000,063
(d) Other Current Liabilities (for expenses)	626,167,039	646,965,029
(e) Other Payables		
- Tax Deducted at source	8,078,809	27,844,755
- Service Tax / Goods & Service Tax	10,546	157,091
- Salary and Reimbursements	2,142,933	1,772,137
- Provident Fund and other Employee Deductions	445,791	378,683
- Income received in advance	50,000	-
- Others	20,099,412	57,543,629
Total	1,284,515,639	1,693,692,773

Note 7 - Short Term Provisions

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Provision for employee benefits		
Leave Encashment (Refer Notes 2(h) and 33)	834,820	320,494
Gratuity	1,822,120	-
Total	2,656,940	320,494

Note 8 - Fixed Assets

(Refer Notes 2(d), (e), (g) and 26)

Amount in Rupees

DESCRIPTION OF ASSETS	GROSS BLOCK - AT COST				DEPRECIATION			NET BLOCK	
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	For the year	On Deductions during the year	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
(i) Tangible Assets									
Computer Equipments#	325,063,402	92,813,186	1,279,176	416,597,412	144,179,068	491,943	345,141,784	71,455,628	123,608,743
Research Equipment	75,543,879	4,276,013	819,531	79,000,361	15,572,851	136,494	77,024,517	1,975,844	13,955,719
Office Equipment*	26,394,939	4,116,236	110,410	30,400,765	2,972,066	43,413	26,774,234	3,626,531	2,549,358
Furniture and Fixtures	26,590,450	815,725	-	27,406,175	1,957,710	-	24,291,019	3,115,156	4,257,141
Lease hold Premises@	55,946,000	-	-	55,946,000	588,905	-	4,203,007	51,742,993	52,331,898
Vehicles	3,273,756	977,574	-	4,251,330	309,324	-	3,531,227	720,103	51,853
TOTAL	512,812,426	102,998,734	2,209,117	613,602,043	165,579,924	671,850	480,965,788	132,636,255	196,754,712
Previous Year	367,122,228	145,696,012	5,814	512,812,426	73,467,828	5,682	316,057,714	196,754,712	124,526,660
(ii) Intangible Assets									
Software	38,585,704	177,157,561	-	215,743,265	69,359,262	-	94,133,738	121,609,527	13,811,228
TOTAL	38,585,704	177,157,561	-	215,743,265	69,359,262	-	94,133,738	121,609,527	13,811,228
Previous Year	31,190,345	7,395,359	-	38,585,704	7,520,836	-	24,774,476	13,811,228	13,936,705
GRAND TOTAL	551,398,130	280,156,295	2,209,117	829,345,308	234,939,186	671,850	575,099,526	254,245,782	210,565,940
Previous Year	398,312,573	153,091,371	5,814	551,398,130	80,988,664	5,682	340,832,190	210,565,940	138,463,365
(iii) Capital Work In Progress									
								154,884,961	88,431,681
								409,130,743	298,997,621

1) @Lease hold premises has been amortised over a period of 95 years from 10.02.2011.

2) Previous years figures have been regrouped / reclassified wherever necessary to conform to current year's classification / disclosure

Note 9 - Non Current Investments

Particulars	Nominal Value	No. of Shares	March 31, 2018	March 31, 2017
	Rs.		Amount (in Rs.)	Amount (in Rs.)
Trade Investment (at cost) (Refer Note 32) Investment in Shares of Agrocom Software Technologies Pvt. Ltd.	1	2,400	2,400	2,400
Total			2,400	2,400
Note:				
a) Aggregate value of Investments Unquoted - At Cost			2,400	2,400
b) There is no diminution in the value of Investment			-	-

Note 10 - Long Term Loans & Advances

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Unsecured considered Good		
1) Security Deposits	10,631,665	11,424,399
2) Capital Advance	-	-
3) Advance Income tax (tds)	5,087,659	4,055,029
Total	15,719,324	15,479,428

Note 11 - Other Non Current Assets

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Other bank balances: Fixed Deposits with maturity for more than 12 months.	-	-
Total	-	-

Note 12 - Cash and Cash Equivalents

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Cash and Cash Equivalents (Refer Note 2(c)		
Cash on hand	163,239	136,626
Balances with Banks	81,382,326	5,420,986
Other Bank Balances		
Bank Deposits with more than 3 months maturity	705,442,264	902,230,491
Total	786,987,829	907,788,103

Note 13 - Short Term Loans and Advances

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Advances Recoverable in Cash or in Kind		
Unsecured considered Good		
Indian Institutes of Technology, National Institute for Smart Government and Other Organisations (Refer Note 2(i))	428,725,534	755,285,276
(A)	428,725,534	755,285,276
Other Loans and Advances		
Prepaid expenses	2,410,598	2,539,324
Advances to employees	82,356	356,928
Others		60,908
(B)	2,492,954	2,957,160
Total (A + B)	431,218,488	758,242,436

Note 14 - Other Current Assets

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Interest accrued on Bank Fixed Deposits	2,971,368	2,797,784
Grant-in-aid receivable	-	5,694,500
Gratuity valuation surplus	-	399,531
Amount receivable from institutions / divisions	41,667	-
Total	3,013,035	8,891,815

Note 15 - Grant-in-aid

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Transferred from Grant-in-aid account (Refer Notes 2(g), 6 and 24)	2,178,516,476	2,792,901,446
Total	2,178,516,476	2,792,901,446

Note 16 - Other Income

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
(a) Hosting & maintenance of website		93,750
(b) Interest Income		
- On Security deposits	22,320	24,823
(c) Sundry credit balances written back(net)		-
(d) Miscellaneous Income	326,335	79,806
Total	348,655	198,379

Note -17 Research and / or Development Expenditure

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Expenses - Indian Institutes of Technology, National Institute for Smart Government and Other Organisations (Refer Note 2 (i))	354,235,053	482,118,802
Salaries, Allowances and Other benefits	488,251,687	496,235,884
Contribution to Provident Fund & Other Funds	10,066,244	4,725,969
Travel and Conveyance	4,801,617	6,813,831
Research Workshops and Conferences	510,539,454	277,173,975
Professional Fees	3,821,166	2,371,165
Communication	2,700,878	2,776,949
Rent	21,385,316	20,930,809
Maintenance	8,405,527	6,486,611
Trademark Registration	164,072	26,250
Total	1,404,371,014	1,299,660,245

Note 18 - Employee Benefits Expense

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Salaries, Allowances and Other benefits	340,220,088	165,327,573
Contribution to Provident Fund & Other Funds	3,659,385	(69,841)
Staff Welfare	1,292,467	1,995,966
Total	345,171,940	167,253,698

Note 19 - Administration and Other Expenses

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Electricity	1,744,539	1,611,819
Rates and Taxes	227,540	260,552
Repairs and Maintenance		
- Building		
- Others	8,448,669	6,931,175
Insurance	141,192	152,461
Office Expenses	44,143,990	31,392,483
Travel and Conveyance	20,890,775	15,774,121
Legal and Professional Fees	112,518,913	85,446,816
Auditors' Remuneration *	575,250	410,335
Advertising and Conferences	234,497,227	1,164,948,330
Website Maintenance expenses	138,402	153,496
Recruitment	446,829	3,860,131
Communication	4,277,738	7,014,868
Meeting expenses	652,424	58,417
Miscellaneous Expenses	618,689	2,290,438
Cloud Service & Data Storage		5,880,440
Total	429,322,177	1,326,185,882

*Auditors' Remuneration	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Payment to Auditors (including service tax / GST)		
a) Auditor	324,500	295,000
b) For Other Services	191,750	80,275
c) Reimbursement of Expenses	59,000	35,060
Total	575,250	410,335

Notes to Financial Statements for the year ended March 31, 2018

- 20** The Financial Statements of Digital India Corporation [formerly Media Lab Asia] comprises the accounts of (i) National e-Governance Division (NeGD), (ii) MyGov, (iii) Digital India Corporation – Technology Development and Deployment Division and the Project accounts of (iv) Information Technology Research Academy (ITRA) and (v) Visvesvaraya PhD Scheme for Electronics & IT.
- 21** Capital and Other Commitments as at the end of the year is Rs. Nil ; (Previous year Rs. 53,239,522).
- 22** Contingent Liabilities as at the end of the year is Rs. Nil (Previous Year Rs. Nil).
- 23** The Company has been notified as an institution for charitable purpose under Section 10(23)(C)(iv) of the Income Tax Act, 1961 vide order No.CCIT/MUM/10(23)(C) (iv)/66/2007-08 97 dated 31.10.2007 issued by Ministry of Finance, Department of Revenue, Chief Commissioner of Income Tax, Mumbai from A. Y. 2005– 2006 onwards until withdrawn and is therefore entitled to claim exemption from tax, subject to fulfilment of the prescribed conditions.
The Company has also obtained registration under Section 12A of the Income Tax Act, 1961 vide letter No. DIT(E)/12A/36786/2002-2003 dated October 7, 2002 and is therefore entitled to claim exemption from tax under Section 11 of the Income Tax Act.
- 24** The Company has received Grant-in-aid of Rs.1,977,000,877 during the financial year 2017-18 (previous year Rs. 1,270,351,2146). Any portion of the Grant-in-aid which is not ultimately required for the approved purposes shall be duly surrendered to the Government.

Details of Grant	FY 2017-18 Rupees	FY 2016-17 Rupees
National e-Governance Division :		
Project Capacity Building Scheme Phase II for States/Uts under NeGP	-	507,600,000
Awareness and Communication Approach and Strategy for NeGP 2014-17	439,682,630	255,000,000
Functioning of NeGD 2.0	231,000,000	33,200,000
Funds received from DGS&D for project GeM		55,348,900
Unified Mobile Application for New-age Governance (UMANG)		100,000,000
Total (a)	670,682,630	951,148,900
MyGov:		
A platform for citizen engagement in governance	337,000,000	100,000,000
e-Greetings Portal and Sampark	146,621,157	88,360,846
Grant from MeitY for Promotion Campaign	8,711,000	-
Grant from NILERD for Digi Dhan Promotion	90,118,319	-
Total (b)	582,450,476	188,360,846
Visvesvaraya PhD Scheme for Electronics & IT (c)	532,967,950	69,187,000
Information Technology Research Academy (d)	119,600,000	14,400,000

Notes to Financial Statements for the year ended March 31, 2018

Digital India Corporation (DIC), Technology Development and Deployment Division (TDDD)

-DIC, TDDD	62,167,760	40,000,000
-Varanasi ICT based Integrated Development Program (VIIDP)		-
-Varanasi ICT based Integrated Development Program (VIIDP) Phase II	2,928,000	560,000
-ICT for Women Empowerment in Bithoor – “Bithoor Shakti”	3,594,000	1,000,000
-Visual Speech Training Software for Hearing Impaired	-	1,960,500
-Open Source CAD Tool for the Weaving of Banarasi Sarees	-	3,734,000
Total (e)	68,689,760	47,254,500

DIC, TDDD

-Punarbhava : a web portal for dissemination of information related to disability field under Awareness Generation & Publicity Scheme	225,000	-
-Setting up of Rural Women Technology park at Basani, Varanasi from DST, GoI.	2,385,061	-

Grand Total	1,977,000,877	1,270,351,246
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Summary

Grant received from MeitY	1,884,272,497	1,270,351,246
Others	92,728,380	-

Grand Total	1,977,000,877	1,270,351,246
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- 25** An amount of Rs.39,610,472 (previous year Rs. 89,401,662) being interest received on grant in aid deposits during the year has been credited to grant in aid account. Interest earned/accrued has been credited to grant in aid account by the Company in the year in which it is earned/accrued on an accrual basis. The Company has refunded grant-in-aid of Rs.70,333,796 (Previous year Rs.22,325,532) including interest of Rs.18,351,463 (Previous year Rs. 7,134,955) to MeitY during the year 2017-18.
- 26** As per the terms and conditions governing the grant-in-aid, assets purchased out of the grant-in-aid cannot be disposed off, encumbered without the prior sanction of the Ministry of Electronics and Information Technology. These assets cannot be utilised for purposes other than those for which the grant has been sanctioned. Further, should the Company cease to exist, such assets shall revert to the Ministry of Electronics and Information Technology, who will be free to sell or otherwise dispose off the assets.
- 27** A Reserve Fund has been created by DIC- TDDD out of earnings including funds received as overheads from the sponsored projects to meet any unforeseen costs that may arise in the future as well as the future upkeep costs or for any other purpose conducive to the interests of the DIC-TDDD. During the current year an amount of Rs. 13,631,727 has been transferred to Reserve Fund out of Project overheads received. Since fixed deposits have not been specifically earmarked, proportionate interest of Rs. 4,389,040 earned on the liquid term deposits have been credited to the Reserve Fund.
- 28** Digital India Corporation has accounted expenses aggregating to Rs.3,608,964 and interest earned of Rs.11,382 received from 3 institutions. The statement of expenses received from 2

Notes to Financial Statements for the year ended March 31, 2018

institutions for expenses aggregating to Rs.430,764 have been duly certified by the authorised personnel of these Institutions and these accounts are subject to audit by Chartered Accountants of the respective Institutions. Balance confirmation/utilization certificates have not been received from 5 institutions aggregating to Rs.1,978,985 shown under the head 'Loans and Advances and are outstanding for more than one year

IT Research Academy has accounted i) expenses aggregating to Rs.25,209,375, interest earned Rs.607,462 and fixed assets aggregating to Rs.4,499,930 based on audited statement of accounts received from 40 project team members (ii) expenses aggregating to Rs.13,459,370, interest earned Rs.163,429 and fixed assets aggregating to Rs.5,434,197 based on certified statement of accounts received from 19 project team members and these accounts are subject to audit by Chartered Accountants of the respective Institutions. Balance confirmation/utilization certificates have not been received from 13 project team members aggregating to Rs.22,109,136 shown under the head 'Loans and Advances and are outstanding for more than one year.

Visvesvaraya PhD Scheme for Electronics & IT has accounted i) expenses aggregating to Rs.186,465,928 and interest earned Rs.775,372 based on audited statement of accounts received from 58 institutions ii) expenses aggregating to Rs.125,095,432 and interest earned Rs.478,520 based on certified statement of accounts received from 32 institutions and these accounts are subject to audit by Chartered Accountants of the respective Institutions. Balance confirmation/utilization certificates have not been received from 32 institutions aggregating to Rs.27,884,530 shown under the head 'Loans and Advances' and are outstanding for more than one year.

NeGD has received Utilisation Certificates from National Institute for Smart Government (NISG) and other institutions, states & universities for workshop towards funds utilised for recruitment and HR management activities etc. of Rs. 853,895,828 out of the total advances paid to them. Of which NeGD has received audited statement of expenses aggregating to Rs. 5,236,923 certified by Chartered Accountants and Rs. 848,658,905 certified by the authorised personnel of these institutions and are subject to audit by Chartered Accountants of the respective Institutions or Organisations. The amount utilised is shown under Research and/or Development Expenditure in the Income and Expenditure Account. The unutilised amount is shown under the head 'Loans and Advances in Note 9.

Balance confirmation / Utilisation certificates from the below mentioned institutions for amount aggregating to Rs.64,920,075 is outstanding for more than one year:

- a) Sates under Capacity building Phase II for expenses & infra components – Rs.41,858,965
- b) YASADA – 6,25,753
- c) Indian Institute for Management (AHM) – 30,59,050
- d) Centre for Innovation in Public Systems -Rs4,964,000
- e) National Scheduled Castes Finance and Development Corporation – Rs. 1,500,000
- f) Administrative training Institute West Bengal- Rs.1,212,950
- g) Nagaland e-State Society – 2,000,000
- h) Director Member Secretary SCITeG – Rs. 1,000,000
- i) The Managing Director, Telangana State Technology Society – Rs. 1,350,000
- j) Director, ITDA, Uttrakhand – Rs. 50,00,000
- k) Meghalaya Information Technology Society – Rs.7,50,000
- l) Universities for conducting Workshop under A&C – Rs.15,99,357

The financial statements have been prepared on the basis of such statement of expenses and details of fixed assets.

Notes to Financial Statements for the year ended March 31, 2018

- 29** During the year MyGov Division has used the services of SMS Gateway and Out Bound Dialing (OBD) from NICS I registered vendor for Pradhan Mantri's Mann Ki Baat Programme. Due to insufficiency of funds, MyGov Division has not issued work order to NICS I for the period July 2017 to March 2018 and has not made any provision for Rs. 11,73,41,785/- payable calculated on the basis of data provided by NICS I and past billings.

30 Expenditure in Foreign Currency

	Year ended March 31, 2018 Rupees	Year ended March 31, 2017 Rupees
i) Travelling expenses	224,798	312,393
ii) Trademark renewal		-
iii) Equipments	1,365,102	721,358
Total	1,589,900	1,033,751

Expenditure in foreign currency also includes expenditure incurred by academic institutions.

- 31** Employee cost includes remuneration paid to Managing Director Rs.Nil during the financial year 2017-18 (Previous year Rs.Nil).

- 32** The Company had entered into MOU with Agrocom Software Technologies Pvt. Ltd. dated 17th September, 2008 for use of Aqua Software license developed by IIT, Bombay in collaboration with Digital India Corporation. As per the said MOU, the company had received 2400 shares (Face Value of Rs.1 per share) of Agrocom Software Technologies Private Limited which are disclosed under non current investments.

33 Employee Benefits

As per the companies (Accounting Standards), Rules 2006, the following disclosures have been made.

Defined Benefit Plans

A. Contribution to Gratuity Fund

The details of the Company's Gratuity Fund for its employees are given below which have been certified by Life Insurance Corporation of India as on 31st March, 2018 and relied upon by the auditors

	FY 2017-18	FY 2016-17
i Valuation Method	Projected Unit Credit Method	Projected Unit Credit Method
ii Actuarial Assumptions		
Mortality Rate	LIC(2006-08) ultimate	LIC(2006-08) ultimate
Withdrawal Rate	1%	1%
Discount Rate	7.5%	8%
Salary Escalation	10.00%	10.00%

Notes to Financial Statements for the year ended March 31, 2018

iii	Results of Valuation	Rupees	Rupees
a.	PV of Past Service Benefit	6,813,520	5,543,922
b.	Current Service Cost	203,168	249,197
c.	Total Service Gratuity	20,519,586	19,324,393
d.	Accrued Gratuity	9,696,610	7,515,084
B.	Leave Encashment		

Payments to and provision for employees includes Rs.2,150,115 (previous year Rs. 2,247,003) towards provision made as per Actuarial Valuation in respect of accumulated leave encashment and Rs. 174306 (previous year Rs. 200,996) towards liability of contractual staff made on actual basis debited to the Statement of Income and Expenditure. Total Liability as per Actuarial Valuation and as reflected in Company's Accounts is Rs. 10,983,288(previous year Rs. 8,833,173). The company has not funded the liability.

Defined Contribution Plans

The Company has recognised Rs. 7,961,226 (previous year Rs. 4,159,927) towards Provident Fund / Pension Fund.

34 Micro & Small Enterprises Dues

The Company has not received any intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures regarding :

a) Amount due and outstanding to suppliers as at the end of the accounting year b) Interest paid during the year c) Interest payable at the end of the accounting year and d) Interest accrued and unpaid at the end of the accounting year have not been given.

The Company is making efforts to get the confirmations from the suppliers as regards their status under the Act.

35 The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards as specified under Companies Act, 1956 (i.e. the Companies (Accounting Standards) Rules, 2006) which shall be deemed to be the accounting standards as per Rule 7, of the companies (Accounts) Rule, 2014 as a transaction provision until accounting as specified under Section 133 of Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

36 Balance with debtors and creditors are subject to confirmation, reconciliation and consequential adjustments thereof, if any.

37 Previous year's figures have been regrouped/reclassified wherever necessary to conform to current year's classification/disclosure.

Notes to Financial Statements for the year ended March 31, 2018

Signatures to Note No. 1 to 37

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

CA Ankush Goyal

Partner

Membership No. : 146017

Place : New Delhi

Date : 28 January 2019

For and on behalf of the Board

M.S. Rao

Managing Director & CEO

[DIN – 08073419]

Arvind Gupta

Director

[DIN – 00090360]

Place : New Delhi

Date : 28 January 2019

Standalone Financial Statements

National e-Governance Division (NeGD)
(Division of Digital India Corporation)

National e-Governance Division (NeGD)
[Division of Digital India Corporation]

BALANCE SHEET AS AT MARCH 31, 2018

Particulars		Note No	As at March 31, 2018	As at March 31, 2017
			Amount (in Rs.)	Amount (in Rs.)
I.	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	(a) Share Capital		-	-
	(b) Reserves and Surplus	3	76,768,969	109,730,624
2	Current liabilities			
	(a) Other Current Liabilities	4	697,759,787	1,389,074,286
	Total		774,528,756	1,498,804,910
II.	ASSETS			
1	Non Current Assets			
	(a) Fixed Assets	5		
	(i) Tangible Assets		50,969,153	106,639,038
	(ii) Intangible Assets		25,799,816	3,091,586
	(iii) Capital work in progress		82,560,683	21,851,403
			159,329,652	131,582,027
	(b) Long Term Loans and Advances	6	2,120,705	2,504,739
	(c) Other Non Current Assets	7	-	-
2	Current Assets			
	(a) Cash and Cash Equivalents	8	462,419,313	771,137,487
	(b) Short Term Loans and Advances	9	149,631,738	593,580,657
	(c) Other Current Assets	10	1,027,348	-
	Total		774,528,756	1,498,804,910

Summary of Significant Accounting Policies

2

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith.

We have verified the above Balance Sheet as at March 31, 2018, the statement of Income and Expenditure for the year ended March 31, 2018, and the related Notes to Accounts with the Books of Account and other records produced before us, and as per the information and explanations given to us, we certify the same to be in agreement with the books of accounts.

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

For Digital India Corporation - NeGD

CA Ankush Goyal

Partner

Membership No. : 146017

President & CEO

Place : New Delhi

Date : 28 January 2019

Place : New Delhi

Date : 28 January 2019

National e-Governance Division (NeGD)
[Division of Digital India Corporation]

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2018

Particulars		Note No.	March 31, 2018 Amount (in Rs.)	March 31, 2017 Amount (in Rs.)
I.	Transferred from Grant-in-aid account (Refer Notes 2(g), 4 and 16)	11	1,224,636,413	1,136,579,122
II.	Other income	12	39,810	58,555
III.	Total		1,224,676,223	1,136,637,677
	Expenditure			
	Research and / or Development Expenditure	13	962,307,138	732,729,288
	Employee Benefits Expense	14	33,006,938	30,905,136
	Administration and Other Expenses	15	229,362,147	373,003,253
	Depreciation and amortization expense			
	- On Research Assets		115,159,608	16,335,070
	- On Other Assets		779,729	426,261
			115,939,337	16,761,331
	Less: Transferred from Reserve for Fixed Assets (Refer Note 3)		115,939,337	16,761,331
IV.	Total		1,224,676,223	1,136,637,677
V.	Excess of Income over Expenditure before exceptional and extraordinary items and tax (III-IV)		-	-
VI.	Exceptional items		-	-
VII.	Excess of Income over Expenditure before extraordinary items and tax (V - VI)		-	-
VIII.	Extraordinary Items		-	-
IX.	Excess of Income over Expenditure before tax (VII- VIII)		-	-
X.	Tax expense:			
XI.	Excess of Income over Expenditure for the year (IX-X)		-	-

Summary of Significant Accounting Policies

2

Notes referred to above form an integral part of the Statement of Income and Expenditure and should be read in conjunction therewith.

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm Registration No. : 116293W

For Digital India Corporation - NeGD

CA Ankush Goyal
Partner
Membership No. : 146017

President & CEO

Place : New Delhi
Date : 28 January 2019

Place : New Delhi
Date : 28 January 2019

National e-Governance Division (NeGD)
[Division of Digital India Corporation]

Notes to Financial Statements for the year ended March 31, 2018

1 Background :

National e-Governance Division (NeGD) is an independent business division within Digital India Corporation (Formerly Media Lab Asia). NeGD has been mandated to support Ministry of Electronics and Information Technology, Government of India in its various programme management aspects of the Digital India and eKranti initiatives including strategic planning and capacity building; development of standards, policies and guidelines; awareness and communication; evaluation and assessment; and citizen engagement through physical and digital/ social platforms. NeGD is also responsible for implementing projects under National Digital Locker, National centre of Geo- Informatics and Digital India. NeGD has complete financial and HR autonomy. The accounts, finance and human resource of NeGD are controlled, managed and maintained by the division itself and the division is headed by President & CEO, NeGD.

2 Significant Accounting Policies :

(a) Basis of Preparation of Financial Statements:

The financial statements are prepared to comply in all material aspects with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with the generally accepted accounting principles ('GAAP') in India. The accounts have been prepared under historical cost convention on accrual basis and under going concern assumption. The accounting policies have been applied consistently except for changes due to adoption of newly issued accounting standards or where a revision is made to an existing accounting standard that requires a change in the accounting policy hitherto in use.

(b) Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the Management to make estimates and assumptions to be made that affect the reported amounts of assets and the liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimation. Changes in estimates are reflected in the financial statements for the periods in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(c) Cash & Cash Equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

Notes to Financial Statements for the year ended March 31, 2018

(d) Tangible and Intangible Fixed Assets:

Tangible assets are stated at historical cost less accumulated depreciation/amortization and impairment losses, if any. Cost includes borrowing cost, inward freight, duties, taxes and incidental expenses related to the acquisition and installation of the assets incurred to bring the assets to their working condition for their intended use.

Intangible Assets are recorded at the consideration paid for acquisition of such assets and are stated at cost less accumulated amortization and impairment.

(e) Depreciation / Amortisation:

Depreciation on Tangible Fixed Assets other than leasehold premises is provided on written down value method over the estimated useful lives of assets from the date the asset is put to effective use. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its fixed assets and has adopted the useful lives as prescribed in Schedule II. Assets individually costing ₹5,000 or less are depreciated fully in the year of acquisition. Leasehold premises are amortised on straight line basis over the primary period of lease. Intangible Assets comprising computer software is amortized on a straight line basis over a period of five years or the estimated useful life whichever is lower.

Assets purchased out of grant-in-aid are capitalised and an equivalent amount is transferred to Reserve for Fixed Assets. Accordingly, deletion of such fixed assets are also adjusted from the Reserve for fixed assets.

(f) Investments

Long-term investments, included under Non-Current Investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value and resultant decline if any, is charged to revenue. Cost of investments includes acquisition charges such as brokerage, fees and duties.

(g) Grant-in-aid

Grant-in-aid utilised for expenditure incurred during the year is transferred to income and expenditure account to the extent of expenditure incurred. The portion of Grant-in-aid utilised for the purchase of fixed assets, is transferred to Reserve for Fixed Assets. An amount equivalent to depreciation charged during the year on fixed assets, purchased from the Grant-in-aid, is transferred from the Reserve for Fixed Assets to the Statement of Income and Expenditure and reduced from depreciation charge. The unutilised portion of the approved Grant-in-aid is recognised as a liability.

Notes to Financial Statements for the year ended March 31, 2018

(h) Employee Benefits:

(i) Short Term Employee Benefits

All short term employee benefits obligations payable wholly within twelve months of the rendering the services are classified as Short Term Employee Benefits. Such Benefits are estimated and provided for in the period in which the employee renders the related service.

(ii) Defined Contribution Plan

All eligible employees of the Company are entitled to receive benefits under the provident fund through a defined contribution plan in which both the employees and the Company contribute monthly at specified percentage of employee's basic salary. These contributions are made to a Government approved provident fund. Contributions to the said Government regulated provident fund scheme is a defined contribution plan.

The contributions paid/ payable under the schemes are recognized during the period in which the employees render the related service.

(iii) Defined Benefit Plan

The costs of providing Gratuity (funded) is determined using projected unit credit method on the basis of actuarial valuation carried out at each balance sheet date. The Company has entered into an agreement with the Life Insurance Corporation of India to administer its gratuity scheme. The maximum amount of gratuity each employee is eligible to, is subject to the limits as specified under the payment of Gratuity Act.

(iv) Long Term Employee Benefits

The obligation for long term employee benefits such as compensated absences is recognized during the period, based on an actuarial valuation.

In respect of contractual staff, Provision for Leave encashment including availment is accrued and provided for on the basis of unavailed accumulated leave of employees as at the date of Balance Sheet on a full liability basis in accordance with the contract entered with the concerned staff.

(i) Expenses incurred at National Institute for Smart Government, States and other organisations:

Advances to National Institute for Smart Government, States and other organisations are either expensed in the Statement of Income and Expenditure or capitalised as fixed assets based on the Statement of Accounts, audited by independent Auditors or certified by Heads of the concerned organisations, received from the respective entities at periodic intervals.

(j) Foreign Currency Transactions:

Foreign currency transactions are recorded in the books at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised as income or expense in the Statement of Income and Expenditure of the same period.

Notes to Financial Statements for the year ended March 31, 2018

Foreign currency assets and liabilities are translated at the year-end rates and the resultant exchange differences are taken to the Statement of Income and Expenditure. Non-monetary items, carried at historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(k) Leased Assets:

Assets acquired on leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating leases. The rental and all other expenses of leased assets are treated as revenue expenditure.

(l) Impairment of Assets:

The Management assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Management estimates the recoverable amount of the asset (i.e. higher of the asset's net selling price and value in use). If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized in the Statement of Income and Expenditure. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the amount is reflected at such recoverable amount subject to a maximum of the depreciable historical cost. Such reversal of impairment loss is made if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

(m) Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes a provision when there is a present obligation as a result of a past event that requires probable outflow of resources to settle the obligation and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made where there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources or where no reliable estimate is possible. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized, nor disclosed. Provision, Contingent Liabilities and Contingent assets are reviewed at each Balance sheet date.

National e-Governance Division (NeGD)

[Division of Digital India Corporation]

Note 3 - Reserves and Surplus

(Refer Notes 2 (g) and 4)

Particulars	March 31, 2018		March 31, 2017	
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Reserve for Fixed Assets				
As per last Balance Sheet	109,730,624		7,516,394	
Add :				
Assets purchased during the year transferred from grant-in-aid	83,630,265		118,975,561	
Less :				
Written down value of deletions during the year	652,583		-	
		192,708,306		126,491,955
Less:				
Transferred to Income and Expenditure Account :				
- Depreciation for the year (Refer Note 5)		115,939,337		16,761,331
- Depreciation Due to implementation of Schedule II of companies Act, 2013				
Total		76,768,969		109,730,624

Note-4 Other Current Liabilities

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
(a) Grant-in-aid (Refer Notes 2(g) and 16)		
As per last Balance Sheet	1,271,242,147	1,534,269,072
Add:		
Transferred from Reserve on deletion of Fixed Assets	652,583	-
Grant-in-aid received during the year	670,682,630	951,148,900
Interest earned on grant-in-aid during the year	32,021,890	63,597,696
Less:		
Amount refunded to the Government of India	70,333,796	22,218,838
Transferred to Reserve for Fixed Assets (Refer Note 3)	83,630,265	118,975,561
Transferred to Income and Expenditure Account (Refer Note 11)	1,224,636,413	1,136,579,122
	595,998,776	1,271,242,147
(b) Deposits		
Earnest Money		-
Security	16,262,594	-
(c) Other Current Liabilities (for Fixed Asset)		-
(d) Other Current Liabilities (for expenses)	57,954,068	50,812,659
(e) Other Payables		
Tax Deducted at source	7,724,616	9,690,085
Service Tax	-	65,445
Salary and Reimbursements	-	-
Provident Fund and other Employee Deductions	14,520	14,520
Security Deposit from Suppliers	19,805,213	57,249,430
Total	697,759,787	1,389,074,286

National e-Governance Division (NeGD)
[Division of Digital India Corporation]

Note 5 - Fixed Assets
(Refer Notes 2(d),(e), (g) and 17)

Amount in Rupees

DESCRIPTION OF ASSETS	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK	
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 1, 2017	For the year	On Deductions during the year	As at March 31, 2018	As at March 31, 2017	As at March 31, 2017
(i) Tangible Assets										
Computer Equipments	127,421,023	49,609,685	1,141,950	175,888,758	24,249,071	103,339,818	489,367	127,099,522	48,789,236	103,171,952
Office Equipments	3,448,708	331,584	-	3,780,292	1,971,407	995,734	-	2,967,141	813,151	1,477,301
Furniture and Fixtures	4,318,629	156,710	-	4,475,339	2,328,844	779,729	-	3,108,573	1,366,766	1,989,785
TOTAL	135,188,360	50,097,979	1,141,950	184,144,389	28,549,322	105,115,281	489,367	133,175,236	50,969,153	106,639,038
Previous Year	19,415,357	115,773,003	-	135,188,360	12,040,327	16,508,995	-	28,549,322	106,639,038	7,375,030
(ii) Intangible Assets										
Software	4,222,616	33,532,286	-	37,754,902	1,131,030	10,824,056	-	11,955,086	25,799,816	3,091,586
TOTAL	4,222,616	33,532,286	-	37,754,902	1,131,030	10,824,056	-	11,955,086	25,799,816	3,091,586
Previous Year	1,020,058	3,202,558	-	4,222,616	878,694	252,336	-	1,131,030	3,091,586	141,364
GRAND TOTAL	139,410,976	83,630,265	1,141,950	221,899,291	29,680,352	115,939,337	489,367	145,130,322	76,768,969	109,730,624
Previous Year	20,435,415	118,975,561	-	139,410,976	12,919,021	16,761,331	-	29,680,352	109,730,624	7,516,394
(iii) Capital Work In Progress										
									82,560,683	21,851,403
									159,329,652	131,582,027

National e-Governance Division (NeGD)
[Division of Digital India Corporation]

Note 6 - Long Term Loans and Advances

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Unsecured considered Good :		
Security Deposits	180,545	925,179
Advance Income Tax (tds)	1,940,160	1,579,560
Total	2,120,705	2,504,739

Note 7 - Other Non Current Assets

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Other bank balances:		
Fixed Deposits with maturity for more than 12 months.	-	-
Total	-	-

Note 8 - Cash and Cash Equivalents

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Cash and Cash Equivalents (Refer Note 2(c))		
Cash on hand	40,000	21,206
Balances with Banks	(54,109,468)	(71,246,719)
Other bank balances:		
Bank Deposits with more than 3 months maturity	516,488,781	842,363,000
Total	462,419,313	771,137,487

Note 9 - Short Term loans and Advances

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
<u>Advances Recoverable in Cash or in Kind</u>		
Unsecured considered Good		
National Institute for Smart Government	(1,612,012)	460,350,039
Centre for Innovations in Public Systems	4,964,000	4,964,000
Other project advances	18,043,992	13,100,000
Advance to States for operational expenses	52,167,298	71,722,735
Advance to Suppliers	61,353,327	36,559,180
Advance to Universities	-	6,225,206
Receivable against GCCS	13,494,690	-
(A)	148,411,295	592,921,160
Other Loans and Advances		
Prepaid expenses	1,220,443	370,497
Advances to employees	-	289,000
(B)	1,220,443	659,497
Total (A + B)	149,631,738	593,580,657

National e-Governance Division (NeGD)
[Division of Digital India Corporation]

Note 10 - Other Current Assets

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Interest accrued on Bank Fixed Deposits	1,027,348	
TOTAL	1,027,348	-

Note 11 - Grant-In-Aid Account

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Transferred from Grant-in-aid account (Refer Notes 2 (g) and 16)	1,224,636,413	1,136,579,122
Total	1,224,636,413	1,136,579,122

Note 12 - Other Income

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
(a) Interest Income		
- On Fixed deposits	-	-
- On Advance	-	-
(b) Miscellaneous Income	39,810	58,555
Total	39,810	58,555

Note -13 Research and/or Development Expenditure

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Salaries, Allowances and Other Benefits	447,379,002	455,822,852
Contribution to Provident Fund & Other Funds	8,385,901	3,831,582
Research Workshops and Conferences	506,542,235	273,074,854
Total	962,307,138	732,729,288

Note 14 - Employee Benefits Expense

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Salaries, Allowances and Other Benefits	33,006,938	30,109,774
Staff Welfare	-	795,362
Total	33,006,938	30,905,136

National e-Governance Division (NeGD)

[Division of Digital India Corporation]

Note -15 Administration and Other Expenses

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Repairs and Maintenance		
- Building		
- Others	1,110,886	1,107,526
Office Expenses	8,275,356	8,376,841
Travel and Conveyance	16,691,218	11,985,362
Legal and Professional Fees	111,552,101	84,833,836
Advertising and Conferences	88,085,338	259,862,689
Recruitment	134,500	3,199,399
Communication	3,147,878	3,600,556
Miscellaneous	364,870	37,044
Total	229,362,147	373,003,253

National e-Governance Division (NeGD)
[Division of Digital India Corporation]

Notes to Financial Statements for the year ended March 31, 2018

- 16** NeGD has received grant in aid of Rs. 670,682,630/- during the year 2017-18 (previous year Rs. 951,148,900/-). An amount of Rs. 32,021,890/- (previous year Rs. 63,597,696/-) being interest received on grant in aid deposits during the year has been credited to grant in aid account. Interest earned/accrued has been credited to grant in aid account in the year in which it is earned/accrued on an accrual basis. NeGD has refunded grant-in-aid of Rs. 70,333,796/- (Previous year Rs. 22,218,838/-) including interest of Rs. 18,351,463/- (Previous year Rs. 7,134,955) to MeitY during the year 2017-18.

Details of Grant-in-aid	FY 2017-18 Rupees	FY 2016-17 Rupees
Project Capacity Building Scheme Phase II for States/Uts under NeGP		507,600,000
Awareness and Communication Approach and Strategy for NeGP 2014-17	439,682,630	255,000,000
Functioning of NeGD 2.0	231,000,000	33,200,000
Launching Digital India Week Programme	-	-
Rapid Assessment System	-	-
National Digital Locker	-	-
National Centre of Geo-Informatics	-	-
Funds received from DGS&D for project GeM	-	55,348,900
Unified Mobile Application for New-age Governance (UMANG)	-	100,000,000
Total	670,682,630	951,148,900

- 17** As per the terms and conditions governing the grant-in-aid, assets purchased out of the grant-in-aid cannot be disposed off, encumbered without the prior sanction of the Ministry of Electronics and Information Technology. These assets cannot be utilised for purposes other than those for which the grant has been sanctioned. Further, should the Company cease to exist, such assets shall revert to the Ministry of Electronics and Information Technology, who will be free to sell or otherwise dispose off the assets.

- 18** NeGD has received Utilisation Certificates from National Institute for Smart Government (NISG) and other institutions, states & universities for workshop towards funds utilised for recruitment and HR management activities etc. of Rs. 853,895,828 out of the total advances paid to them. Of which NeGD has received audited statement of expenses aggregating to Rs. 5,236,923 certified by Chartered Accountants and Rs. 848,658,905 certified by the authorised personnel of these institutions and are subject to audit by Chartered Accountants of the respective Institutions or Organisations. The amount utilised is shown under Research and/or Development Expenditure in the Income and Expenditure Account. The unutilised amount is shown under the head 'Loans and Advances in Note 9.

Balance confirmation / Utilisation certificates from the below mentioned institutions for amount aggregating to Rs.64,920,075 is outstanding for more than one year:

- a) Sates under Capacity building Phase II for expenses & infra components – Rs.41,858,965
- b) YASADA – 6,25,753
- c) Indian Institute for Management (AHM) – 30,59,050
- d) Centre for Innovation in Public Systems -Rs4,964,000

National e-Governance Division (NeGD)
[Division of Digital India Corporation]

Notes to Financial Statements for the year ended March 31, 2018

- e) National Scheduled Castes Finance and Development Corporation – Rs. 1,500,000
- f) Administrative training Institute West Bengal- Rs.1,212,950
- g) Nagaland e-State Society – 2,000,000
- h) Director Member Secretary SCITeG – Rs. 1,000,000
- i) The Managing Director, Telangana State Technology Society – Rs. 1,350,000
- j) Director, ITDA, Uttarakhand – Rs. 50,00,000
- k) Meghalaya Information Technology Society – Rs.7,50,000
- l) Universities for conducting Workshop under A&C – Rs.15,99,357

19 Expenditure in Foreign Currency

	Year ended March 31, 2018 Rupees	Year ended March 31, 2017 Rupees
Travel	224,798	312,393
Total	224,798	312,393

20 Employee Benefits

As per the companies (Accounting Standards), Rules 2006, the following disclosures have been made.

Defined Contribution Plans

The Company has recognised Rs. 5,657,526 (previous year Rs. 2,100,013) towards Provident Fund / Pension Fund.

21 Capital and Other Commitments as at the end of the year is Rs. Nil (previous year Rs. Nil).

22 Contingent Liabilities as at the end of the year is Rs. Nil (Previous Year Rs. Nil).

23 Balance with debtors and creditors are subject to confirmation, reconciliation and consequential adjustments thereof, if any.

24 Micro & Small Enterprises Dues

The Company has not received any intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures regarding :

- a) Amount due and outstanding to suppliers as at the end of the accounting year
- b) Interest paid during the year
- c) Interest payable at the end of the accounting year
- and d) Interest accrued and unpaid at the end of the accounting year
- b) have not been given.

The Company is making efforts to get the confirmations from the suppliers as regards their status under the Act.

National e-Governance Division (NeGD)
[Division of Digital India Corporation]

Notes to Financial Statements for the year ended March 31, 2018

- 25** Previous year's figures have been regrouped/reclassified wherever necessary to conform to current year's classification/disclosure.

Signatures to Note No. 1 to 25

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm Registration No. : 116293W

For Digital India Corporation - NeGD

CA Ankush Goyal
Partner
Membership No. : 146017

President & CEO

Place : New Delhi
Date : 28 January 2019

Place : New Delhi
Date : 28 January 2019

MyGov
(Division of Digital India Corporation)

BALANCE SHEET AS AT MARCH 31, 2018

Particulars		Note No	As at March 31, 2018	As at March 31, 2017
			Amount (in Rs.)	Amount (in Rs.)
I. EQUITY AND LIABILITIES				
1 Shareholders' Funds				
(a) Share Capital			-	-
(b) Reserves and Surplus		3	113,124,863	25,339,762
2 Current liabilities				
(a) Other Current Liabilities		4	132,046,852	77,339,494
Total			245,171,715	102,679,256
II. ASSETS				
1 Non Current Assets				
(a) Fixed Assets		5		
(i) Tangible Assets			18,787,860	16,730,335
(ii) Intangible Assets			94,337,003	8,609,427
(iii) Capital work in progress			71,826,806	65,608,928
			184,951,669	90,948,690
(b) Long Term Loans And Advances		6	3,124,644	3,124,644
(c) Other Non Current Assets		7	-	-
2 Current Assets				
(a) Cash And Cash Equivalents		8	56,356,266	8,164,305
(b) Short Term Loans And Advances		9	223,589	214,780
(c) Other Current Assets		10	515,547	226,837
Total			245,171,715	102,679,256

Summary of Significant Accounting Policies

2

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith.

We have verified the above Balance Sheet as at March 31, 2018, the statement of Income and Expenditure for the year ended March 31, 2018, and the related Notes to Accounts with the Books of Account and other records produced before us, and as per the information and explanations given to us, we certify the same to be in agreement with the books of accounts.

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm Registration No. 116293W

For Digital India Corporation - MyGov

CA Ankush Goyal
Partner
Membership No. 146017

CEO

Place : New Delhi
Date : 28 January 2019

Place : New Delhi
Date : 28 January 2019

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2018

Particulars		Note No.	March 31, 2018 Amount (in Rs.)	March 31, 2017 Amount (in Rs.)
I.	Transferred from Grant-in-aid account (Refer Notes 2(g), 4 and 16)	11	479,876,617	1,066,194,458
II.	Other income	12	-	-
III.	Total		479,876,617	1,066,194,458
	Expenditure			
	Research and/or Development Expenditure	13	-	-
	Employee Benefits Expense	14	297,060,039	127,649,636
	Administration and Other Expenses	15	182,816,578	938,544,822
	Depreciation and amortization expense			
	- On Research Assets		93,350,054	25,925,407
	- On Other Assets		131,041	64,155
			93,481,095	25,989,562
	Less: Transferred from Reserve for Fixed Assets (Refer Note 3)		93,481,095	25,989,562
IV.	Total		479,876,617	1,066,194,458
V.	Excess of Income over Expenditure before exceptional and extraordinary items and tax (III-IV)		-	-
VI.	Exceptional items		-	-
VII.	Excess of Income over Expenditure before extraordinary items and tax (V - VI)		-	-
VIII.	Extraordinary Items		-	-
IX.	Excess of Income over Expenditure before tax (VII- VIII)		-	-
X.	Tax expense:		-	-
XI.	Excess of Income over Expenditure for the year (IX-X)		-	-

Summary of Significant Accounting Policies

2

Notes referred to above form an integral part of the Statement of Income and Expenditure and should be read in conjunction therewith.

For A. P. Sanzgiri & Co.
Chartered Accountants
Firm Registration No. 116293W

For Digital India Corporation - MyGov

CA Ankush Goyal
Partner
Membership No. 146017

CEO

Place : New Delhi
Date : 28 January 2019

Place : New Delhi
Date : 28 January 2019

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1 Background :

MyGov platform is a unique first of its kind participatory governance initiative involving the common citizen at large. The idea of MyGov brings the government closer to the common man by the use of online platform creating an interface for healthy exchange of ideas and views involving the common citizen and experts with the ultimate goal to contribute to the social and economic transformation of India.

Ministry of Electronics and Information Technology, Government of India has accorded approval for the Project MyGov vide Administrative Approval Ref No.L-14018/1/2014-HRD dated 25.09.2014 and the project aims to provide an internet based platform to enable all citizens to contribute to the democratic process of ideation, feedback and participation in policy formulation and execution. The outlay for the project is Rs.99.48 Crores for five years.

2 Significant Accounting Policies :

(a) Basis of Preparation of Financial Statements:

The financial statements are prepared to comply in all material aspects with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with the generally accepted accounting principles ('GAAP') in India. The accounts have been prepared under historical cost convention on accrual basis and under going concern assumption. The accounting policies have been applied consistently except for changes due to adoption of newly issued accounting standards or where a revision is made to an existing accounting standard that requires a change in the accounting policy hitherto in use.

(b) Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the Management to make estimates and assumptions to be made that affect the reported amounts of assets and the liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimation. Changes in estimates are reflected in the financial statements for the periods in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(c) Cash & Cash Equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(d) Tangible and Intangible Fixed Assets:

Tangible assets are stated at historical cost less accumulated depreciation/amortization and impairment losses, if any. Cost includes borrowing cost, inward freight, duties, taxes and incidental expenses related to the acquisition and installation of the assets incurred to bring the assets to their working condition for their intended use.

Intangible Assets are recorded at the consideration paid for acquisition of such assets and are stated at cost less accumulated amortization and impairment.

(e) Depreciation / Amortization:

Depreciation on Tangible Fixed Assets other than leasehold premises is provided on written down value method over the estimated useful lives of assets from the date the asset is put to effective use. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its fixed assets and has adopted the useful lives as prescribed in Schedule II. Assets individually costing ₹5,000 or less are depreciated fully in the year of acquisition. Leasehold premises are amortized on straight line basis over the primary period of lease. Intangible Assets comprising computer software is amortized on a straight line basis over a period of five years or the estimated useful life whichever is lower.

Assets purchased out of grant-in-aid are capitalized and an equivalent amount is transferred to Reserve for Fixed Assets. Accordingly, deletion of such fixed assets are also adjusted from the Reserve for fixed assets.

(f) Investments

Long-term investments, included under Non-Current Investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value and resultant decline if any, is charged to revenue. Cost of investments includes acquisition charges such as brokerage, fees and duties.

(g) Grant-in-aid

Grant-in-aid utilized for expenditure incurred during the year is transferred to income and expenditure account to the extent of expenditure incurred. The portion of Grant-in-aid utilized for the purchase of fixed assets, is transferred to Reserve for Fixed Assets. An amount equivalent to depreciation charged during the year on fixed assets, purchased from the Grant-in-aid, is transferred from the Reserve for Fixed Assets to the Statement of Income and Expenditure and reduced from depreciation charge. The unutilized portion of the approved Grant-in-aid is recognized as a liability.

(h) Employee Benefits:**(i) Short Term Employee Benefits**

All short term employee benefits obligations payable wholly within twelve months of the rendering the services are classified as Short Term Employee Benefits. Such Benefits are estimated and provided for in the period in which the employee renders the related service.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(ii) Defined Contribution Plan

All eligible employees of the Company are entitled to receive benefits under the provident fund through a defined contribution plan in which both the employees and the Company contribute monthly at specified percentage of employee's basic salary. These contributions are made to a Government approved provident fund. Contributions to the said Government regulated provident fund scheme is a defined contribution plan.

The contributions paid/ payable under the schemes are recognized during the period in which the employees render the related service.

(iii) Defined Benefit Plan

The costs of providing Gratuity (funded) is determined using projected unit credit method on the basis of actuarial valuation carried out at each balance sheet date. The Company has entered into an agreement with the Life Insurance Corporation of India to administer its gratuity scheme. The maximum amount of gratuity each employee is eligible to, is subject to the limits as specified under the Payment of Gratuity Act.

(iv) Long Term Employee Benefits

The obligation for long term employee benefits such as compensated absences is recognized during the period, based on an actuarial valuation.

In respect of contractual staff, Provision for Leave encashment including availment is accrued and provided for on the basis of un-availed accumulated leave of employees as at the date of Balance Sheet on a full liability basis in accordance with the contract entered with the concerned staff.

(i) Foreign Currency Transactions:

Foreign currency transactions are recorded in the books at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized as income or expense in the Statement of Income and Expenditure of the same period.

Foreign currency assets and liabilities are translated at the year-end rates and the resultant exchange differences are taken to the Statement of Income and Expenditure. Non-monetary items, carried at historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(j) Leased Assets:

Assets acquired on leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating leases. The rental and all other expenses of leased assets are treated as revenue expenditure.

(k) Impairment of Assets:

The Management assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Management estimates the recoverable amount of the asset (i.e. higher of the asset's net selling price and value in use). If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized in the Statement of Income and Expenditure. If at the balance sheet

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the amount is reflected at such recoverable amount subject to a maximum of the depreciable historical cost. Such reversal of impairment loss is made if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

(I) Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes a provision when there is a present obligation as a result of a past event that requires probable outflow of resources to settle the obligation and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made where there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources or where no reliable estimate is possible. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized, nor disclosed. Provision, Contingent Liabilities and Contingent assets are reviewed at each Balance sheet date.

Note 3 - Reserves and Surplus

(Refer Notes 2(g) and (4))

Particulars	March 31, 2018		March 31, 2017	
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Reserve for Fixed Assets				
As per last Balance Sheet	25,339,762		46,445,398	
Add :				
Assets purchased during the year transferred from grant-in-aid account	181,266,196		4,883,926	
Less :				
Written down value of deletions during the year	-		-	
		206,605,958		51,329,324
Less:				
Transferred to Income and Expenditure Account :				
- Depreciation for the year (Refer Note 5)		93,481,095		25,989,562
Total		113,124,863		25,339,762

Note 4- Other Current Liabilities

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
(a) Grant-in-aid (Refer Notes 2(g) and (16))		
As per last Balance Sheet	(532,404,152)	338,292,912
Add:		
Transferred from Reserve on deletion of Fixed Assets	-	-
Grant-in-aid received during the year	582,450,476	188,360,846
Interest earned on grant in aid during the year	1,587,943	12,020,474
Less:		
Amount refunded to the Government of India	-	-
Transferred to Reserve for Fixed Assets (Refer Note 3)	181,266,196	4,883,926
Transferred to Income and Expenditure Account (Refer Note 11)	479,876,617	1,066,194,458
	(609,508,546)	(532,404,152)
(b) Other Current Liabilities (for Fixed Asset)	177,459,324	1,000,063
(c) Other Current Liabilities (for expenses)	564,096,074	590,995,433
(d) Other Payables		
Tax Deducted at source	-	17,718,639
Service Tax	-	29,511
Total	132,046,852	77,339,494

DESCRIPTION OF ASSETS	GROSS BLOCK - AT COST				DEPRECIATION				NET BLOCK	
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 1, 2017	For the year	On Deductions during the year	As at March 31, 2018	As at March 31, 2017	
(i) Tangible Assets										
	Computer Equipment	71,525,852	38,024,558	-	109,550,410	55,214,328	35,872,312	-	18,463,770	16,311,524
	Office Equipment	142,566	120,304	-	262,870	74,320	125,584	-	62,966	68,246
	Furniture & Fixtures	414,720	41,600	-	456,320	64,155	131,041	-	261,124	350,565
	TOTAL	72,083,138	38,186,462	-	110,269,600	55,352,803	36,128,937	-	18,787,860	16,730,335
Previous Year	70,132,582	1,950,556	-	72,083,138	35,977,417	19,375,386	-	16,730,335	34,155,165	
(ii) Intangible Assets										
	Software	20,895,212	143,079,734	-	163,974,946	12,285,785	57,352,158	-	94,337,003	8,609,427
	TOTAL	20,895,212	143,079,734	-	163,974,946	12,285,785	57,352,158	-	94,337,003	8,609,427
Previous Year	17,961,842	2,933,370	-	20,895,212	5,671,609	6,614,176	-	8,609,427	12,290,233	
GRAND TOTAL	92,978,350	181,266,196	-	274,244,546	67,638,588	93,481,095	-	113,124,863	25,339,762	
Previous Year	88,094,424	4,883,926	-	92,978,350	41,649,026	25,989,562	-	25,339,762	46,445,398	
(iii) Capital Work In Progress										
								71,826,806	65,608,928	
								184,951,669	90,948,690	

Note 6 - Long Term Loans and Advances

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Unsecured considered Good :		
Security Deposits	3,124,644	3,124,644
Advance Income Tax (tds)	-	-
Total	3,124,644	3,124,644.00

Note 7: Other Non Current Assets

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Other bank balances:		
Fixed Deposits with maturity for more than 12 months.	-	-
Total	-	-

Note 8 - Cash and Cash Equivalents

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Cash and Cash Equivalents (Refer note 2 (c))		
Cash on hand	-	-
Balances with Banks	26,266	8,164,305
Other bank balances		
Bank Deposits with more than 3 months maturity	56,330,000	-
Total	56,356,266	8,164,305

Note 9 - Short Term Loans and Advances

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
<u>Advances Recoverable in Cash or in Kind</u>		
Unsecured considered Good		
Advance to Supplier	-	-
(A)	-	-
Other Loans and Advances		
Prepaid expenses	223,589	196,791
Advances to employees		17,989
(B)	223,589	214,780
Total (A + B)	223,589	214,780

Note 10 - Other Current Assets

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Interest accrued on Bank Fixed Deposits	515,547	226,837
Total	515,547	226,837

Note 11 - Grant-In-Aid account

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Transferred from Grant-in-aid account (Refer Notes 2 (g) and 16)	479,876,617	1,066,194,458
Total	479,876,617	1,066,194,458

Note 12 - Other Income

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
(a) Interest Income		
- On Fixed deposits	-	-
- On Advance	-	-
Total	-	-

Note -13 Research and/or Development Expenditure

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Salaries, Allowances and Other Benefits	-	-
Contribution to Provident Fund & Other Funds	-	-
Research Workshops and Conferences	-	-
Total	-	-

Note 14 - Employee Benefits Expense

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Salaries, Allowances and Other Benefits	297,060,039	127,616,183
Contribution to Provident Fund & Other Funds	-	33,453
Staff Welfare	-	-
Total	297,060,039	127,649,636

Note -15 Administration and Other expenses

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Repairs and Maintenance		
- Building	-	-
- Others	-	-
Office Expenses	33,822,998	20,900,537
Travel and Conveyance	1,783,459	2,203,619
Legal and Professional Fees	122,600	65,000
Advertising and Conferences	146,411,889	905,085,641
Website Maintenance Expenses	138,402	153,496
Communication	530,119	2,719,831
Miscellaneous	7,111	1,536,258
Cloud Service & Data Storage	-	5,880,440
Total	182,816,578	938,544,822

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

- 16** MyGov has received grant in aid of Rs. **58,24,50,476** (previous year Rs. **18,83,60,846**) During the financial year 2017-18 An amount of Rs. 15,87,943 (previous year Rs. 1,20,20,474) being interest received on grant in aid deposits during the year has been credited to grant in aid account. Interest earned/accrued has been credited to grant in aid account in the year in which it is earned/accrued on an accrual basis.

Details of Grant	FY 2017-18	FY 2016-17
MyGov - A platform for citizen engagement in governance	337,000,000	100,000,000
E-Greetings Portal and Sampark	14,66,21,157	88,360,846
Grant Received From MeitY – For Promotion Campaign	8,711,000	-
Grant Received From NILERD Digi-Dhan Promotion	90,118,319	-
Total	582,450,476	188,360,846

- 17** As per the terms and conditions governing the grant-in-aid, assets purchased out of the grant-in-aid cannot be disposed off, encumbered without the prior sanction of the Ministry of Electronics and Information Technology. These assets cannot be utilized for purposes other than those for which the grant has been sanctioned. Further, should the MyGov cease to exist, such assets shall revert to the Ministry of Electronics and Information Technology, who will be free to sell or otherwise dispose off the assets.

- 18** Expenditure in Foreign Currency Rs. Nil (previous year Rs. Nil).

- 19** Capital and Other Commitments as at the end of the year is Rs. Nil (previous year Rs. 53,239,522).

- 20** Contingent Liabilities as at the end of the year is Rs. Nil (Previous Year Rs. Nil).

- 21** Balance with debtors and creditors are subject to confirmation, reconciliation and consequential adjustments thereof, if any.

- 22** Micro & Small Enterprises Dues

The Company has not received any intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures regarding :

- Amount due and outstanding to suppliers as at the end of the accounting year
 - Interest paid during the year
 - Interest payable at the end of the accounting year and
 - Interest accrued and unpaid at the end of the accounting year
- b) have not been given.

The Company is making efforts to get the confirmations from the suppliers as regards their status under the Act.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

- 23** During the year MyGov Division has used the services of SMS Gateway and Out Bound Dialing (OBD) from NICS I registered vendor for Pradhan Mantri's Mann Ki Baat Programme. Due to insufficiency of funds, the MyGov Division has not issued work order to NICS I for the period July 2017 to March 2018 and has not made any provision for Rs. 11,73,41,785/- calculated on the basis of data provided by NICS I and past billings.
- 24** Previous year figures have been regrouped and rearranged whenever necessary to conform to current year's presentation.

Signatures to Note No. 1 to 24

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

For Digital India Corporation - MyGov

CA Ankush Goyal

Partner

Membership No. : 146017

CEO

Place : New Delhi

Date : 28 January 2019

Place : New Delhi

Date : 28 January 2019

Digital India Corporation

Technology Development and Deployment Division

Digital India Corporation
Technology Development and Deployment Division

STANDALONE BALANCE SHEET AS AT MARCH 31, 2018

	Particulars	Note No	As at March 31, 2018	As at March 31, 2017
			Amount (in Rs.)	Amount (in Rs.)
I.	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	(a) Share Capital		-	-
	(b) Reserves and Surplus	3	54,445,192	55,382,592
	(c) Reserve Fund for Contingencies	4	93,498,775	75,478,008
2	Non Current Liabilities			
	(a) Long term Provisions	5	8,916,764	7,269,009
3	Current liabilities			
	(a) Other Current Liabilities	6	49,564,590	57,962,335
	(b) Short Term Provisions	7	2,520,154	253,958
	Total		208,945,475	196,345,902
II.	ASSETS			
1	Non Current Assets			
	(a) Fixed Assets	8		
	(i) Tangible Assets		54,380,708	55,147,490
	(ii) Intangible Assets		64,484	235,102
	(b) Non Current Investments	9	54,445,192	55,382,592
	(c) Long Term Loans and Advances	10	2,400	2,400
	(d) Other Non Current Assets	11	10,458,975	9,759,531
			-	-
2	Current Assets			
	(a) Cash and Cash Equivalents	12	138,734,730	110,981,646
	(b) Short Term Loans and Advances	13	3,834,038	5,538,903
	(c) Other Current Assets	14	1,470,140	14,680,830
	Total		208,945,475	196,345,902

Summary of Significant Accounting Policies

2

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith.

We have verified the above Balance Sheet as at March 31, 2018, the statement of Income and Expenditure for the year ended March 31, 2018, and the related Notes to Accounts with the Books of Account and other records produced before us, and as per the information and explanations given to us, we certify the same to be in agreement with the books of accounts.

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

For Digital India Corporation

CA Ankush Goyal

Partner

Membership No. : 146017

Managing Director & CEO

Place : New Delhi
Date : 28 January 2019

Place : New Delhi
Date : 28 January 2019

Digital India Corporation
Technology Development and Deployment Division

STANDALONE STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2018

Particulars		Note No.	March 31, 2018 Amount(in Rs.)	March 31, 2017 Amount(in Rs.)
I.	Transferred from Grant-in-aid Account (Refer Notes 2(g), 6 and 20)	15	75,443,981	69,415,583
II.	Other income	16	308,845	126,967
III.	Total		75,752,826	69,542,550
	Expenditure:			
	Research and/or Development Expenditure (Refer Note 2(l))	17	55,327,261	56,644,766
	Employee Benefits Expense	18	7,559,656	2,983,852
	Administration and Other Expenses	19	12,865,909	9,913,932
	Depreciation and amortization expense			
	- On Research Assets		4,340,095	2,425,074
	- On Other Assets		855,845	893,313
			5,195,940	3,318,387
	Less: Transferred from Reserve for Fixed Assets (Refer Note 3)		5,195,940	3,318,387
IV.	Total		75,752,826	69,542,550
V.	Excess of Income over Expenditure before exceptional and extraordinary items and tax (III-IV)		-	-
VI.	Exceptional items		-	-
VII.	Excess of Income over Expenditure before extraordinary items and tax (V - VI)		-	-
VIII.	Extraordinary Items		-	-
IX.	Excess of Income over expenditure before tax (VII- VIII)		-	-
X.	Tax expense:		-	-
XI.	Excess of Income over Expenditure for the year (IX-X)		-	-

Summary of Significant Accounting Policies

2

Notes referred to above form an integral part of the Statement of Income and Expenditure and should be read in conjunction therewith.

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

For Digital India Corporation

CA Ankush Goyal

Partner

Membership No. : 146017

Managing Director & CEO

Place : New Delhi

Date : 28 January 2019

Place : New Delhi

Date : 28 January 2019

Digital India Corporation
Technology Development and Deployment Division

Notes to Financial Statements for the year ended March 31, 2018

1 Background :

Digital India Corporation - Technology Development & Deployment Division (DIC-TDDD) is a division within Digital India. DIC-TDDD is engaged in the areas of Livelihood Enhancement, (Agriculture, CAD tools for artisans, ERP for SMEs etc.), Healthcare, Empowerment of differently abled and Education. Media Lab Asia is strengthening delivery of ICT solutions for differently abled, women & children and tribes. In this endeavor it is working with Govt. (User Departments/Ministries), R&D Institutions, Academia, Industry, NGOs & other organizations / stake-holders etc. DIC-TDDD focuses on 'Lab to Land' and "early harvest" projects useful for the masses.

The objective of DIC-TDDD is to bring the benefits of most advanced Information and Communication Technologies (ICT) to the common man.

I T Research Academy programme and Visvesvaraya PhD Scheme for Electronics & IT are being implemented by DIC-TDDD.

2 Significant Accounting Policies :

(a) Basis of Preparation of Financial Statements:

The financial statements are prepared to comply in all material aspects with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with the generally accepted accounting principles ('GAAP') in India. The accounts have been prepared under historical cost convention on accrual basis and under going concern assumption. The accounting policies have been applied consistently except for changes due to adoption of newly issued accounting standards or where a revision is made to an existing accounting standard that requires a change in the accounting policy hitherto in use.

(b) Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the Management to make estimates and assumptions to be made that affect the reported amounts of assets and the liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimation. Changes in estimates are reflected in the financial statements for the periods in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(c) Cash & Cash Equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

Notes to Financial Statements for the year ended March 31, 2018

(d) Tangible and Intangible Fixed Assets:

Tangible assets are stated at historical cost less accumulated depreciation/amortization and impairment losses, if any. Cost includes borrowing cost, inward freight, duties, taxes and incidental expenses related to the acquisition and installation of the assets incurred to bring the assets to their working condition for their intended use.

Assets acquired by Indian Institutes of Technology and other organisations are capitalised based on reports audited by independent accountants or certified by Heads of concerned organisations, received from the respective entities at periodic intervals.

Intangible Assets are recorded at the consideration paid for acquisition of such assets and are stated at cost less accumulated amortization and impairment.

(e) Depreciation / Amortisation:

Depreciation on Tangible Fixed Assets other than leasehold premises is provided on written down value method over the estimated useful lives of assets from the date the asset is put to effective use. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its fixed assets and has adopted the useful lives as prescribed in Schedule II. Assets individually costing ₹5,000 or less are depreciated fully in the year of acquisition. Leasehold premises are amortised on straight line basis over the primary period of lease. Intangible Assets comprising computer software is amortized on a straight line basis over a period of five years or the estimated useful life whichever is lower.

Assets purchased out of grant-in-aid are capitalised and an equivalent amount is transferred to Reserve for Fixed Assets. Accordingly, deletion of such fixed assets are also adjusted from the Reserve for fixed assets.

(f) Investments

Long-term investments, included under Non-Current Investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value and resultant decline if any, is charged to revenue. Cost of investments includes acquisition charges such as brokerage, fees and duties.

(g) Grant-in-aid

Grant-in-aid utilised for expenditure incurred during the year is transferred to income and expenditure account to the extent of expenditure incurred. The portion of Grant-in-aid utilised for the purchase of fixed assets, is transferred to Reserve for Fixed Assets. An amount equivalent to depreciation charged during the year on fixed assets, purchased from the Grant-in-aid, is transferred from the Reserve for Fixed Assets to the Statement of Income and Expenditure and reduced from depreciation charge. The unutilised portion of the approved Grant-in-aid is recognised as a liability.

Digital India Corporation
Technology Development and Deployment Division

Notes to Financial Statements for the year ended March 31, 2018

(h) Employee Benefits:

(i) Short Term Employee Benefits:

All short term employee benefits obligations payable wholly within twelve months of rendering the services are classified as Short Term Employee Benefits. Such Benefits are estimated and provided for in the period in which the employee renders the related service.

(ii) Defined Contribution Plan:

All eligible employees of the Company are entitled to receive benefits under the provident fund through a defined contribution plan in which both the employees and the Company contribute monthly at specified percentage of employee's basic salary. These contributions are made to a Government approved provident fund. Contributions to the said Government regulated provident fund scheme is a defined contribution plan.

The contributions paid/ payable under the schemes are recognized during the period in which the employees render the related service.

(iii) Defined Benefit Plan:

The costs of providing Gratuity (funded) is determined using projected unit credit method on the basis of actuarial valuation carried out at each balance sheet date. The Company has entered into an agreement with the Life Insurance Corporation of India to administer its gratuity scheme. The maximum amount of gratuity each employee is eligible to, is subject to the limits as specified under the Payment of Gratuity Act.

(iv) Long Term Employee Benefits:

The obligation for long term employee benefits such as compensated absences is recognized during the period, based on an actuarial valuation.

In respect of contractual staff, Provision for Leave encashment including availment is accrued and provided for on the basis of un-availed accumulated leave of employees as at the date of Balance Sheet on a full liability basis in accordance with the contract entered with the concerned staff.

(i) Expenses incurred at Indian Institutes of Technology and other organisations:

Advances to Indian Institutes of Technology and other Organisations are either expensed in the Statement of Income and Expenditure or capitalised as fixed assets based on the Statement of Accounts, audited by independent Auditors or certified by Heads of the concerned organisations, received from the respective entities at periodic intervals.

(j) Foreign Currency Transactions:

Foreign currency transactions are recorded in the books at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised as income or expense in the Statement of Income and Expenditure of the same period.

Foreign currency assets and liabilities are translated at the year-end rates and the resultant exchange differences are taken to the Statement of Income and Expenditure. Non-monetary items, carried at historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Digital India Corporation
Technology Development and Deployment Division

Notes to Financial Statements for the year ended March 31, 2018

(k) Leased Assets:

Assets acquired on leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating leases. The rental and all other expenses of leased assets are treated as revenue expenditure.

(l) Research and / or Development Expenditure:

Research and/or Development expenditure includes all costs incurred by the Company, Indian Institutes of Technology and other organisations, for the conduct of Research, Development, Deployment and Implementation activities.

(m) Impairment of Assets:

The Management assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Management estimates the recoverable amount of the asset (i.e. higher of the asset's net selling price and value in use). If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized in the Statement of Income and Expenditure. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the amount is reflected at such recoverable amount subject to a maximum of the depreciable historical cost. Such reversal of impairment loss is made if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

(n) Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes a provision when there is a present obligation as a result of a past event that requires probable outflow of resources to settle the obligation and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made where there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources or where no reliable estimate is possible. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized, nor disclosed. Provision, Contingent Liabilities and Contingent assets are reviewed at each Balance sheet date.

Digital India Corporation
Technology Development and Deployment Division

Note 3 - Reserves and Surplus

(Refer Notes 2(g) and 6)

Particulars	March 31, 2018		March 31, 2017	
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Reserve for Fixed Assets				
As per last Balance Sheet	55,382,592		56,344,151	
Add :				
Assets purchased during the year transferred from grant-in-aid account	4,258,540		2,356,828	
Less :				
Written down value of deletions during the year	-		-	
		59,641,132		58,700,979
Less:				
Transferred to Income and Expenditure Account :				
- Depreciation for the year (Refer Note 8)	5,195,940		3,318,387	
		5,195,940		3,318,387
Total		54,445,192		55,382,592

Note 4 - Reserve Fund for Contingencies

(Refer Note 25)

Particulars	March 31, 2018		March 31, 2017	
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Reserve Fund for Contingencies				
a) Opening Balance	75,478,008		67,011,855	
b) Additions during the year				
i) Interest earned during the year	4,389,040		4,727,428	
ii) Other additions				
- Institutional Overheads - Visvesvaraya PhD Scheme for Electronics & IT	2,311,000		1,437,000	
- Overheads - Sponsored Projects	448,000		474,000	
- Overheads - ITRA Project	10,872,727		1,827,725	
Total (a+b)		93,498,775		75,478,008
Less:				
c) Utilisation / Expenditure of funds				
i) Revenue Expenditure	-		-	
ii) Capital Expenditure	-		-	
Total (c)		-		-
Closing Balance at the year end (a+b-c)		93,498,775		75,478,008
Total		93,498,775		75,478,008

Digital India Corporation
Technology Development and Deployment Division

Note 5 - Long Term Provisions

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Provision for employee benefits		
Leave Encashment (Refer Notes 2(h) and 29)	8,916,764	7,269,009
Total	8,916,764	7,269,009

Note 6 - Other Current Liabilities

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
(a) Grant-in-aid account (Refer notes 2 (g) and 20)		
As per last Balance Sheet	53,708,837	74,626,304
<i>Add:</i>		
Transferred from Reserve on deletion of Fixed Assets	-	-
Grant-in-aid received during the year	71,299,821	47,254,500
Interest earned on Grant-in-aid during the year	809,176	4,181,138
Online Platform & Information System overheads	-	-
<i>Less:</i>		
Amount refunded to the Government of India		106,694
Transferred to Reserve for Fixed Assets (Refer Note 3)	4,258,540	2,356,828
Project overheads transferred to Reserve fund for contingencies	448,000	474,000
Transferred to Income and Expenditure Account (Refer note 15)	75,443,981	69,415,583
	45,667,313	53,708,837
(b) Deposits		
- Earnest Money		
- Security	118,000	43,000
(c) Other Current Liabilities (for expenses)	2,130,808	2,705,857
(d) Other Payables		
Tax Deducted at source	247,914	214,899
Service Tax	3,690	15,245
Salary and Reimbursements	723,766	713,983
Provident Fund and other Employee Deductions	328,900	266,315
Income received in advance	50,000	-
Others	294,199	294,199
Total	49,564,590	57,962,335

Note 7 - Short Term Provisions

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Provision for employee benefits		
Leave Encashment (Refer Notes 2(h) and 29)	698,034	253,958
Gratuity	1,822,120	-
Total	2,520,154	253,958

Digital India Corporation
Technology Development and Deployment Division

Note 8 - Fixed Assets
(Refer Notes 2(d), (e), (g) and 21)

Amount in Rupees

DESCRIPTION OF ASSETS	GROSS BLOCK - AT COST					DEPRECIATION				NET BLOCK	
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 1, 2017	Additions during the year	For the year	On Deductions during the year	As at March 31, 2018	As at March 31, 2017	
(i) Tangible Assets											
Computer Equipments#	99,955,707	1,900,273	-	101,855,980	97,956,945	-	3,144,617	-	101,101,562	754,418	1,998,762
Research Equipment	27,548,243	41,383	-	27,589,626	27,323,646	-	32,946	-	27,356,592	233,034	224,597
Office Equipment*	19,742,728	511,969	-	20,254,697	19,366,858	-	430,664	-	19,797,522	457,175	375,870
Furniture and Fixture	16,280,466	575,415	-	16,855,881	16,115,956	-	266,940	-	16,382,896	472,985	164,510
Lease hold Premises@	55,946,000	-	-	55,946,000	3,614,102	-	588,905	-	4,203,007	51,742,993	52,331,898
Vehicles	3,273,756	977,574	-	4,251,330	3,221,903	-	309,324	-	3,531,227	720,103	51,853
TOTAL	222,746,900	4,006,614	-	226,753,514	167,599,410	-	4,773,396	-	172,372,806	54,380,708	55,147,490
Previous Year	220,775,745	1,971,155		222,746,900	164,459,760	-	3,139,650	-	167,599,410	55,147,490	56,315,985
(ii) Intangible Assets											
Software	10,844,909	251,926	-	11,096,835	10,609,807	-	422,544	-	11,032,351	64,484	235,102
TOTAL	10,844,909	251,926	-	11,096,835	10,609,807	-	422,544	-	11,032,351	64,484	235,102
Previous Year	10,459,236	385,673	-	10,844,909	10,431,070	-	178,737	-	10,609,807	235,102	28,166
GRAND TOTAL	233,591,809	4,258,540	-	237,850,349	178,209,217	-	5,195,940	-	183,405,157	54,445,192	55,382,592
Previous Year	231,234,981	2,356,828	-	233,591,809	174,890,830	-	3,318,387	-	178,209,217	55,382,592	56,344,151

1) @Lease hold premises has been amortised over a period of 95 years from 10.02.2011.

2) Previous years figures have been regrouped / reclassified wherever necessary to conform to current year's classification / disclosure

Digital India Corporation
Technology Development and Deployment Division

Note 9 - Non Current Investments

Particulars	Nominal	No. of	March 31, 2018	March 31, 2017
	Rs.		Amount (in Rs.)	Amount (in Rs.)
Trade Investment (at cost) (Refer Note 27) Investment in Shares of Agrocom Software Technologies Pvt Ltd	1	2,400	2,400	2,400
Total			2,400	2,400
Note: a) Aggregate value of Investments Unquoted - At Cost			2,400	2,400
b) There is no diminution in the value of Investment				

Note 10 - Long Term Loans and Advances

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Unsecured considered good :		
1) Security Deposits	7,311,476	7,334,576
2) Capital Advance	-	-
3) Advance Income Tax (tds)	3,147,499	2,424,955
Total	10,458,975	9,759,531

Note 11 - Other Non Current Assets

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
<u>Other bank balances:</u> Fixed Deposits with maturity for more than 12 months.	-	-
Total	-	-

Note 12 - Cash and Cash Equivalents

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Cash and Cash Equivalents (Refer note 2 (c))		
Cash on hand	88,953	83,749
Balances with Banks	36,941,240	51,030,406
Other Bank Balances		
Bank Deposits with more than 3 months maturity	101,704,537	59,867,491
Total	138,734,730	110,981,646

Digital India Corporation
Technology Development and Deployment Division

Note 13 - Short Term Loans and Advances

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Advances Recoverable in Cash or in Kind		
Unsecured considered Good		
Indian Institutes of Technology and Other Organisations (Refer Note 2(i))	3,198,813	3,760,460
(A)	3,198,813	3,760,460
Other Loans and Advances		
Prepaid expenses	552,870	1,690,753
Advances to employees	82,355	26,782
Others		60,908
(B)	635,225	1,778,443
Total (A + B)	3,834,038	5,538,903

Note 14 - Other Current Assets

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Interest accrued on Bank Fixed Deposits	1,428,473	2,570,947
Grant-in-aid receivable	-	5,694,500
Gratuity valuation surplus	-	399,531
Amount receivable from institutions / divisions	41,667	6,015,852
TOTAL	1,470,140	14,680,830

Note 15 - Grant-in-aid

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Transferred from Grant-in-aid account (Refer Notes 2(g), 6 and 20)	75,443,981	69,415,583
Total	75,443,981	69,415,583

Note 16 - Other Income

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
(a) Hosting and maintenance of website	-	93,750
(b) Interest Income		
- On Security deposits	22,320	24,823
(c) Sundry credit balances written back (Net)	-	-
(d) Miscellaneous income	286,525	8,394
Total	308,845	126,967

Digital India Corporation
Technology Development and Deployment Division

Note 17 - Research and/or Development Expenditure

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Expenses - Indian Institutes of Technology and Other Organisations (Refer Note 2(i))	4,004,948	9,729,617
Salaries, Allowances and Other benefits	24,548,327	22,604,255
Contribution to Provident Fund & Other Funds	1,355,140	598,242
Travel and Conveyance	2,050,620	3,104,089
Research Workshops and Conferences	373,605	360,681
Professional Fees	2,560,771	1,038,183
Communication	1,746,465	1,563,784
Rent	12,801,058	12,768,983
Maintenance	5,722,255	4,850,682
Trademark Registration	164,072	26,250
Total	55,327,261	56,644,766

Note 18 - Employee Benefits Expense

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Salaries, Allowances and Other benefits	3,180,144	2,463,322
Contribution to Provident Fund & Other Funds	3,318,799	(406,473)
Staff Welfare	1,060,713	927,003
Total	7,559,656	2,983,852

Note 19 - Administration and Other Expenses

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Electricity	1,744,539	1,611,819
Rates and Taxes	227,540	260,552
Repairs and Maintenance		
- Building		
- Others	5,743,580	4,158,855
Insurance	141,192	152,461
Office Expenses	526,189	442,671
Travel and Conveyance	1,808,842	1,276,515
Legal and Professional Fees	844,212	527,330
Auditors' Remuneration *	486,750	375,985
Recruitment	99,108	158,205
Communication	369,242	328,933
Meeting expenses	652,424	58,417
Miscellaneous Expenses	222,291	562,189
Total	12,865,909	9,913,932

*Auditors' Remuneration	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Payment to Auditors (including service tax / GST)		
a) Auditor	324,500	295,000
b) For Other Services	103,250	45,925
c) Reimbursement of Expenses	59,000	35,060
Total	486,750	375,985

Digital India Corporation
Technology Development and Deployment Division

Notes to Financial Statements for the year ended March 31, 2018

- 20** Digital India Corporation- Technology Development & Deployment Division has received Grant-in-aid of Rs.71,299,821 during the financial year 2017-18 (previous year Rs. 47,254,500). Any portion of the Grant-in-aid which is not ultimately required for the approved purposes shall be duly surrendered to the MeitY. An amount of Rs.809,176 (previous year Rs.4,181,138) being interest received on grant in aid deposits during the year has been credited to grant in aid account. Interest earned/accrued has been credited to grant in aid account by Digital India Corporation in the year in which it is earned/accrued on an accrual basis. Digital India Corporation has refunded Rs.Nil (Previous year Rs.106,694) to MeitY during the year 2017-18.

Details of Grant-in-aid	FY 2017-18 Rupees	FY 2016-17 Rupees
Digital India Corporation		
- Technology Development & Deployment Division	62,167,760	40,000,000
-Varanasi ICT based Integrated Development Program(VIIDP) Phase II	2,928,000	560,000
-ICT for Women Empowerment in Bithoor - "Bithoor Shakti"	3,594,000	1,000,000
-Visual Speech Training Software for Hearing Impaired	-	1,960,500
-Open Source CAD Tool for the Weaving of Banarasi Sarees	-	3,734,000
Total Grant received from MeitY	68,689,760	47,254,500
-Punarbhava : a web portal for dissemination of information related to disability field under Awareness Generation & Publicity Scheme	225,000	-
-Setting up of Rural Women Technology park at Basani, Varanasi from DST, Govt. of India	2,385,061	-
Grand Total	71,299,821	47,254,500

- 21** As per the terms and conditions governing the grant-in-aid, assets purchased out of the grant-in-aid cannot be disposed off, encumbered without the prior sanction of the Ministry of Electronics and Information Technology. These assets cannot be utilised for purposes other than those for which the grant has been sanctioned. Further, should the Company cease to exist, such assets shall revert to the Ministry of Electronics and Information Technology, who will be free to sell or otherwise dispose off the assets.

- 22** Digital India Corporation has accounted expenses aggregating to Rs.3,608,964 and interest earned of Rs.11,382 received from 3 institutions. The statement of expenses received from 2 institutions for expenses aggregating to Rs.430,764 have been duly certified by the authorised personnel of these Institutions and these accounts are subject to audit by Chartered Accountants of the respective Institutions. Balance confirmation/utilization certificates has not been received from 5 institutions aggregating to Rs.1,978,985 shown under the head 'Loans and Advances and are outstanding for more than one year.
The financial statements have been prepared on the basis of such statement of expenses.

- 23** Expenditure in Foreign Currency is Rs.Nil (previous year Rs. Nil)

Digital India Corporation
Technology Development and Deployment Division

Notes to Financial Statements for the year ended March 31, 2018

- 24** Capital and Other Commitments as at the end of the year is Rs. Nil; (Previous year Rs. Nil).
- 25** A Reserve Fund has been created by DIC- TDDD out of earnings including funds received as overheads from the sponsored projects to meet any unforeseen costs that may arise in the future as well as the future upkeep costs or for any other purpose conducive to the interests of the DIC-TDDD. During the current year an amount of Rs. 13,631,727 has been transferred to Reserve Fund out of Project overheads received. Since fixed deposits have not been specifically earmarked, proportionate interest of Rs. 4,389,040 earned on the liquid term deposits have been credited to the Reserve Fund.
- 26** Employee cost includes remuneration paid to Managing Director Rs.Nil during the financial year 2017-18 (Previous year Rs.Nil).
- 27** The Company had entered into MOU with Agrocom Software Technologies Pvt. Ltd. dated 17th September, 2008 for use of Aqua Software license developed by IIT, Bombay in collaboration with Digital India Corporation. As per the said MOU, the company had received 2400 shares (Face Value of Rs.1 per share) of Agrocom Software Technologies Private Limited which are disclosed under non-current investments.
- 28** Ministry of Electronics and Information Technology, Govt. of India has accorded administrative approval for the Project " Scheme to enhance the number of PhDs in the Electronic System Design and Manufacturing (ESDM) and IT/IT Enabled Services (ITES) sectors (Visvesvaraya PhD Scheme for Electronics & IT)" being implemented by Digital India Corporation with a budgetary support of Rs.466 Crores over a period of 9 years commencing from FY 2014-15. Digital India Corporation would provide secretariat, managerial support and creation of institutional mechanism as an Implementation Agency to Ministry of Electronics and Information Technology, Government of India. Digital India Corporation has maintained separate account for the project.

29 Employee Benefits

As per the companies (Accounting Standards), Rules 2006, the following disclosures have been made.

Defined Benefit Plans

A. Contribution to Gratuity Fund

The details of the Company's Gratuity Fund for its employees are given below which have been certified by Life Insurance Corporation of India as on 31st March, 2018 and relied upon by the auditors

	FY 2017-18	FY 2016-17
i Valuation Method	Projected Unit Credit Method	Projected Unit Credit Method
ii Actuarial Assumptions		
Mortality Rate	LIC(2006-08) ultimate	LIC(2006-08) ultimate

Digital India Corporation
Technology Development and Deployment Division

Notes to Financial Statements for the year ended March 31, 2018

Withdrawal Rate	1%	1%
Discount Rate	7.5%	8%
Salary Escalation	10.00%	10.00%
iii Results of Valuation	Rupees	Rupees
a. PV of Past Service Benefit	6,813,520	5,543,922
b. Current Service Cost	203,168	249,197
c. Total Service Gratuity	20,519,586	19,324,393
d. Accrued Gratuity	9,696,610	7,515,084

B. Leave Encashment

Payments to and provision for employees includes Rs.1,936,393 (previous year Rs.1,907,717) towards provision made as per Actuarial Valuation in respect of accumulated leave encashment and Rs.155,438 (previous year Rs.158,095) towards liability of contractual staff made on actual basis debited to the Statement of Income and Expenditure. Total Liability as per Actuarial Valuation and as reflected in Company's Accounts is Rs.9,022,494 (previous year Rs.7,086,101). The company has not funded the liability.

Defined Contribution Plans

The Company has recognised Rs.1,637,911 (previous year Rs.1,460,590) towards Provident Fund / Pension Fund.

30 Micro & Small Enterprises Dues

The Company has not received any intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures regarding :

a) Amount due and outstanding to suppliers as at the end of the accounting year b) Interest paid during the year c) Interest payable at the end of the accounting year and d) Interest accrued and unpaid at the end of the accounting year have not been given. The Company is making efforts to get the confirmations from the suppliers as regards their status under the Act.

31 The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards as specified under Companies Act, 1956 (i.e. the Companies (Accounting Standards) Rules, 2006) which shall be deemed to be the accounting standards as per Rule 7, of the companies (Accounts) Rule, 2014 as a transaction provision until accounting as specified under Section 133 of Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

32 Balance with debtors and creditors are subject to confirmation, reconciliation and consequential adjustments thereof, if any.

33 Contingent Liabilities as at the end of the year is Rs. Nil (Previous Year Rs. Nil).

34 Previous year's figures have been regrouped/reclassified wherever necessary to conform to current year's classification/disclosure.

Digital India Corporation
Technology Development and Deployment Division

Notes to Financial Statements for the year ended March 31, 2018

Signatures to Note No. 1 to 34

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

For Digital India Corporation

CA Ankush Goyal

Partner

Membership No. : 146017

Managing Director & CEO

Place : New Delhi

Date : 28 January 2019

Place : New Delhi

Date: 28 January 2019

Project **'IT Research Academy (ITRA)'**

Digital India Corporation
Information Technology Research Academy (ITRA)

BALANCE SHEET AS AT MARCH 31, 2018

	Particulars	Note No	As at March 31, 2018	As at March 31, 2017
			Amount (in Rs.)	Amount (in Rs.)
I.	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	(a) Share Capital		-	-
	(b) Reserves and Surplus	3	9,889,552	20,063,149
2	Non Current Liabilities			
	(a) Long term Provisions	4	893,248	815,658
3	Current liabilities			
	(a) Other Current Liabilities	5	110,166,592	84,978,791
	(b) Short Term Provisions	6	75,171	40,399
	Total		121,024,563	105,897,997
II.	ASSETS			
1	Non Current Assets			
	(a) Fixed Assets	7		
	(i) Tangible Assets		8,481,328	18,188,036
	(ii) Intangible Assets		1,408,224	1,875,113
	(iii) Capital Work in Progress		497,472	971,350
			10,387,024	21,034,499
	(b) Long Term Loans and Advances	8	15,000	15,000
	(c) Other Non Current Assets	9	-	-
2	Current Assets			
	(a) Cash and Cash Equivalents	10	41,387,576	1,714,196
	(b) Short Term Loans and Advances	11	69,234,963	83,134,302
	(c) Other Current Assets	12	-	-
	Total		121,024,563	105,897,997

Summary of Significant Accounting Policies

2

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith.

We have verified the above Balance Sheet as at March 31, 2018, the statement of Income and Expenditure for the year ended March 31, 2018, and the related Notes to Accounts with the Books of Account and other records produced before us, and as per the information and explanations given to us, we certify the same to be in agreement with the books of accounts.

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

For Digital India Corporation

CA Ankush Goyal

Partner

Membership No. : 146017

Managing Director & CEO

Place : New Delhi
Date : 28 January 2019

Place : New Delhi
Date : 28 January 2019

Digital India Corporation
Information Technology Research Academy (ITRA)

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2018

Particulars		Note No.	March 31, 2018 Amount(in Rs.)	March 31, 2017 Amount(in Rs.)
I.	Transferred from Grant-in-aid account (Refer Notes 2(g), 5 and 18)	13	69,832,473	100,446,110
II.	Other income	14	-	12,857
III.	Total		69,832,473	100,458,967
	Expenditure:			
	Research and/or Development Expenditure (Refer Note 2(l))	15	65,157,349	95,974,346
	Employee Benefits Expense	16	1,507,872	1,438,263
	Administration and Other Expenses	17	3,167,252	3,046,358
	Depreciation and amortization expense			
	- On Research Assets		19,510,207	33,532,327
	- On Other Assets		780,000	1,282,355
			20,290,207	34,814,682
	Less: Transferred from Reserve for Fixed Assets (Refer Note 3)		20,290,207	34,814,682
IV.	Total		69,832,473	100,458,967
V.	Excess of Income over Expenditure before exceptional and extraordinary items and tax (III-IV)		-	-
VI.	Exceptional items		-	-
VII.	Excess of Income over Expenditure before extraordinary items and tax (V - VI)		-	-
VIII.	Extraordinary Items		-	-
IX.	Excess of Income over expenditure before tax (VII- VIII)		-	-
X.	Tax expense:		-	-
XI.	Excess of Income over Expenditure for the year (IX-X)		-	-

Summary of Significant Accounting Policies

2

Notes referred to above form an integral part of the Statement of Income and Expenditure and should be read in conjunction therewith.

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

For Digital India Corporation

CA Ankush Goyal

Partner

Membership No. : 146017

Managing Director & CEO

Place : New Delhi

Date : 28 January 2019

Place : New Delhi

Date : 28 January 2019

Digital India Corporation
Information Technology Research Academy (ITRA)

Notes to Financial Statements for the year ended March 31, 2018

1 Background :

IT Research Academy (ITRA) is an enabling National Programme initiated by Ministry of Electronics and Information Technology (MeitY), Government of India, to help build a national resource for advancing the quality and quantity of R&D in Information and Communications Technologies and Electronics (ICTE) and its applications, in IT and related institutions across India.

The Ministry of Electronics and Information Technology, Government of India has approved vide letter No.1(1)/2010-ITRA dated 04.11.2010 a total grant in aid of Rs.148.83 Crores over a period of five years for implementation of the Project entitled "IT Research Academy (ITRA)" by Digital India Corporation. ITRA project had commenced its operations from the date of first release vide sanction order reference No.1(1)/2010-ITRA dated 22.12.2010. Duration of the ITRA project has been extended further for a period upto December 2018 without any cost escalation.

2 Significant Accounting Policies :

(a) Basis of Preparation of Financial Statements:

The financial statements are prepared to comply in all material aspects with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with the generally accepted accounting principles ('GAAP') in India. The accounts have been prepared under historical cost convention on accrual basis and under going concern assumption. The accounting policies have been applied consistently except for changes due to adoption of newly issued accounting standards or where a revision is made to an existing accounting standard that requires a change in the accounting policy hitherto in use.

(b) Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the Management to make estimates and assumptions to be made that affect the reported amounts of assets and the liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimation. Changes in estimates are reflected in the financial statements for the periods in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(c) Cash & Cash Equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Notes to Financial Statements for the year ended March 31, 2018

(d) Tangible and Intangible Fixed Assets:

Tangible assets are stated at historical cost less accumulated depreciation/amortization and impairment losses, if any. Cost includes borrowing cost, inward freight, duties, taxes and incidental expenses related to the acquisition and installation of the assets incurred to bring the assets to their working condition for their intended use.

Assets acquired by Indian Institutes of Technology and other organisations are capitalised based on reports audited by independent accountants or certified by Heads of concerned organisations, received from the respective entities at periodic intervals.

Intangible Assets are recorded at the consideration paid for acquisition of such assets and are stated at cost less accumulated amortization and impairment.

(e) Depreciation / Amortisation:

Depreciation on Tangible Fixed Assets other than leasehold premises is provided on written down value method over the estimated useful lives of assets from the date the asset is put to effective use. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its fixed assets and has adopted the useful lives as prescribed in Schedule II. Assets individually costing ₹5,000 or less are depreciated fully in the year of acquisition. Leasehold premises are amortised on straight line basis over the primary period of lease. Chemicals and components acquired are depreciated fully in the year of acquisition.

Intangible Assets comprising computer software is amortized on a straight line basis over a period of five years or the estimated useful life whichever is lower.

Assets purchased out of grant-in-aid are capitalised and an equivalent amount is transferred to Reserve for Fixed Assets. Accordingly, deletion of such fixed assets are also adjusted from the Reserve for fixed assets.

(f) Investments

Long-term investments, included under Non-Current Investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value and resultant decline if any, is charged to revenue. Cost of investments includes acquisition charges such as brokerage, fees and duties.

(g) Grant-in-aid

Grant-in-aid utilised for expenditure incurred during the year is transferred to income and expenditure account to the extent of expenditure incurred. The portion of Grant-in-aid utilised for the purchase of fixed assets, is transferred to Reserve for Fixed Assets. An amount equivalent to depreciation charged during the year on fixed assets, purchased from the Grant-in-aid, is transferred from the Reserve for Fixed Assets to the Statement of Income and Expenditure and reduced from depreciation charge. The unutilised portion of the approved Grant-in-aid is recognised as a liability.

Notes to Financial Statements for the year ended March 31, 2018

(h) Employee Benefits:

(i) Short Term Employee Benefits

All short term employee benefits obligations payable wholly within twelve months of the rendering the services are classified as Short Term Employee Benefits. Such Benefits are estimated and provided for in the period in which the employee renders the related service.

(ii) Defined Contribution Plan

All eligible employees of the Company are entitled to receive benefits under the provident fund through a defined contribution plan in which both the employees and the Company contribute monthly at specified percentage of employee's basic salary. These contributions are made to a Government approved provident fund. Contributions to the said Government regulated provident fund scheme is a defined contribution plan.

The contributions paid/ payable under the schemes are recognized during the period in which the employees render the related service.

(iii) Defined Benefit Plan

The costs of providing Gratuity (funded) is determined using projected unit credit method on the basis of actuarial valuation carried out at each balance sheet date. The Company has entered into an agreement with the Life Insurance Corporation of India to administer its gratuity scheme. The maximum amount of gratuity each employee is eligible to, is subject to the limits as specified under the Payment of Gratuity Act.

(iv) Long Term Employee Benefits

The obligation for long term employee benefits such as compensated absences is recognized during the period, based on an actuarial valuation.

In respect of contractual staff, Provision for Leave encashment including availment is accrued and provided for on the basis of unavailed accumulated leave of employees as at the date of Balance Sheet on a full liability basis in accordance with the contract entered with the concerned staff.

(i) Expenses incurred at Indian Institutes of Technology and other organisations:

Advances to Indian Institutes of Technology and other Organisations are either expensed in the Statement of Income and Expenditure or capitalised as fixed assets based on the Statement of Accounts, audited by independent Auditors or certified by Heads of the concerned organisations, received from the respective entities at periodic intervals.

(j) Foreign Currency Transactions:

Foreign currency transactions are recorded in the books at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised as income or expense in the Statement of Income and Expenditure of the same period.

Foreign currency assets and liabilities are translated at the year-end rates and the resultant exchange differences are taken to the Statement of Income and Expenditure. Non-monetary items, carried at historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Notes to Financial Statements for the year ended March 31, 2018

(k) Leased Assets:

Assets acquired on leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating leases. The rental and all other expenses of leased assets are treated as revenue expenditure.

(l) Research and / or Development Expenditure:

Research and/or Development expenditure includes all costs incurred by the Company, Indian Institutes of Technology and other organisations, for the conduct of Research, Development, Deployment and Implementation activities.

(m) Impairment of Assets:

The Management assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Management estimates the recoverable amount of the asset (i.e. higher of the asset's net selling price and value in use). If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized in the Statement of Income and Expenditure. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the amount is reflected at such recoverable amount subject to a maximum of the depreciable historical cost. Such reversal of impairment loss is made if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

(n) Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes a provision when there is a present obligation as a result of a past event that requires probable outflow of resources to settle the obligation and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made where there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources or where no reliable estimate is possible. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized, nor disclosed. Provision, Contingent Liabilities and Contingent assets are reviewed at each Balance sheet date.

Digital India Corporation
Information Technology Research Academy (ITRA)

Note 3 - Reserves and Surplus

(Refer Notes 2(g) and 5)

Particulars	March 31, 2018		March 31, 2017	
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Reserve for Fixed Assets				
As per last Balance Sheet	20,063,149		28,028,806	
Add :				
Assets purchased during the year transferred from grant-in-aid account	11,001,294		26,849,157	
Less :				
Written down value of deletions during the year	884,684		132	
		30,179,759		54,877,831
Less:				
Transferred to Income and Expenditure Account :				
Depreciation for the year (Refer Note 7)		20,290,207		34,814,682
Total		9,889,552		20,063,149

Note 4 - Long Term Provisions

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Provision for employee benefits		
Leave Encashment (Refer Notes 2(h) and 23)	893,248	815,658
Total	893,248	815,658

Note 5 - Other Current Liabilities

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
(a) Grant-in-aid account (Refer Notes 2(g), 18 and 19)		
As per last Balance Sheet	76,170,266	190,179,343
Add:		
Transferred from Reserve on deletion of Fixed Assets	1,067,167	132
Grant-in-aid received during the year	119,600,000	14,400,000
Interest earned on Grant-in-aid during the year	2,181,573	713,783
Less:		
Amount refunded to the Government of India	-	-
Transferred to Reserve for Fixed Assets (Refer Note 3)	11,001,294	26,849,157
Project overheads (Refer Note 25)	10,872,727	1,827,725
Transferred to Income and Expenditure Account (Refer Note 13)	69,832,473	100,446,110
	107,312,512	76,170,266
(b) Other Current Liabilities (for expenses)	1,729,581	7,976,571
(c) Other Payables		
Tax Deducted at source	41,625	134,985
Service Tax	6,856	28,178
Salary and Reimbursements	1,056,162	638,673
Provident Fund and other Employee Deductions	19,856	30,118
Total	110,166,592	84,978,791

Note 6 - Short Term Provisions

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Provision for employee benefits		
Leave Encashment (Refer Notes 2(h) and 23)	75,171	40,399
Total	75,171	40,399

Digital India Corporation
Information Technology Research Academy (ITRA)

Note 7 - Fixed Assets

(Refer Notes 2(d), (e), (g) and 20)

Amount in Rupees

DESCRIPTION OF ASSETS	GROSS BLOCK - AT COST				DEPRECIATION			NET BLOCK	
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 1, 2017	For the year	On Deductions during the year	As at March 31, 2018	As at March 31, 2017
(i) Tangible Assets									
Computer Equipments	25,409,926	3,278,670	137,226	28,551,370	23,315,468	1,802,756	2,576	3,435,722	2,094,458
Research Equipments	47,995,636	4,234,630	819,531	51,410,735	34,264,514	15,539,905	136,494	1,742,810	13,731,122
Other Office Equipment	-	-	-	-	-	-	-	-	-
Office Equipments	2,958,585	3,152,379	110,410	6,000,554	2,348,410	1,407,042	43,413	2,288,515	610,175
Furniture and Fixtures	5,576,635	42,000	-	5,618,635	3,824,354	780,000	-	1,014,281	1,752,281
TOTAL	81,940,782	10,707,679	1,067,167	91,581,294	63,752,746	19,529,703	182,483	8,481,328	18,188,036
Previous Year	55,971,197	25,975,399	5,814	81,940,782	29,419,333	34,339,095	5,682	18,188,036	26,551,864
(ii) Intangible Assets									
Software	2,622,967	293,615	-	2,916,582	747,854	760,504	-	1,408,224	1,875,113
TOTAL	2,622,967	293,615	-	2,916,582	747,854	760,504	-	1,408,224	1,875,113
Previous Year	1,749,209	873,758	-	2,622,967	272,267	475,587	-	1,875,113	1,476,942
GRAND TOTAL	84,563,749	11,001,294	1,067,167	94,497,876	64,500,600	20,290,207	182,483	9,889,552	20,063,149
Previous Year	57,720,406	26,849,157	5,814	84,563,749	29,691,600	34,814,682	5,682	20,063,149	28,028,806
(iii) Capital Work In Progress									
								497,472	971,350
								10,387,024	21,034,499
1) Previous years figures have been regrouped / reclassified wherever necessary to conform to current year's classification / disclosure									

Digital India Corporation
Information Technology Research Academy (ITRA)

Note 8 - Long Term Loans and Advances

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Unsecured considered good :		
1) Security Deposits	15,000	15,000
2) Capital Advance	-	-
3) Advance Income Tax (tds)	-	-
Total	15,000	15,000

Note 9 - Other Non Current Assets

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
<u>Other bank balances:</u>		
Fixed Deposits with maturity for more than 12 months.	-	-
Total	-	-

Note 10 - Cash and Cash Equivalents

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Cash and Cash Equivalents (Refer Note 2 (c))		
Cash on hand	29,286	26,671
Balances with Banks	10,439,344	1,687,525
Other Bank Balances		
Bank Deposits with more than 3 months maturity	30,918,946	-
Total	41,387,576	1,714,196

Note 11 - Short Term Loans and Advances

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Advances Recoverable in Cash or in Kind		
Unsecured considered Good		
Indian Institutes of Technology and Other Organisations (Refer Note 2(i))	68,937,843	82,885,430
(A)	68,937,843	82,885,430
Other Loans and Advances		
Prepaid Expenses	297,120	225,715
Advances to employees	-	23,157
Others	-	-
(B)	297,120	248,872
Total	69,234,963	83,134,302

Digital India Corporation
Information Technology Research Academy (ITRA)

Note 12 - Other Current Assets

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Interest accrued on Bank Fixed Deposits	-	-
Total	-	-

Note 13 - Grant-in-aid

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Transferred from Grant-in-aid account (Refer Notes 2(g), 5 and 18)	69,832,473	100,446,110
Total	69,832,473	100,446,110

Note 14 - Other Income

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Miscellaneous income	-	12,857
Total	-	12,857

Note 15 - Research and/or Development Expenditure

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Expenses - Indian Institutes of Technology and Other Organisations (Refer Note 2(i))	38,668,746	69,796,522
Salaries, Allowances and Other benefits	9,196,165	9,798,596
Contribution to Provident Fund & Other Funds	112,372	100,809
Travel and Conveyance	2,240,841	2,272,820
Research Workshops and Conferences	1,809,006	2,087,729
Professional fees	1,260,395	1,332,982
Communication	770,599	810,590
Rent	8,584,258	8,161,826
Maintenance	2,514,967	1,612,472
Total	65,157,349	95,974,346

Digital India Corporation
Information Technology Research Academy (ITRA)

Note 16 - Employee Benefits Expense

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Salaries, Allowances and Other benefits	1,332,653	1,226,996
Contribution to Provident Fund & Other Funds	6,090	7,153
Staff Welfare	169,129	204,114
Total	1,507,872	1,438,263

Note 17 - Administration and Other Expenses

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Repairs and Maintenance		
- Building		
- Others	1,594,203	1,253,043
Office Expenses	794,011	831,629
Travel and Conveyance	338,436	144,472
Legal and Professional Fees	-	20,650
Auditors Remuneration - for other services*	44,250	17,175
Recruitment	210,221	412,965
Communication	166,777	287,248
Miscellaneous Expenses	19,354	79,176
Total	3,167,252	3,046,358

*Auditors' Remuneration	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Payment to Auditors (including service tax / GST)		
a) Auditor	-	-
b) For Other Services	44,250	17,175
c) Reimbursement of Expenses	-	-
Total	44,250	17,175

Digital India Corporation
Information Technology Research Academy (ITRA)

Notes to Financial Statements for the year ended March 31, 2018

18 Ministry of Electronics & Information Technology (MeitY), Government of India has provided Grant-in-aid of Rs.119,600,000 during the year 2017-18 (previous year Rs. 14,400,000). Any portion of the Grant-in-aid which is not ultimately required for the approved purposes shall be duly surrendered to the MeitY. An amount of Rs.2,181,573 (previous year Rs.713,783) being interest received on grant in aid deposits during the year has been credited to grant in aid account.

19 Interest earned/accrued has been credited to grant in aid account by the Division in the year in which it is earned/accrued on an accrual basis. ITRA-Digital India Corporation has refunded interest amount Rs. Nil (Previous year Rs.Nil) to MeitY during the year 2017-18.

20 As per the terms and conditions governing the grant-in-aid, assets purchased out of the grant-in-aid cannot be disposed off, encumbered without the prior sanction of the Ministry of Electronics and Information Technology. These assets cannot be utilised for purposes other than those for which the grant has been sanctioned. Further, should the Company cease to exist, such assets shall revert to the Ministry of Electronics and Information Technology, who will be free to sell or otherwise dispose off the assets.

21 IT Research Academy has accounted i) expenses aggregating to Rs.25,209,375, interest earned Rs.607,462 and fixed assets aggregating to Rs.4,499,930 based on audited statement of accounts received from 40 project team members (ii) expenses aggregating to Rs.13,459,370, interest earned Rs.163,429 and fixed assets aggregating to Rs.5,434,197 based on certified statement of accounts received from 19 project team members and these accounts are subject to audit by Chartered Accountants of the respective Institutions. Balance confirmation/utilization certificates has not been received from 13 project team members aggregating to Rs.22,109,136 shown under the head 'Loans and Advances and is outstanding for more than one year. The financial statements have been prepared on the basis of such statement of expenses and details of fixed assets.

22 Expenditure in Foreign Currency

	Year ended March31,2018	Year ended March31,2017
	Rupees	Rupees
i) Equipments	1,365,102	721,358
Total	1,365,102	721,358

Expenditure in foreign currency includes expenditure incurred by academic institutions.

23 Employee Benefits

As per the companies (Accounting Standards), Rules 2006, the following disclosures have been made.

A. Leave Encashment

Payments to and provision for employees includes Rs.79,666 (previous year Rs.100,596) towards provision made as per Actuarial Valuation in respect of accumulated leave encashment and Rs.32,696 (previous year Rs.31,922) towards liability of contractual staff made on actual basis debited to the Statement of Income and Expenditure. Total Liability

Digital India Corporation
Information Technology Research Academy (ITRA)

Notes to Financial Statements for the year ended March 31, 2018

as per Actuarial Valuation and as reflected in Company's Accounts is Rs.706,293 (previous year Rs.626,627). The company has not funded the liability.

B. Defined Contribution Plans

The Company has recognised Rs.118,462 (previous year Rs. 107,962) towards Provident Fund / Pension Fund.

- 24** Capital and Other Commitments as at the end of the year is Rs. Nil (Previous year Rs. Nil).
- 25** Miscellaneous & Contingency overheads of the project have been transferred during the year to Digital India Corporation.
- 26** Contingent Liabilities as at the end of the year is Rs. Nil (Previous Year Rs. Nil).
- 27** Balance with debtors and creditors are subject to confirmation, reconciliation and consequential adjustments thereof, if any.
- 28** Micro & Small Enterprises Dues
The Company has not received any intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures regarding :
a) Amount due and outstanding to suppliers as at the end of the accounting year b) Interest paid during the year c) Interest payable at the end of the accounting year and d) Interest accrued and unpaid at the end of the accounting year have not been given. The Company is making efforts to get the confirmations from the suppliers as regards their status under the Act.
- 29** The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards as specified under Companies Act, 1956 (i.e. the Companies (Accounting Standards) Rules, 2006) which shall be deemed to be the accounting standards as per Rule 7, of the companies (Accounts) Rule, 2014 as a transaction provision until accounting as specified under Section 133 of Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
- 30** Previous year's figures have been regrouped/reclassified wherever necessary to conform to current year's classification/disclosure.

Digital India Corporation
Information Technology Research Academy (ITRA)

Notes to Financial Statements for the year ended March 31, 2018

Signatures to Note No. 1 to 30

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

For Digital India Corporation

CA Ankush Goyal

Partner

Membership No. : 146017

Managing Director & CEO

Place : New Delhi

Date : 28 January 2019

Place : New Delhi

Date : 28 January 2019

Project **'Visvesvaraya PhD Scheme for
Electronics & IT'**

Digital India Corporation
Visvesvaraya PHD Scheme for Electronics & IT

BALANCE SHEET AS AT MARCH 31, 2018

	Particulars	Note No	As at March 31, 2018	As at March 31, 2017
			Amount (in Rs.)	Amount (in Rs.)
I.	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	(a) Share Capital		-	-
	(b) Reserves and Surplus	3	17,206	49,813
2	Non Current Liabilities			
	(a) Long term Provisions	4	1,344,671	1,259,921
3	Current liabilities			
	(a) Other Current Liabilities	5	294,977,818	90,353,719
	(b) Short Term Provisions	6	61,615	26,137
	Total		296,401,310	91,689,590
II.	ASSETS			
1	Non Current Assets			
	(a) Fixed Assets	7		
	(i) Tangible Assets		17,206	49,813
	(ii) Intangible Assets		-	-
			17,206	49,813
	(b) Long Term Loans and Advances	8	-	75,514
	(c) Other Non Current Assets	9	-	-
2	Current Assets			
	(a) Cash and Cash Equivalents	10	88,089,944	15,790,469
	(b) Short Term Loans and Advances	11	208,294,160	75,773,794
	(c) Other Current Assets	12	-	-
	Total		296,401,310	91,689,590

Summary of Significant Accounting Policies

2

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith.

We have verified the above Balance Sheet as at March 31, 2018, the statement of Income and Expenditure for the year ended March 31, 2018, and the related Notes to Accounts with the Books of Account and other records produced before us, and as per the information and explanations given to us, we certify the same to be in agreement with the books of accounts.

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

For Digital India Corporation

CA Ankush Goyal

Partner

Membership No. : 146017

Managing Director & CEO

Place : New Delhi

Date : 28 January 2019

Place : New Delhi

Date : 28 January 2019

Digital India Corporation
Visvesvaraya PHD Scheme for Electronics & IT

STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2018

Particulars		Note No.	March 31, 2018 Amount(in Rs.)	March 31, 2017 Amount(in Rs.)
I.	Transferred from Grant-in-aid Account (Refer Notes 2(g), 5 and 17)	13	328,726,992	420,266,173
II	Total		328,726,992	420,266,173
	Expenditure			
	Research and/or Development Expenditure (Refer Note 2(l))	14	321,579,266	414,311,845
	Employee Benefits Expense	15	6,037,435	4,276,811
	Administration and Other Expenses	16	1,110,291	1,677,517
	Depreciation and amortization expense			
	- On Research Assets		32,607	104,702
	- On Other Assets		-	-
			32,607	104,702
	Less: Transferred from Reserve for Fixed Assets (Refer Note 3)		32,607	104,702
III	Total		328,726,992	420,266,173
IV.	Excess of Income over Expenditure before exceptional and extraordinary items and tax (II-III)		-	-
V.	Exceptional items		-	-
VI.	Excess of Income over Expenditure before extraordinary items and tax (VI - V)		-	-
VII.	Extraordinary Items		-	-
VIII.	Excess of Income over expenditure before tax (VI- VII)		-	-
IX.	Tax expense:		-	-
X.	Excess of Income over Expenditure for the year (VIII - IX)		-	-

Summary of Significant Accounting Policies

2

Notes referred to above form an integral part of the Statement of Income and Expenditure and should be read in conjunction therewith.

For A. P. Sanzgiri & Co.

Chartered Accountants

Firm Registration No. : 116293W

For Digital India Corporation

CA Ankush Goyal

Partner

Membership No. : 146017

Managing Director & CEO

Place : New Delhi

Date : 28 January 2019

Place : New Delhi

Date : 28 January 2019

Digital India Corporation
Visvesvaraya PHD Scheme for Electronics & IT

Notes to Financial Statements for the year ended March 31, 2018

1 Background :

The National Policy on Electronics (NPE 2012) and The National Policy on Information Technology (NPIT 2012) give special thrust on significantly increasing the number of PhDs in the country to enable India to compete globally in the coming decades, to develop an eco-system of research, development and IP creation in these knowledge intensive sectors. The NPE 2012, inter alia, sets an objective of creating 2500 PhDs annually by 2020 in Electronics System Design and Manufacturing and related fields. The NPIT, 2012 envisaged to set up Centres of Excellence in institutes of higher learning to promote high end research in specialised ICT areas and producing quality doctoral and postdoctoral level researchers. The support under the Scheme will be provided to the institution granting the PhD Degree.

The duration of the Visvesvaraya PhD Scheme for Electronics & IT would be for five years for the purpose of selecting PhD candidates for support under the Scheme from the academic year 2014-15. However, the funding would be continued till 9th year for the commitments already made during the scheme period.

Ministry of Electronics and Information Technology, Government of India has accorded approval for the Visvesvaraya PhD Scheme for Electronics & IT vide Administrative Approval Ref No.1(5)2012-HRD(Vol.IV) dated 27.06.2014 and the scheme aims to generate 1500 PhDs in each of ESDM and IT/ITES sectors over a period of 5 years. The outlay of the Scheme (revised) is Rs.466 Crores for 9 years.

Digital India Corporation, Section 25 Company registered under the Companies Act, 1956 (now Section 8 under Companies Act, 2013) of Ministry of Electronics and Information Technology, would provide secretariat, managerial support and creation of institutional mechanism as Implementation Agency to Ministry of Electronics and Information Technology, Government of India.

2 Significant Accounting Policies :

(a) Basis of Preparation of Financial Statements:

The financial statements are prepared to comply in all material aspects with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with the generally accepted accounting principles ('GAAP') in India. The accounts have been prepared under historical cost convention on accrual basis and under going concern assumption. The accounting policies have been applied consistently except for changes due to adoption of newly issued accounting standards or where a revision is made to an existing accounting standard that requires a change in the accounting policy hitherto in use.

(b) Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the Management to make estimates and assumptions to be made that affect the reported amounts of assets and the liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimation. Changes in estimates

Digital India Corporation
Visvesvaraya PHD Scheme for Electronics & IT

Notes to Financial Statements for the year ended March 31, 2018

are reflected in the financial statements for the periods in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(c) Cash & Cash Equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(d) Tangible and Intangible Fixed Assets:

Tangible assets are stated at historical cost less accumulated depreciation/amortization and impairment losses, if any. Cost includes borrowing cost, inward freight, duties, taxes and incidental expenses related to the acquisition and installation of the assets incurred to bring the assets to their working condition for their intended use.

Assets acquired by Indian Institutes of Technology and other organisations are capitalised based on reports audited by independent accountants or certified by Heads of concerned organisations, received from the respective entities at periodic intervals.

Intangible Assets are recorded at the consideration paid for acquisition of such assets and are stated at cost less accumulated amortization and impairment.

(e) Depreciation / Amortisation:

Depreciation on Tangible Fixed Assets other than leasehold premises is provided on written down value method over the estimated useful lives of assets from the date the asset is put to effective use. In accordance with requirements prescribed under Schedule II of Companies Act, 2013, the Company has assessed the estimated useful lives of its fixed assets and has adopted the useful lives as prescribed in Schedule II. Assets individually costing ₹5,000 or less are depreciated fully in the year of acquisition. Leasehold premises are amortised on straight line basis over the primary period of lease. Intangible Assets comprising computer software is amortized on a straight line basis over a period of five years or the estimated useful life whichever is lower.

Assets purchased out of grant-in-aid are capitalised and an equivalent amount is transferred to Reserve for Fixed Assets. Accordingly, deletion of such fixed assets are also adjusted from the Reserve for fixed assets.

(f) Investments

Long-term investments, included under Non-Current Investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried at lower of cost and fair value and resultant decline if any, is charged to revenue. Cost of investments includes acquisition charges such as brokerage, fees and duties.

(g) Grant-in-aid

Grant-in-aid utilised for expenditure incurred during the year is transferred to income and expenditure account to the extent of expenditure incurred. The portion of Grant-in-aid

Digital India Corporation
Visvesvaraya PHD Scheme for Electronics & IT

Notes to Financial Statements for the year ended March 31, 2018

utilised for the purchase of fixed assets, is transferred to Reserve for Fixed Assets. An amount equivalent to depreciation charged during the year on fixed assets, purchased from the Grant-in-aid, is transferred from the Reserve for Fixed Assets to the Statement of Income and Expenditure and reduced from depreciation charge. The unutilised portion of the approved Grant-in-aid is recognised as a liability.

(h) Employee Benefits:

(i) Short Term Employee Benefits:

All short term employee benefits obligations payable wholly within twelve months of the rendering the services are classified as Short Term Employee Benefits. Such Benefits are estimated and provided for in the period in which the employee renders the related service.

(ii) Defined Contribution Plan:

All eligible employees of the Company are entitled to receive benefits under the provident fund through a defined contribution plan in which both the employees and the Company contribute monthly at specified percentage of employee's basic salary. These contributions are made to a Government approved provident fund. Contributions to the said Government regulated provident fund scheme is a defined contribution plan. The contributions paid/ payable under the schemes are recognized during the period in which the employees render the related service.

(iii) Defined Benefit Plan:

The costs of providing Gratuity (funded) is determined using projected unit credit method on the basis of actuarial valuation carried out at each balance sheet date. The Company has entered into an agreement with the Life Insurance Corporation of India to administer its gratuity scheme. The maximum amount of gratuity each employee is eligible to, is subject to the limits as specified under the Payment of Gratuity Act.

(iv) Long Term Employee Benefits:

The obligation for long term employee benefits such as compensated absences is recognized during the period, based on an actuarial valuation. In respect of contractual staff, Provision for Leave encashment including availment is accrued and provided for on the basis of un-availed accumulated leave of employees as at the date of Balance Sheet on a full liability basis in accordance with the contract entered with the concerned staff.

(i) Expenses incurred at Indian Institutes of Technology and other organisations:

Advances to Indian Institutes of Technology and other Organisations are either expensed in the Statement of Income and Expenditure or capitalised as fixed assets based on the Statement of Accounts, audited by independent Auditors or certified by Heads of the concerned organisations, received from the respective entities at periodic intervals.

(j) Foreign Currency Transactions:

Foreign currency transactions are recorded in the books at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised as income or expense in the Statement of Income and Expenditure of the same period.

Digital India Corporation
Visvesvaraya PHD Scheme for Electronics & IT

Notes to Financial Statements for the year ended March 31, 2018

Foreign currency assets and liabilities are translated at the year-end rates and the resultant exchange differences are taken to the Statement of Income and Expenditure. Non-monetary items, carried at historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

(k) Leased Assets:

Assets acquired on leases where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as Operating leases. The rental and all other expenses of leased assets are treated as revenue expenditure.

(l) Research and / or Development Expenditure:

Research and/or Development expenditure includes all costs incurred by the Company, Indian Institutes of Technology and other organisations, for the conduct of Research, Development, Deployment and Implementation activities.

(m) Impairment of Assets:

The Management assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Management estimates the recoverable amount of the asset (i.e. higher of the asset's net selling price and value in use). If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized in the Statement of Income and Expenditure. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the amount is reflected at such recoverable amount subject to a maximum of the depreciable historical cost. Such reversal of impairment loss is made if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

(n) Provisions, Contingent Liabilities and Contingent Assets:

The Company recognizes a provision when there is a present obligation as a result of a past event that requires probable outflow of resources to settle the obligation and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made where there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources or where no reliable estimate is possible. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized, nor disclosed. Provision, Contingent Liabilities and Contingent assets are reviewed at each Balance sheet date.

Note 3 - Reserves and Surplus

(Refer Notes 2(g) and 5)

Particulars	March 31, 2018		March 31, 2017	
	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)	Amount (in Rs.)
Reserve for Fixed Assets				
As per last Balance Sheet	49,813		128,616	
Add :				
Assets purchased during the year transferred from grant-in-aid account	-		25,899	
Less :				
Written down value of deletions during the year	-		-	
		49,813		154,515
Less:				
Transferred to Income and Expenditure Account :-				
- Depreciation for the year (Refer Note 7)		32,607		104,702
Total		17,206		49,813

Note 4 - Long Term Provisions

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Provision for employee benefits		
Leave Encashment (Refer Notes 2(h) and 24)	1,344,671	1,259,921
Total	1,344,671	1,259,921

Note 5 - Other Current Liabilities

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
(a) Grant-in-aid account (Refer Notes 2(g),17 and 18)		
As per last Balance Sheet	89,271,288	432,924,789
Add:		
Grant-in-aid received during the year	532,967,950	69,187,000
Transferred from Reserve on deletion of Fixed Assets		
Interest earned on grant-in-aid during the year	3,009,890	8,888,571
Less:		
Amount refunded to the Government of India		-
Transferred to Reserve for Fixed Assets (Refer Note 3)	-	25,899
Institutional Overheads (Refer Note 25)	2,311,000	1,437,000
Online platform & information system overheads	-	-
Transferred to Income and Expenditure Account (Refer Note 13)	328,726,992	420,266,173
	294,211,136	89,271,288
(b) Other Current Liabilities (for expenses)	256,508	490,361
(c) Other Payables		
Tax Deducted at source	64,654	86,147
Service Tax	-	18,712
Salary and Reimbursements	363,005	419,481
Provident Fund and other Employee Deductions	82,515	67,730
Total	294,977,818	90,353,719

Note 6 - Short Term Provisions

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Provision for employee benefits		
Leave Encashment (Refer Notes 2(h) and 24)	61,615	26,137
Total	61,615	26,137

Digital India Corporation
Visvesvaraya PHD Scheme for Electronics & IT

Note 7 - Fixed Assets

(Refer Notes 2(d), (e), (g) and 19)

Amount in Rupees

DESCRIPTION OF ASSETS	GROSS BLOCK - AT COST				DEPRECIATION			NET BLOCK	
	As at April 1, 2017	Additions during the year	Deductions during the year	As at March 31, 2018	As at April 1, 2017	For the year	On Deductions during the year	As at March 31, 2018	As at March 31, 2017
(i) Tangible Assets									
Computer Equipments	750,894	-	-	750,894	718,847	19,565	-	12,482	32,047
Office Equipments	102,352	-	-	102,352	84,586	13,042	-	4,724	17,766
TOTAL	853,246	-	-	853,246	803,433	32,607	-	17,206	49,813
Previous Year	827,347	25,899		853,246	698,731	104,702	-	49,813	128,616

Digital India Corporation
Visvesvaraya PHD Scheme for Electronics & IT

Note 8 - Long Term Loans and Advances

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Unsecured considered good :		
1) Security Deposits	-	25,000
2) Capital Advance	-	-
3) Advance Income Tax (tds)	-	50,514
Total	-	75,514

Note 9 - Other Non Current Assets

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
<u>Other bank balances:</u>		
Fixed Deposits with maturity for more than 12 months.	-	-
Total	-	-

Note 10 - Cash and Cash Equivalents

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Cash and Cash Equivalents (Refer Note 2 (c))		
Cash on hand	5,000	5,000
Balances with Banks	88,084,944	15,785,469
Other Bank Balances		
Bank Deposits with more than 3 months maturity	-	-
Total	88,089,944	15,790,469

Note 11 - Short Term Loans and Advances

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Advances Recoverable in Cash or in Kind		
Unsecured considered Good		
Indian Institutes of Technology and Other Organisations (Refer Note 2(i))	208,177,584	75,718,226
(A)	208,177,584	75,718,226
Other Loans and Advances		
Prepaid Expenses	116,576	55,568
(B)	116,576	55,568
Total	208,294,160	75,773,794

Digital India Corporation
Visvesvaraya PHD Scheme for Electronics & IT

Note 12 - Other Current Assets

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Interest accrued on Bank Fixed Deposits	-	-
Total	-	-

Note 13 - Grant-in-aid

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Transferred from Grant-in-aid account (Refer Notes 2(g), 5 and 17)	328,726,992	420,266,173
Total	328,726,992	420,266,173

Note 14 - Research and/or Development Expenditure

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
PhD Financial support to IIT's and Other Organisations : Fellowships, Reimbursement of Rent, Consumables & Overheads	311,561,359	402,592,663
Salaries, Allowances and Other benefits	7,128,193	8,010,181
Contribution to Provident Fund & Other Funds	212,831	195,336
Travel and Conveyance	510,156	1,436,922
Research Workshops and Conferences	1,814,608	1,650,711
Communication	183,814	402,575
Maintenance	168,305	23,457
Total	321,579,266	414,311,845

Note 15 - Employee Benefits Expense

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Salaries, Allowances and Other benefits	5,640,314	3,911,298
Contribution to Provident Fund & Other Funds	334,496	296,026
Staff Welfare	62,625	69,487
Total	6,037,435	4,276,811

Digital India Corporation
Visvesvaraya PHD Scheme for Electronics & IT

Note 16 - Administration and Other Expenses

Particulars	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Repairs and Maintenance Expenses		
- Building		
- Others	-	411,751
Office Expenses	725,436	840,805
Travel and Conveyance	268,820	164,153
Auditors' Remuneration *	44,250	17,175
Recruitment	3,000	89,562
Communication	63,722	78,300
Miscellaneous Expenses	5,063	75,771
Total	1,110,291	1,677,517

*Auditors' Remuneration	March 31, 2018	March 31, 2017
	Amount (in Rs.)	Amount (in Rs.)
Payment to Auditors (including service tax / GST)		
a) Auditor	-	-
b) For Other Services	44,250	17,175
c) Reimbursement of Expenses	-	-
Total	44,250	17,175

Digital India Corporation
Visvesvaraya PHD Scheme for Electronics & IT

Notes to Financial Statements for the year ended March 31, 2018

- 17** Ministry of Electronics & Information Technology (MeitY), Government of India has provided Grant-in-aid of Rs.532,967,950 during the financial year 2017-18 (previous year Rs. 69,187,000) for implementation of the Scheme vide its sanction letters dated 11.05.2017, 06.07.2017, 01.01.2018, 16.3.2018 and 23.03.2018. Any portion of the Grant-in-aid which is not ultimately required for the approved purposes shall be duly surrendered to the MeitY. An amount of Rs.3,009,890 (previous year Rs. 8,888,571) being interest received on grant in aid deposits during the year has been credited to grant in aid account.
- 18** Interest earned/accrued has been credited to grant in aid account by the Division in the year in which it is earned/accrued on an accrual basis. **"Visvesvaraya PhD Scheme for Electronics & IT"** has refunded interest amount Rs. Nil (Previous year Rs.Nil) to MeitY during the year 2017-18.
- 19** As per the terms and conditions governing the grant-in-aid, assets purchased out of the grant-in-aid cannot be disposed off, encumbered without the prior sanction of the Ministry of Electronics and Information Technology. These assets cannot be utilised for purposes other than those for which the grant has been sanctioned. Further, should the Company cease to exist, such assets shall revert to the Ministry of Electronics and Information Technology, who will be free to sell or otherwise dispose off the assets.
- 20** Visvesvaraya PhD Scheme for Electronics & IT has accounted i) expenses aggregating to Rs.186,465,928 and interest earned Rs.775,372 based on audited statement of accounts received from fifty eight institutions ii) expenses aggregating to Rs.125,095,432 and interest earned Rs.478,520 based on certified statement of accounts received from thirty two institutions and these accounts are subject to audit by Chartered Accountants of the respective Institutions. Balance confirmation/utilization certificates has not been received from 32 institutions aggregating to Rs.27,884,530 shown under the head 'Loans and **Advances**' and are outstanding for more than one year.
The financial statements have been prepared on the basis of such statement of expenses.
- 21** Capital and Other Commitments as at the end of the year is Rs. Nil.
- 22** Contingent Liabilities as at the end of the year is Rs. Nil
- 23** Expenditure in Foreign Currency is Rs. Nil.
- 24** **Employee Benefits**

As per the companies (Accounting Standards), Rules 2006, the following disclosures have been made.

A. Leave Encashment

Payments to and provision for employees includes Rs.134,056 (previous year Rs. 238,690) towards provision made as per Actuarial Valuation in respect of accumulated leave encashment and Rs.13,828 (previous year Rs. 10,979) towards liability of contractual staff made on actual basis debited to Statement of Income and Expenditure. Total Liability as per Actuarial Valuation and as reflected in Company's Accounts is Rs.1,254,501 (previous year Rs. 1,120,445). The company has not funded the liability.

Digital India Corporation
Visvesvaraya PHD Scheme for Electronics & IT

Notes to Financial Statements for the year ended March 31, 2018

B. Defined Contribution Plans

The Company has recognised Rs.523,706 (previous year Rs. 491,362) towards Provident Fund / Pension Fund.

- 25** Institutional overheads of the project have been transferred during the year to Digital India Corporation, implementing agency of Visvesvaraya PhD Scheme for Electronics & IT.
- 26** Balance with debtors and creditors are subject to confirmation, reconciliation and consequential adjustments thereof, if any.
- 27** Micro & Small Enterprises Dues
The Company has not received any intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures regarding :
a) Amount due and outstanding to suppliers as at the end of the accounting year b) Interest paid during the year c) Interest payable at the end of the accounting year and d) Interest accrued and unpaid at the end of the accounting year have not been given. The Company is making efforts to get the confirmations from the suppliers as regards their status under the Act.
- 28** The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards as specified under Companies Act, 1956 (i.e. the Companies (Accounting Standards) Rules, 2006) which shall be deemed to be the accounting standards as per Rule 7, of the companies (Accounts) Rule, 2014 as a transaction provision until accounting as specified under Section 133 of Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
- 29** Previous year's figures have been regrouped/reclassified wherever necessary to conform to current year's classification/disclosure.

Signatures to Note No. 1 to 29

For A. P. Sanzgiri & Co.

Chartered Accountants
Firm Registration No. : 116293W

For Digital India Corporation

CA Ankush Goyal

Partner
Membership No. : 146017

Managing Director & CEO

Place : New Delhi
Date : **28 January 2019**

Place : New Delhi
Date : **28 January 2019**



A woman artisan learning Chic™ CAD software to create Digital designs



Training Workshop on Punarjjani™ at Jaipur, Rajasthan with the support of State Government



Farmer capturing image of his crop to send it to agro-expert via UMANG AKPS Mobile App



Field Deployment of Visual Speech Training System



Digital India Corporation

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