Deloitte
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Chartered Accountants
ASV Ramana Tower
52, Venkatnarayana Road
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INDEPENDENT AUDITOR'S REPORT

To The Members of Allsec Technologies Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Allsec Technologies Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements / financial information of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition** Revenue for the year ended March 31, 2023 is ₹ 39,045 lakhs. Revenues from such contracts is recognised and measured based on (1) efforts incurred multiplied by agreed rate in the contract with customers and or (2) the unit of work delivered multiplied by agreed rate in the contract with customers. These contracts are subject to revision periodically for (1) rate agreed; (2) efforts due to deployment of additional resources and/ or (3) rate and efforts as more fully described above. Revenue is recognised only based on customer acceptances for delivery of work. Given the periodical changes to contracts with customers, there is significant audit effort to ensure that revenue is recorded based on (1) contractual terms which are legally enforceable and (2) the work delivered is duly acknowledged by the customer.	**Principal audit procedures performed:** We understood and evaluated the Parent's process for recording and measuring revenues and compared that to the Parent's accounting policies to ensure consistency. We tested the effectiveness of controls over (1) enforceability of contracts including inspecting that key terms in the contracts are agreed with customers and (2) revenue is recognised only based on agreed terms and customer acceptances for work delivered. For a sample of contracts, we performed the following procedures: We tested that revenue recognised for new contracts and revision to existing contracts was based on contractual terms agreed with customers multiplied by efforts or unit of work delivered duly acknowledged by customer. We tested unbilled revenues at year end by comparing subsequent invoicing to customer acknowledgement for delivery of service.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Board of Director's report (but does not include the consolidated financial statements, the standalone financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and the Annual report, which is expected to be made available to us after that date.

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

- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

- If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements / financial information of two subsidiaries, and, whose financial statements / financial information reflect total assets of Rs. 9,170 lakhs as at March 31, 2023, total revenues of Rs. 22,494 lakhs and net cash inflows amounting to Rs. 612 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/ financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as on March 31, 2023 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of the Company.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by

the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 30(a) to the consolidated financial statements;

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent.

iii) (a) The Management of the Parent, whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management of the Parent, whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, no funds have been received by the Parent from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

iv) The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

v) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the audit report under section 143 issued by us and the auditors of respective companies included in the consolidated financial statements, as provided to us by the Management of the Parent, we report that CARO is applicable only to the Parent and not to any other company included in the consolidated financial statements. We have not reported any qualification or adverse remark in the CARO report of the Parent.

For Deloitte Haskins and Sells
Chartered Accountants
(Firm's Registration No. 008072S)

C Manish Muralidhar
Partner
(Membership No. 213649)
UDIN: 23213649BGVBXW9487

Place: Bengaluru
Date: 08 May 2023
MM/VLS/YK/2023/17

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Allsec Technologies Limited (hereinafter referred to as "Parent"), as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent, is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 the Parent'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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 Parent's internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting

principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Parent, has, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins and Sells
Chartered Accountants
(Firm's Registration No. 008072S)

C Manish Muralidhar
Partner
(Membership No. 213649)
UDIN: 23213649BGVBXW9487

Place: Bengaluru
Date: 08 May 2023
MM/VLS/YK/2023/17

Allsec Technologies Limited

Consolidated Balance Sheet as at 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

	Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
A	**ASSETS**			
I	**Non-current assets**			
	(a) Property, plant and equipment	3	1,220	931
	(b) Right of use asset (ROUA)	26	4,241	4,265
	(c) Other intangible assets	3	512	395
	(d) Intangible assets under development	4	1,204	784
	(e) Financial assets			
	(i) Other financial assets	6	775	655
	(f) Deferred tax assets (net)	25.2	697	663
	(g) Income tax assets (net)	7	1,217	1,059
	(h) Other non-current assets	8	23	40
	Total non-current assets		**9,889**	**8,792**
II	**Current assets**			
	(a) Financial assets			
	(i) Investments	5	4,678	4,694
	(ii) Trade receivables	9	5,924	5,720
	(iii) Cash and cash equivalents	10	9,012	8,140
	(iv) Bank balances other than cash and cash equivalents	11	28	28
	(v) Other financial assets	6	2,884	1,483
	(b) Other current assets	8	942	566
	Total current assets		**23,468**	**20,631**
	Total Assets (I+II)		**33,357**	**29,423**
B	**EQUITY AND LIABILITIES**			
III	**Equity**			
	(a) Equity share capital	12	1,524	1,524
	(b) Other equity	13	21,444	19,420
	Total equity		**22,968**	**20,944**
IV	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Lease liabilities	26	2,507	2,710
	(b) Provisions	15	772	726
	Total non-current liabilities		**3,279**	**3,436**
V	**Current liabilities**			
	(a) Financial liabilities			
	(i) Lease liabilities	26	1,887	1,588
	(ii) Trade payables	16		
	(a) Total outstanding dues of micro enterprises and small enterprises		32	17
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,777	2,478
	(iii) Other financial liabilities	14	198	34
	(b) Other current liabilities	17	497	512
	(c) Provisions	15	533	323
	(d) Current tax liabilities (net)	18	186	91
	Total current liabilities		**7,110**	**5,043**
	Total Liabilities (IV + V)		**10,389**	**8,479**
	Total Equity and Liabilities (III + IV + V)		**33,357**	**29,423**

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
Partner

Place : Bengaluru
Date : 08 May 2023

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors** of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
DIN: 00087168
Place : Bengaluru
Date : 08 May 2023

Guruprasad Srinivasan
Director
DIN: 07596207
Place : Bengaluru
Date : 08 May 2023

Naozer Cusrow Dalal
Chief Executive Officer
Place : Bengaluru
Date : 08 May 2023

Gaurav Mehra
Chief Financial Officer
Place : Bengaluru
Date : 08 May 2023

Sripriyadarshini
Company Secretary
Place : Bengaluru
Date : 08 May 2023

ALLSEC TECHNOLOGIES LIMITED Chennai 600 042

Allsec Technologies Limited

Consolidated Statement of Profit and Loss for the year ended 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

	Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
I	Revenue from operations	19	39,045	31,720
II	Other income	20	803	645
III	**Total income (I+II)**		**39,848**	**32,365**
IV	**Expenses**			
	(a) Employee benefits expense	21	22,170	17,246
	(b) Finance costs	22	367	208
	(c) Depreciation and amortisation expense	3	2,825	2,345
	(d) Other expenses	23	8,032	6,451
	Total expenses		**33,394**	**26,250**
V	**Profit before tax (III - IV)**		**6,454**	**6,115**
VI	**Tax expense**			
	(a) Current tax	25.1	1,606	2,415
	(b) Deferred tax	25.2	(38)	136
			1,568	**2,551**
VII	**Profit for the year (V - VI)**		**4,886**	**3,564**
VIII	**Other comprehensive income:**			
	Items that will not be reclassified to profit or loss			
	Remeasurement of the defined benefit liability		34	(32)
	Income tax relating to above items		(4)	12
			30	**(20)**
	Items that will be reclassified subsequently to profit or loss			
	Exchange differences on translation of foreign operations		156	31
	Income tax relating to items that will not be reclassified to profit or loss		-	-
			156	**31**
	Total other comprehensive income for the year		**186**	**11**
IX	**Total comprehensive income for the year (VII + VIII)**		**5,072**	**3,575**
	Profit for the year attributable to			
	Equity holders of the company		4,886	3,564
	Non- controlling interest		-	-
	Other comprehensive income attributable to			
	Equity holders of the company		186	11
	Non- controlling interest		-	-
	Total comprehensive income for the year attributable to			
	Equity holders of the company		5,072	3,575
	Non- controlling interest		-	-
X	**Earnings per equity share (Face value of ₹ 10 each)**	28		
	(a) Basic (in ₹)		32.06	23.39
	(b) Diluted (in ₹)		32.06	23.39

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
Partner

Place : Bengaluru
Date : 08 May 2023

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors** of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
DIN: 00087168
Place : Bengaluru
Date : 08 May 2023

Guruprasad Srinivasan
Director
DIN 07596207
Place : Bengaluru
Date : 08 May 2023

Naozer Cusrow Dalal
Chief Executive Officer
Place : Bengaluru
Date : 08 May 2023

Gaurav Mehra
Chief Financial Officer
Place : Bengaluru
Date : 08 May 2023

Sripriyadarshini
Company Secretary
Place : Bengaluru
Date : 08 May 2023

ALLSEC TECHNOLOGIES LIMITED Chennai 600 042

Allsec Technologies Limited

Consolidated Cash flow Statement for the year ended March 31, 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	6,454	6,115
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	2,825	2,345
Unrealized foreign exchange gain	(482)	(120)
Profit on sale of property, plant and equipment (net)	-	(5)
Finance costs	367	208
Loss allowance for doubtful trade receivables (Net)	95	37
Fair Value (gain)/ loss on Financial Assets (measured at Fair Value through Profit & Loss)	(14)	27
Profit on redempt on of current investments	(290)	(300)
Interest Income		
- on fixed deposits	(2)	(5)
- income tax refund	(54)	(84)
Operating profit before working capital and other changes	**8,899**	**8,218**
Working capital adjustments:		
(Increase)/Decrease in Trade receivables	(301)	(1,552)
(Increase)/Decrease in other financial assets	(1,507)	142
(Increase)/Decrease in other assets	(359)	(223)
Increase/(Decrease) in trade payables	1,314	541
(Decrease)/Increase in other financial liabilities	(15)	3
(Decrease)/Increase in other liabilities	(15)	173
Increase/(Decrease) in provisions	292	127
Cash Generated from Operations	**8,308**	**7,429**
Net income tax paid	(1,180)	(1,056)
Net cash generated from operating activities	**7,128**	**6,373**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment, other Intangible assets and intangible assets under development	(1,545)	(1,355)
Proceeds from sale of property, plant and equipment	-	7
(Purchase)/Redemption of current investments (net)	264	550
Proceeds received on maturity of fixed deposits	-	111
Interest received on fixed deposits	2	5
Tax expenses on dividend income received by Allsec Technologies Limited ("the Parent") from Allsectech Manila Inc., Philippines ("the subsidiary")	(465)	(1,390)
Net cash used in investing activities	**(1,744)**	**(2,072)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	(16)
Interest paid	(367)	(208)
Payment of Lease Liabilities	(1,742)	(1,878)
Dividend paid	(3,048)	(9,132)
Net cash used in financing activities	**(5,157)**	**(11,234)**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

Allsec Technologies Limited Chennai 600 042

Allsec Technologies Limited

Consolidated Cash flow Statement for the year ended March 31, 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net increase/ (decrease) in cash and cash equivalents	**227**	**(6,933)**
Effect of exchange differences on cash & cash equivalents held in foreign currency	645	211
Cash and cash equivalents at the beginning of the year	8,140	14,862
Cash and cash equivalents at the end of the year	**9,012**	**8,140**
Components of cash and cash equivalents (Refer Note 10)		
Cash on hand	-	-
Balance with banks	9,012	8,140
Total cash and cash equivalents	**9,012**	**8,140**

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
Partner

Place : Bengaluru
Date : 08 May 2023

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors** of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
DIN : 00087168

Place : Bengaluru
Date : 08 May 2023

Guruprasad Srinivasan
Director
DIN : 07596207

Place : Bengaluru
Date : 08 May 2023

Naozer Cusrow Dalal
Chief Executive Officer

Place : Bengaluru
Date : 08 May 2023

Gaurav Mehra
Chief Financial Officer

Place : Bengaluru
Date : 08 May 2023

Sripriyadarshini
Company Secretary

Place : Bengaluru
Date : 08 May 2023

ALLSEC TECHNOLOGIES LIMITED Chennai 600 042

Allsec Technologies Limited

Consolidated Statement of Changes in Equity

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

A. Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at beginning of the year	1,524	1,524
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	1,524	1,524
Changes in equity share capital during the year	-	-
Balance as at end of the year	**1,524**	**1,524**

B. Other equity

Particulars	Reserves and Surplus					Total
	General reserve	Retained earnings*	Capital reserve	Securities premium	Foreign Currency Translation Reserve	
Balance at 01 April 2021	**1,413**	**12,644**	**(2,175)**	**12,019**	**1,088**	**24,989**
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the prior reporting period	1,413	12,644	(2,175)	12,019	1,088	24,989
Total Comprehensive Income for the year	-	3,564	-	-	-	3,564
Dividends (Refer Note 38)	-	(9,143)	-	-	-	(9,143)
Remeasurement of defined benefits plan (net of taxes)	-	(20)	-	-	-	(20)
Exchange differences on translation of foreign operations	-	-	-	-	31	31
Balance at 31 March 2022	**1,413**	**7,045**	**(2,175)**	**12,019**	**1,119**	**19,420**
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	1,413	7,045	(2,175)	12,019	1,119	19,420
Total Comprehensive Income for the current year	-	4,886	-	-	-	4,886
Dividends (Refer Note 38)	-	(3,048)	-	-	-	(3,048)
Remeasurement of defined benefits plan (net of taxes)	-	30	-	-	-	30
Exchange differences on translation of foreign operations	-	-	-	-	156	156
Balance at 31 March 2023	**1,413**	**8,913**	**(2,175)**	**12,019**	**1,275**	**21,444**

** Remeasurement of defined benefits plan (net of taxes) are recognised as part of Retained earnings*

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
Partner

Place : Bengaluru
Date : 08 May 2023

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors** of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
DIN:00087168
Place : Bengaluru
Date : 08 May 2023

Gurupasad Srinivasan
Director
DIN:07596207
Place : Bengaluru
Date : 08 May 2023

Naozer Cusrow Dalal
Chief Executive Officer
Place : Bengaluru
Date : 08 May 2023

Sudhir Mehra
Chief Financial Officer

Place : Bengaluru
Date : 08 May 2023

Sripriyadarshini
Company Secretary

Place : Bengaluru
Date : 08 May 2023

ALLSEC TECHNOLOGIES LIMITED Chennai 600 042

Allsec Technologies Limited
Summary of significant accounting policies and other explanatory information
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

1 General Information

Allsec Technologies Limited ('Allsec' or the 'Company') was incorporated on 24 August 1998. The Company is engaged in the business of providing Digital Business Services (DBS) and Human Resource Outsourcing (HRO) services for customers located in India and outside India. The services provided by the Company include data verification, processing of orders received through telephone calls, telemarketing, monitoring quality of calls of other call centers, customer services and HR and payroll processing. The Company has delivery centers at Chennai, Bengaluru and NCR. The Company, together with it subsidiaries is hereinafter referred to as "the Group"

Application of revised Ind AS

Statement of Compliance
All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing these financial statements.

Recent Statutory Pronouncements:
Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below

Ind AS 1 - Presentation of Financial Statements -
This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the material impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors -
This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no material impact on its financial statements.

Ind AS 12 - Income Taxes -
This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no material impact on its financial statement.

Code on Social Security, 2020
The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020.The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 March each year. Control is achieved when the Company:
- has the power over the investee,
- is exposed, or has rights, to variable returns from its involvement with the investee, and
- has the ability to use its power to affects its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:
- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

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All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs).

The financial statements of subsidiaries are consolidated on a line by line basis and intra-group balances and transactions including unrealised gain / loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform policies in use at the Group.

S.No	Name of the Subsidiry	Country of Incorporation	Relationship	Effective Ownership Interest as at 31 March 2023	Effective Ownership Interest as at 31 March 2022
1	Allsectech Mania Inc.	Philippines	Subsidiary	100%	100%
2	Allsectech Inc., US	USA	Subsidiary	100%	100%

2 Summary of significant accounting policies

2.1 Basis of preparation of financial statements

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
(ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
(iii) Level 3 inputs are unobservable inputs for the asset or liability.

Going Concern:

Board of directors of the Company have, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.2 Use of estimates

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Examples of such estimates include provision for doubtful debts/advances, provision for employee benefits, useful lives of fixed assets, provision for taxation, provision for contingencies, etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the year in which the estimate is revised and/or in future years, as applicable.

2.3 Cash and cash equivalents (for purposes of cash flow statement)

Cash comprises cash on hand, balances with banks in current accounts and demand deposits with banks. Cash equivalents are short-term (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. Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

2.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

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2.5 Revenue from contracts with customers

The Group derives revenues primarily from services comprising the DBS and HRO services for customer in India and outside India. The following is a summary of the significant accounting policies related to revenue recognition.

To determine whether to recognise revenue from contracts with customers, the Group follows a 5-step process:
1 Identifying the contract with customer
2 Identifying the performance obligations
3 Determining the transaction price
4 Allocating the transaction price to the performance obligations
5 Recognising revenue when/as performance obligation(s) are satisfied.
Revenue from contracts with customers is recognised upon transfer of control of promised products or services to the customer at an amount that reflects the consideration the group expects to receive in exchange for those products or services. Agreements with customers are either on a fixed price, fixed time frame or on a time- and - material basis.

Revenue on time-and-material basis contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

In arrangements for one time services, the Group has applied the guidance in Ind AS 115, *Revenue from Contracts with Customers*, by applying the revenue recognition criteria for each distinct performance obligation. The contracts with customers generally meet the criteria for considering the principal service and one-time service as distinct performance obligations and consideration for the each of such service is clearly specified in the contract, that enables to arrive at the transaction price for each performance obligations which is best evidence of its standalone selling price.

2.6 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established, provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.7 Property, plant and equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss (if any). The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates and includes taxes, duties, freight, incidental expenses related to the acquisition and installation of the assets concerned and is net of Goods and Service Tax (GST), wherever the credit is availed. Borrowing costs paid during the period of construction in respect of borrowed funds pertaining to construction / acquisition of qualifying property, plant and equipment is adjusted to the carrying cost of the underlying property, plant and equipment.

Any part or components of Property, Plant and Equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalised separately, based on the technical assessment of the management.

Cost of modifications that enhance the operating performance or extend the useful life of Property, Plant and Equipment are also capitalised, where there is a certainty of deriving future economic benefits from the use of such assets.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as "Capital Advances" under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under "Capital Work- in- Progress".

The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The management, basis its past experience and technical assessment, has estimated the useful life in order to reflect the actual usage of the assets. The estimated useful lives of assets are as follows:

Asset Description	Useful lives (years) followed by the Company	Useful lives (years) prescribed by schedule II to the Companies Act,2013.
Computers and Servers	3-10	3
Call Centre Equipment	3-10	15
Furnitures and Fixtures	3-10	10
Office Equipment	5	5
Motor Vehicles	3-5	8

Leasehold improvements are amortised over the estimated useful lives or the remaining primary lease period (3 – 4 years), whichever is less.

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The estimated useful lives mentioned above are different from the useful lives specified for certain categories of these assets, where applicable, as per the Schedule II of the Companies Act, 2013. The estimated useful lives followed in respect of these assets are based on Management's assessment and technical advise, taking into account factors such as the nature of the assets, the estimated usage pattern of the assets, the operating conditions, past history of replacement, anticipated technological changes and maintenance support etc.

Depreciation is accelerated on property, plant and equipment, based on their condition, usability etc., as per the technical estimates of the Management, where necessary.

Derecognition of Property, Plant and Equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

2.8 Other intangible assets

Intangible assets acquired separately:
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets:
Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:
- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortisation
Intangible assets are amortised on a straight line basis over the estimated useful economic life. Costs incurred towards purchase of computer software are amortised using the straight-line method over a period based on management's estimate of useful lives of such software or over the license period of the software, whichever is shorter.

Derecognition of intangible assets
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.9 Impairment of Tangible and Intangible Assets

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

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.10 Leases

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is presented as a separate line item in the balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:
- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets is presented as a separate line item in the balance sheet.

The Group applies Ind AS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

2.11 Foreign currency Transactions

Inital Recognition:
On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition:
As at the reporting date, non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Treatment of Exchange Differences:
All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate and exchange differences on restatement of all monetary items are recognized in the Statement of Profit and Loss.

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2.12 Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

2.12.1 Financial Assets

(a) Recognition and initial measurement

(i) The Group initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

(b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:
- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy in financial assets measured at amortised cost, refer Note 2.12.1.e

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognized at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previous accumulated in this reserve is reclassified to profit or loss.

For the impairment policy in financial assets measured at amortised cost, refer Note 2.12.1.e

All other financial assets are subsequently measured at fair value.

(c) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item.

(d) Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the group, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

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(e) Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

(f) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is not longer recognised on the basis of the relative fair values of those parts.

(g) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.12.2 Financial Liabilities and Equity Instruments

(a) Classification as debt or equity

Debt and equity instruments issued by the group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(c) Financial Liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

(d) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

(e) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Group enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for capital expenditure. The banks and financial institutions are subsequently repaid by the Group at a later date. These are normally settled up to 3 months (for capital expenditure). These arrangements for raw materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognised as other financial liabilities.

(f) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified parties fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by an entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

(g) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

(h) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Forward contracts

The group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to probable forecast transactions. Such forward contracts are initially recognized at fair value on the date on which the contract is entered into and subsequently re-measured at fair value. These forward contracts are stated at fair value at each reporting date and these changes in fair value of these forward contract is recognized in statement of profit or loss. At each reporting date the net balance after fair valuation is shown as part as of other financial asset or liability.

2.13 Employee Benefits

Retirement benefit costs and termination benefits:

Defined Benefit Plans:

Employee defined benefit plans include gratuity.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Net interest expense or income; and
- Remeasurement.

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

The Group makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees upto the reporting date.

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Defined Contribution Plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset). If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Group reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Group reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

Employee defined contribution plans include provident fund and Employee state insurance. All employees of the Company receive benefits from Provident Fund and Employee's State Insurance, which are defined contribution plans. Both, the employee and the Company make monthly contributions to the plan, each equaling to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributes to the Employee Provident Fund and Employee's State Insurance scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

2.14 Earnings per equity share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.15 Taxation

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

MAT Credit Entitlement:

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset, in accordance with the provisions contained in the Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Current and deferred tax for the period:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

2.16 Contingent liabilities, Contingent Assets and Provisions

Provisions are recognized when the Company has a present obligation (legal/ constructive) as a result of past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Group or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

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2.17 Segment Reporting

Operating segments reflect the Group's management structure and the way the financial information is regularly reviewed by the Group's Chief operating decision maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.18 Goods and Service Tax Input Credit

Goods and service tax input credit is accounted for in the books during the period when the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

2.19 Insurance Claims

Insurance claims are accrued for on the basis of claims admitted / expected to be admitted and to the extent there is no uncertainty in receiving the claims.

2.20 Borrowing Costs

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

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.21 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies:

- Useful lives of Property, plant and equipment and intangible assets
- Evaluation of Impairment indicators and assessment of recoverable value
- Provision for taxation
- Provision for disputed matters
- Allowance for Expected Credit Loss
- Fair value of financial assets and liabilities
- Assets and obligations relating to employee benefits

Determination of functional and presentation currency:

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupees (₹), the national currency of India, which is the functional currency of the Group. All the financial information have been presented in Indian Rupees except for share data and as otherwise stated.

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Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

3 Property, plant and equipment and intangible assets

Particulars	Property, plant and equipment							Other Intangible assets - Computer software
	Computers and servers	Call centre equipment	Furniture and Fixtures	Office equipment	Motor Vehicles	Leasehold improvements	Total	
Gross block								
Balance as at 01 April 2021	**1,095**	**613**	**247**	**313**	**77**	**320**	**2,665**	**1,048**
Additions	400	120	-	85	-	16	621	102
Disposals	(103)	-	(1)	(7)	(68)	-	(179)	-
Foreign exchange fluctuation	85	-	-	-	-	-	85	-
Balance as at 31 March 2022	**1,477**	**733**	**246**	**391**	**9**	**336**	**3,192**	**1,150**
Additions	375	122	46	68	-	207	818	332
Disposals	-	-	(6)	-	(9)	-	(15)	-
Foreign exchange fluctuation	105	-	-	-	-	-	105	-
Balance as at 31 March 2023	**1,957**	**855**	**286**	**459**	**-**	**543**	**4,100**	**1,482**
Accumulated depreciation/amortisation and impairment								
Balance as at 01 April 2021	**870**	**446**	**194**	**169**	**63**	**193**	**1,935**	**582**
Depreciation/amortisation expense for the year	211	83	13	48	11	48	414	173
Disposals	(103)	-	(1)	(7)	(66)	-	(177)	-
Foreign exchange fluctuation	89	-	-	-	-	-	89	-
Balance as at 31 March 2022	**1,067**	**529**	**206**	**210**	**8**	**241**	**2,261**	**755**
Depreciation/amortisation expense for the year	300	92	15	65	1	63	536	215
Disposals	-	-	(6)	-	(9)	-	(15)	-
Foreign exchange fluctuation	98	-	-	-	-	-	98	-
Balance as at 31 March 2023	**1,465**	**621**	**215**	**275**	**-**	**304**	**2,880**	**970**
Net block								
Balance as at 31 March 2022	410	204	40	181	1	95	931	395
Balance as at 31 March 2023	492	234	71	184	-	239	1,220	512

Note:

1. Depreciation and amortisation expense:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of Property, Plant and Equipment	536	414
Amortisation of Other intangible assets & Impairment of Intangible Assets under Development (Refer Note 4(a))	367	173
Depreciation of Right of use asset (Refer Note 26(c))	1,922	1,758
Total	**2,825**	**2,345**

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Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

4 **a. Intangible Assets under development aging schedule**

Description	Amount in Intangible Assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
FY 2022-23					
Project in Progress	572	586	46	-	1,204
FY 2021-22					
Project in Progress	650	134	-	-	784

b. Intangible Assets under development completion schedule

For intangible Assets under development, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of March 31, 2023 and March 31, 2022 :

Intangible Assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
FY 2022-23				
Project in Progress	1,204	-	-	-
Grand Total	**1,204**	-	-	-
FY 2021-22				
Project in Progress	784	-	-	-
Grand Total	**784**	-	-	-

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5 Investments

Particulars		As at 31 March 2023	As at 31 March 2022
Current (Quoted)			
Investments carried at fair value through profit and loss			
Investment in mutual funds		4,678	4,694
Total current investments	**Total**	**4,678**	**4,694**
Aggregate amount of quoted investments and market value thereof		4,678	4,694
Aggregate book value of investments		4,678	4,694
Aggregate amount of impairment in the value of investments		-	-

Details of investment in mutual funds

Name of Mutual fund	Number of Units* As At		Carrying Value As At	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
HDFC Floating Rate Debt Fund - Growth	-	1,338,487	-	530
HDFC Money Market Fund – Growth	-	3,291	-	151
ICICI Prudential Savings Fund - Growth	19,823	187,596	91	821
Kotak Money Market Scheme - Growth	-	13,436	-	484
ICICI Prudential Short Term Fund - Growth	1,525,236	-	771	-
ICICI Prudential Banking & PSU Debt Fund Growth	1,786,852	-	492	-
HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	1,008,604	1,008,604	427	404
HDFC Ultra Short Term Fund – Direct Growth	3,266,716	3,266,716	428	406
ICICI Prudential Savings Fund - DP - Growth	187,596	127,588	868	553
Kotak Banking and PSU Debt Fund - Growth (Regular Plan)	2,695,684	1,769,612	1,488	937
Kotak Bond Short Term Plan - Growth	-	706,153	-	301
UTI Treasury Advantage Fund - DP Growth Option	3,707	3,707	113	107
			4,678	**4,694**

** No of units are in absolute numbers*

6 Other financial assets

Particulars		As at 31 March 2023	As at 31 March 2022
Non-current			
Security Deposits			
- Unsecured, considered good *		775	655
- Doubtful		-	-
	Total	**775**	**655**
Current			
Foreign currency forward contracts receivable		9	-
Unbilled revenue		2,813	1,441
Other advances		62	42
	Total	**2,884**	**1,483**

* Deposit includes ₹181 Lakhs paid under protest towards outstanding demand from Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) in relation to dues pertaining to FY 2005-2011 arising out of reclassification of tariff. (As at March 31, 2022 - ₹ nil) (Refer Note 29(a))

7 Non-current tax asset

Particulars		As at 31 March 2023	As at 31 March 2022
Advance Taxes (Net of Provision for taxes)		1,217	1,059
	Total	**1,217**	**1,059**

8 Other assets

Particulars		As at 31 March 2023	As at 31 March 2022
Non current			
Prepaid expenses		23	40
	Total	**23**	**40**
Current			
Prepaid expenses		750	523
Advance to suppliers		2	1
Advance to Employees		182	-
Others		8	42
	Total	**942**	**566**

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9 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade Receivables considered good- Unsecured *	6,106	5,803
Less: Allowance for Expected Credit Losses	(182)	(83)
Trade Receivables considered good, Unsecured	5,924	5,720
Trade Receivables – Disputed - Unsecured	60	64
Less: Allowance for Expected Credit Losses	(60)	(64)
Trade Receivable - Disputed - Unsecured	-	-
Total	**5,924**	**5,720**
* Includes receivable from Related Parties (Refer Note No. 27)	202	158

Trade receivables ageing schedule for the year ended as on March 31, 2023:

Particulars	Outstanding for the following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables							
- Considered good	4,231	1,585	212	64	14	-	6,106
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
	4,231	1,585	212	64	14	-	6,106
Disputed trade receivables							
- Considered good	-	-	1	10	6	43	60
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
	-	-	1	10	6	43	60
Total	**4,231**	**1,585**	**213**	**74**	**20**	**43**	**6,166**
Less : Expected Credit Loss Allowance							(242)
Total Trade Receivables							**5,924**

Trade receivables ageing schedule for the year ended as on March 31, 2022:

Particulars	Outstanding for the following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables							
- Considered good	4,035	1,660	65	34	9	-	5,803
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
	4,035	1,660	65	34	9	-	5,803
Disputed trade receivables							
- Considered good	-	-	10	1	29	19	59
- Significant increase in credit risk	-	-	2	3	-	-	5
- Credit impaired	-	-	-	-	-	-	-
	-	-	12	4	29	19	64
Total	**4,035**	**1,660**	**77**	**38**	**38**	**19**	**5,867**
Less : Expected Credit Loss Allowance							(147)
Total Trade Receivables							**5,720**

9.1 Credit period and risk

The average credit period for the services rendered:

(a) Trade receivables (Domestic) are non-interest bearing and are generally on terms ranging from 7 days to 90 days. (31 March 2022: 7 days to 90 days)
(b) Trade receivables (International) are non-interest bearing and are generally on terms ranging from 7 days to 180 days. (31 March 2022: Ranging from 7 days to 180 days)

Of the trade receivable balance as at March 31, 2023, ₹ 1,817 Lakh is due from two customers i.e having more than 10% of the total outstanding trade receivable balance. There was one customer whose aggregate due was ₹ 741 Lakhs represents more than 10% of the total receivables of the company as at 31 March 2022.

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

9.2 Expected credit loss allowance

The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information.

Based on the assessment of the Company, there is no risk associated with the dues from the related parties both from a credit risk or time value of money as these are managed through the group's cash management process and can be recovered on demand by the Company. Accordingly, no provision has been considered necessary.
With regard to other parties, the company had, based on past experience, wherein collections are done within a year of it being due and expectation in the future Credit loss, has made necessary provisions.

9.3 Movement in the allowance for doubtful receivables (including expected credit loss allowance)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at beginning of the year	147	109
Add: Allowance towards Expected credit loss provided during the year	95	56
Less: Allowances written off during the year	-	(18)
Balance at end of the year	**242**	**147**

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10 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Cash in hand	-	-
(b) Balance with banks	8,993	8,078
(c) Earmarked balances with banks*	19	62
Total	**9,012**	**8,140**

** Earmarked bank balances includes :*
i. ₹ 19 Lakh (FY 22: ₹ 16 Lakh) of balance towards unclaimed dividends and
ii. ₹ NIL (FY 22: ₹ 46 Lakh) towards CSR Expenditure kept in exclusive current accounts for the respective obligations.

11 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with bank held as margin money*	28	28
Total	**28**	**28**

**Margin money deposits are provided as security against guarantee.*

12 Equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	Amount	Number of Shares	Amount
Authorised				
Equity shares of ₹10/- each	20,000,000	2,000	20,000,000	2,000
Convertible preference shares of ₹100/- each	1,350,000	1,350	1,350,000	1,350
Issued, subscribed and fully paid-up				
Equity shares of ₹ 10/- each fully paid up	15,238,326	1,524	15,238,326	1,524
	15,238,326	**1,524**	**15,238,326**	**1,524**

a) There is no change in issued and subscribed share capital during the current period and in the previous year.

b) Details of shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Equity shares of ₹10/- each fully paid

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares *	% holding	Number of Shares *	% holding
Conneqt Business Solutions Limited	11,182,912	73.39%	11,182,912	73.39%

* No of shares are in absolute numbers.

c) Rights, preferences and restrictions attached to equity shares

The Company has issued only one class of equity shares having a face value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, which can be approved by the Board of Directors In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues or brought back during the last five years immediately preceding 31 March 2023.

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13 Other equity

Particulars	As at 31 March 2023	As at 31 March 2022
a) Securities premium (Refer Note 13.1 below)		
Balance at the beginning of the year	12,019	12,019
Add : Additions made during the year	-	-
Balance at the end of the year	**12,019**	**12,019**
b) Capital reserve (Refer Note 13.2 below)		
Balance at the beginning of the year	(2,175)	(2,175)
Add : Additions made during the year	-	-
Balance at the end of the year	**(2,175)**	**(2,175)**
c) General reserve (Refer Note 13.3 below)		
Balance at the beginning of the year	1,413	1,413
Add : Additions made during the year	-	-
Balance at the end of the year	**1,413**	**1,413**
d) Retained earnings (Refer Note 13.4 below)		
Balance at the beginning of the year	7,045	12,644
Less: Dividends (Refer Note 38)	(3,048)	(9,143)
Add : Profit attributable to owners of the Company	4,886	3,564
Add : Remeasurement of defined benefits plan (net of taxes)	30	(20)
Balance at the end of the year	**8,913**	**7,045**
e) Foreign currency translation reserve		
Balance at the beginning of the year	1,118	1,087
Add : Transfer from other comprehensive income	156	31
Balance at the end of the year	**1,274**	**1,118**
Total	**21,444**	**19,420**

Notes:

13.1: Amounts received on issue of shares in excess of the par value has been classified as securities premium, net of utilisation.

13.2: Capital reserve comprises initial application money on warrants received, forfeited subsequently and reserve arising on business combination, recognised on acquisition of the statutory compliance business from Coachieve.

13.3: This represents appropriation of profit by the Company.

13.4: Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

14 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Creditor for Capital Goods*	179	14
Unclaimed dividend	19	16
Foreign currency forward contracts	-	4
Total	**198**	**34**

* Includes balance of ₹76 Lakh due to MSME vendor for capital goods (As at March 31, 2022 ₹ Nil).

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15 Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Gratuity	772	726
Total	**772**	**726**
Current		
Gratuity	60	60
Compensated absences*	227	217
Provision for CSR Expenditure (Refer Note 24)	25	46
Provision against contingent liability (Refer Note 29 (a))	221	-
Total	**533**	**323**

*The amount of compensated absences provision is presented as current, since the Company does not have an unconditional right to defer settlement for this obligation.

16 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
- Other than Acceptances (Refer Note 30)		
- Dues of Micro Enterprises and Small Enterprises	32	17
- Dues of Creditors Other than Micro Enterprises and Small Enterprises	3,777	2,478
Total Trade payables * **Total**	**3,809**	**2,495**
* Includes Trade Payable to Related Parties (Refer Note 27)	122	117

There are no interest due or outstanding on the dues to Micro, Small and Medium Enterprises. During the year ended March 31, 2023 and March 31, 2022, all the dues were paid to MSME vendors within the agreed credit terms.

Trade payables ageing schedule for the year ended as on March 31, 2023 :

Particulars	Outstanding for the following periods from date of transaction					
	Not Due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
(i) MSME	32	-	-	-	-	32
(ii) Others	3,732	45	-	-	-	3,777
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-	-
Total Trade payables	**3,764**	**45**	**-**	**-**	**-**	**3,809**

Trade payables ageing schedule for the year ended as on March 31, 2022 :

Particulars	Outstanding for the following periods from date of transaction					
	Not Due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
(i) MSME	17	-	-	-	-	17
(ii) Others	2,437	41	-	-	-	2,478
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-	-
Total Trade payables	**2,454**	**41**	**-**	**-**	**-**	**2,495**

17 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Advances from customers	21	23
Statutory dues	476	489
Total	**497**	**512**

18 Current tax liabilities (Net)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Income taxes (Net of Advance Tax)*	186	91
Total	**186**	**91**

Pertains to Foreign Subsidiary

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19 Revenue from operations

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from Services:		
A. Digital Business Services (DBS)		
(i) International	17,507	13,743
(ii) Domestic	7,968	6,510
B. Human Resource Operation (HRO)		
(i) International	2,916	2,480
(ii) Domestic	10,654	8,987
Total	**39,045**	**31,720**

(i) Disaggregation of revenue

The above break up presents disaggregated revenues from contracts with customers by each of the business segments. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(ii) Trade receivables and Unbilled Revenue

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables and contract assets from contracts with customers.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Receivables, which are included in 'Trade and other receivables'	5,924	5,720
Unbilled Revenue	2,813	1,441

Unbilled Revenue primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. Unbilled Revenue are transferred to receivables when the rights become unconditional.

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the value of remaining performance obligations for (i) contracts with an original expected duration of one year or less and (ii) contracts for which the Group recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

20 Other Income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest Income		
- on fixed deposits	2	5
- income tax refund	54	84
- others	56	18
Net loss arising on Financial Assets designated as at Fair Value through Profit or Loss	(42)	(27)
Profit on redemption of current investments	290	300
Net gain on foreign currency transaction and translation	443	255
Profit on sale of property, plant and equipment (net)	-	5
Miscellaneous income	-	5
Total	**803**	**645**

21 Employee benefits expense

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	19,648	15,590
Contribution to provident fund and other funds	1,397	916
Staff welfare expenses	1,125	740
Total	**22,170**	**17,246**

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22 Finance costs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense		
(i) Interest on finance lease obligations	-	1
(ii) Interest accrued on lease liabilities	367	207
Total	**367**	**208**

23 Other expenses

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Professional and Consultancy Charges	2,501	2,346
Travelling and Conveyance	783	318
Power and Fuel *	954	601
Rent	178	193
Repairs and maintenance		
-Machinery	1,091	1,001
-Others	626	510
Insurance expenses	27	42
Fees, rates and taxes	87	82
Sales and marketing expenses	293	211
Communication charges	213	185
Connectivity cost	621	501
Security charges	363	251
Bank charges	21	4
Allowance for Expected Credit Losses	95	56
Bad Receivables Written off	-	18
Less: Release of allowance for expected credit losses	-	(18)
	-	-
Corporate social responsibility expenditure (Refer note 24)	51	51
Directors' sitting fees	12	7
Directors' commission	18	17
Miscellaneous expenses	98	75
Total	**8,032**	**6,451**

** Power and Fuel includes provision of ₹221 Lakhs towards outstanding demand from Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) in relation to dues pertaining to FY 2005-2011 arising out of reclassification of tariff. (Refer Note No. 29(a))*

24 Corporate social responsibility expenditure

As per section 135 of the Companies Act, 2013, 2% of the average net profit of the last 3 years as computed under Section 198 of the Act, are as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Gross amount required to be spent by the Company during the year	51	51
Amount spent during the year		
(i) Construction or acquisition of any asset	-	-
(ii) On purpose other than (i) above (Refer Note 27)*	72	5
Shortfall at the end of the year	25	46
Total of previous years shortfall	-	-
Reason for Shortfall (Refer note below)	Pertains to ongoing projects	Pertains to ongoing projects
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

** Contributions made to entity in which Directors having significant influence*

The provisions of Section 135 of the Companies Act, 2013, relating to the mandatory requirement of amount to be spent towards corporate social responsibility is applicable for the Company during the current year based on the stipulated criteria. Accordingly the Company needs to spend at least 2% of its average net profit of the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. During the current Financial Year, the Company has spent an amount of ₹26 Lakh (31 March 2022-₹5 Lakh) against current year obligation and ₹46 Lakh towards previous year obligation brough forward, towards various activities as enumerated in the CSR Policy of the Company which covers promoting education, health and civic amenities etc. and earmarked the balance amount of the obligation amounting to ₹25 Lakh (31 March 2022-₹46 Lakh) to be deposited in an exclusive Current account with Bank for CSR expenditures for the year within the time stipulated under section 135 of companies Act, 2013, as the ongoing project spend is in the nature of disbursement in phased manner and not completed as at the year end. Subsequent to the year end, the company has received back an amount of ₹ 5 Lakh to its earmarked bank account and the entire pending amount of ₹ 30 Lakh shall be spent for the intended project in the subsequent months by the Company.

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25 Taxation

25.1 Income tax expense

25.1.1 Recognised in Statement of Profit and Loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current Tax:		
In respect of the current year*	1,606	2,415
	1,606	**2,415**
Deferred Tax		
In respect of the current year	(38)	136
	(38)	**136**
Total income tax expense recognised in statement of profit and loss	**1,568**	**2,551**

* The Company has opted to avail deduction under Section 80M of Income Tax Act, 1961 in respect of dividend income amounting to ₹ 2,932 lakhs and ₹9,252 Lakh during the year ended 31 March 2023 and 31 March 2022, respectively received from its wholly owned subsidiary, Allsectech Manila Inc., Philippines. Consequently, the Company charged off foreign tax credit on the dividend income to 'current tax expense' which aggregates to ₹ 435 lakhs and ₹ 1,372 lakhs during the year ended 31 March 2023 and 31 March 2022, respectively

25.1.2 Recognised in Other Comprehensive Income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Deferred Tax		
Remeasurements of the defined benefit liabilities/ (asset)	(4)	12
Total income tax recognised in other comprehensive income	**(4)**	**12**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that may be reclassified to profit or loss	(4)	12
	(4)	**12**

25.1.3 Reconciliation of income tax

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 25.17%.
Reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	6,454	6,115
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	**1,624**	**1,539**
Tax on Dividend Income treated under special provision	435	1,390
Effect of non-deductible expenses	36	25
Effect of Special deductions	(22)	(34)
Tax on Gain from Mutual Fund investments under special provision	(32)	(45)
Impact of changes in tax rate	-	118
Others	19	58
Difference in overseas tax rates	(492)	(500)
Total income tax expense recognised in the statement of profit and loss	**1,568**	**2,551**

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25.2 Deferred Tax Balances

The following is the analysis of the net deferred tax asset position as presented in the financial statements

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Deferred tax assets	785	704
Less: Deferred tax liabilities	(88)	(41)
Deferred tax asset (net)	**697**	**663**

Movement in the deferred tax balance :

Particulars	For the year ended 31 March 2023				
	Opening Balance	MAT credit utilisation	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Depreciation on Property, Plant and Equipment	428	-	(18)	-	410
Employee Benefit Expenses	231	-	22	(4)	249
Provision for Expected Credit Loss on Financial Assets	37	-	22	-	59
Impact on account of ROU asset and lease liabilities	8	-	21	-	29
Fair valuation adjustments - Financial Assets	(41)	-	(47)	-	(88)
Provision for Impairment of Intangible Asset under development	-	-	38	-	38
Deferred Tax Asset /(Liabilities)	**663**	**-**	**38**	**(4)**	**697**

Particulars	For the year ended 31 March 2022				
	Opening Balance	MAT credit utilisation	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Depreciation on Property, Plant and Equipment*	530	-	(102)	-	428
Employee Benefit Expenses	244	-	(25)	12	231
Provision for Expected Credit Loss on Financial Assets	32	-	5	-	37
Impact on account of ROU asset and lease liabilities	33	-	(25)	-	8
Fair valuation adjustments - Financial Assets	(46)	-	5	-	(41)
MAT credit	173	(173)	-	-	-
Deferred Tax Asset /(Liabilities)	**966**	**(173)**	**(142)**	**12**	**663**

* Includes other adjustments of Rs. 6 Lakhs.

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26 Leases

The Group has leases for Buildings and Computers.

(a) Right of Use Asset "ROU"

The following are the changes in the carrying value of right of use assets for the year ended 31 March 2023:

	Category of ROU Asset		
Particulars	**Buildings**	**Computers**	**Total**
Balance as at 01 April 2022	4,052	213	4,265
Additions ^	1,650	248	1,898
Deletions ^	-	-	-
Depreciation*	(1,690)	(232)	(1,922)
Balance as at 31 March 2023	**4,012**	**229**	**4,241**

The following are the changes in the carrying value of right of use assets for the year ended 31 March 2022:

	Category of ROU Asset		
Particulars	**Buildings**	**Computers**	**Total**
Balance as at 01 April 2021	1,565	446	2,011
Additions	4,012	-	4,012
Deletions	-	-	-
Depreciation*	(1,525)	(233)	(1,758)
Balance as at 31 March 2022	**4,052**	**213**	**4,265**

^ Net of adjustments on account of modifications.

*The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

(b) Lease Liabilities

The following is the movement in lease liabilities during the year ended 31 March 2023:

Particulars	**Buildings**	**Computers**	**Total**
Balance as at 01 April 2022	4,065	233	4,298
Additions	1,590	248	1,838
Finance cost accrued during the year	357	10	367
Deletions	-	-	-
Payment of lease liabilities	(1,845)	(264)	(2,109)
Balance as at 31 March 2023	**4,167**	**227**	**4,394**

The following is the movement in lease liabilities during the year ended 31 March 2022:

Particulars	**Buildings**	**Computers**	**Total**
Balance as at 01 April 2021	1,697	467	2,164
Additions	4,012	-	4,012
Finance cost accrued during the year	178	29	207
Deletions	-	-	-
Payment of lease liabilities	(1,822)	(263)	(2,085)
Balance as at 31 March 2022	**4,065**	**233**	**4,298**

The following is the break-up of current and non-current lease liabilities:

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Current lease liabilities	1,887	1,588
Non-current lease liabilities	2,507	2,710

(c) Amounts recognized in profit and loss were as follows

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Depreciation Expenditure	1,922	1,758
Finance Cost on Lease Liabilities	367	207

(d) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Not later than 1 year	2,173	1,875
Later than 1 year and not later than 5 years	2,740	2,995
Later than 5 years	-	-

Note: The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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27 Related party transactions

A. Names of related parties and related party relationships

Relationship	Name of the related party
Ultimate Holding Company	Quess Corp Limited
Holding Company	Conneqt Business Solutions Limited
Fellow Subsidiaries	MFX Infotech Private Limited Monster.Com (India) Private Limited Terrier Security Services (India) Private Limited Qdigi Services limited Heptagon Technologies Private Limited MFXchange US, Inc Quessglobal (Malaysia) Sdn. Bhd. Billion Careers Private Limited Simpliance Technologies Pvt Ltd (Ceased to be a fellow subsidiary effective from 21 October 2022) Quess International Services Private Limited (formerly Golden Star Facilities And Services Private Limited) Quess (Philippines) Corp.
Entity in which key managerial personnel have significant influence	Careworks Foundation
Key management personnel	
Chief Executive Officer	Mr. Ashish John (till 15 February 2023)
Chief Executive Officer	Mr. Naozer Cursow Dalal (from 16 February 2023)
Chief Financial officer	Mr. Raghunath. P (till 03 January 2023)
Chief Financial officer	Mr. Gaurav Mehra (from 04 January 2023)
Company Secretary	Ms. Sriprivadarshini (from 14 May 2022)
Directors	
Chairman of the Board of Directors	Mr. Ajit Abraham Isaac
Independent director	Mr. Sanjay Anandaram
Independent director	Mr. Milind Chalisgaonkar
Independent director	Ms. Lakshmi Sarada R.
Non-executive Non-independent director	Mr. Guruprasad Srinivasan (from 11 February 2022)
Non-executive Non-independent director	Mr. Ravi Vishwanath (till 06 January 2023)
Non-executive Non-independent director	Mr. Kamal Pal Hoda (from 06 January 2023)

B. Transactions with related parties

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Income from services billed to		
Quess Corp Limited	275	279
Conneqt Business Solutions Limited	42	32
Simpliance Technologies Pvt Ltd	-	30
Monster Com (India) Private Limited	5	4
Heptagon Technologies Private Limited	1	-
Terrier Security Services (India) Private Limited	1	1
MFX Infotech Private Limited	4	5
MFXchange US, Inc.	999	688
Quessglobal (Malaysia) Sdn. Bhd.	5	6
Quess (Philippines) Corp.	4	-
Qdigi Services Limited	18	19
Trimax Smart Infraprojects Private Limited *	-	-
Vedang Cellular Services Private Limited *	-	-
Careworks Foundation*	-	-
Quess International Services Private Limited* (formerly Golden Star Facilities And Services Private Limited)	-	-
Expense incurred for recruitment/professional/consulting/security/AMC etc		
MFX Infotech Private Limited	92	235
MFXchange US, Inc	179	162
Monster Com (India) Private Limited	-	-
Simpliance Technologies Pvt Ltd@	120	241
Quess Corp Limited	293	330
Terrier Security Services (India) Private Limited	285	179
Heptagon Technologies Private Limited	58	264
Conneqt Business Solutions Limited	126	248
Quess Corp Manpower Supply Services LLC	79	33
Dividend paid to Parent company		
Conneqt Business Solutions Limited	2,237	6,710
Reimbursement of expenses incurred by the company		
Quess Corp Limited	60	53
Conneqt Business Solutions Limited	105	-

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Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Recovery made by the company towards facilities cost		
MFX Infotech Private Limited	132	-
Payments made towards Corporate Social Responsibility Expense		
Careworks Foundation	67	5
Remuneration#		
Chief Executive officer	167	141
Chief financial officer	72	76
Company Secretary	10	26
Non-whole-time directors	30	24

* Amount less than a lakh rupees

Remuneration and other benefits pertain to short term employee benefits. As the gratuity and compensated absences are determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.

@ Ceased to be a fellow subsidiary effective from 21 October 2022. Transactions disclosed in this note for the current year is for the period of 01 April 2022 to 21 October 2022.

C. Balances with related parties

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables		
Quess Corp Limited	69	73
Conneqt Business Solutions Limited	9	24
Simpliance Technologies Pvt Ltd@	-	3
MFXchange US, Inc.	117	53
Quess (Philippines) Corp.	1	-
Qdigi Services Limited	1	2
MFX Infotech Private Limited	1	-
Monster.Com (India) Private Limited	3	2
Temer Security Services (India) Private Limited	1	1
Quess International Services Private Limited* (formerly Golden Star Facilities And Services Private Limited)	-	-
Trade Payable		
Temer Security Services (India) Private Limited	36	24
Quess Corp Limited	45	7
Conneqt Business Solutions Limited	3	52
Heptagon Technologies Private Limited*	-	20
MFX Infotech Private Limited	27	-
Salaries payable to KMP	11	14
Directors' commission payable	18	17
Other financial assets		
Quess Corp Limited	6	8
MFXchange US, Inc.	95	53
MFX Infotech Private Limited*	-	-
Monster.Com (India) Private Limited	2	-
Quessglobal (Malaysia) Sdn. Bhd.*	1	-
Simpliance Technologies Pvt Ltd@	-	1
QDigi Services limited	1	1
Conneqt Business Solutions Limited	3	2
Temer Security Services (India) Private Limited*	-	-
Vedang Cellular Services Private Limited *	-	-
Careworks Foundation*	-	-
Quess International Services Private Limited* (formerly Golden Star Facilities And Services Private Limited)	-	-
Other financial liabilities		
Conneqt Business Solutions Limited	49	26
MFX Infotech Private Limited	4	71
Quess Corp Limited	129	181
Temer Security Services (India) Private Limited	8	-
Heptagon Technologies Private Limited	-	22
Quess Corp Manpower Supply Services LLC	-	4
Simpliance Technologies Pvt Ltd@	-	20

* Amount less than a lakh rupees

@ Ceased to be a fellow subsidiary effective from 21 October 2022. Transactions disclosed in this note for the current year is for the period of 01 April 2022 to 21 October 2022.

Notes:

(i) The Group accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at 31 March 2023, there are no further amounts payable to / receivable from them, other than as disclosed above. The Company incurs certain costs on behalf of other companies in the group. These costs have been allocated/recovered from the group companies on a basis mutually agreed to with the group companies.

(ii) Remuneration and other benefits pertain to short term employee benefits. As the gratuity and compensated absences are determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.

(iii) The remuneration payable to key management personnel is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

(iv) All transactions with these related parties are priced at arm's length basis. The amounts outstanding are unsecured and will be settled in cash. There have been no instances of amounts due to or due from related parties that have been written back or written off or otherwise provided for during the year.

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28 Earnings per equity share

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit after tax considered as numerator for calculating basic and diluted earnings per share	4,866	3,564
Weighted average number of equity shares for the purpose of calculating Basic & Diluted EPS	15,238,326	15,238,326
Nominal value of equity shares (in ₹)	10	10
Basic EPS (in ₹)	32.06	23.39
Diluted EPS (in ₹)	32.06	23.39

29 Contingent liabilities and commitments

(a) Contingent liabilities

Claims against the Company not acknowledged as debt

In January 2008, the Company had received a demand from the Tamil Nadu Generation and Distribution Corporation Limited ("TANGEDCO") for an amount of ₹ 109 lakhs towards differential amount of charges arising from reclassification on the tariff category applicable to the Company with retrospective effect from June 2005 till June 2007. The Company had filed a writ with Hon'ble High Court of Madras seeking relief from the demand. During the previous year, the Hon'ble High Court of Madras vide its order dated 12 January 2022 directed the Company to approach the Electricity Regulatory Commission to get the grievances settled and instructed the Commission to conclude the plea in line with applicable provisions laid down by the Commission in this regard. While the procedural approach as directed by the Hon'ble High Court was in progress, the company received demand notices from the TANGEDCO towards this disputed claim of ₹109 Lakh for the above cited period and additional demand for the period from July 2007 to July 2010 amounting to ₹112 Lakh along with Belated Payment Surcharge ("BPSC") on the principal amounts pertaining to the period June 2005 to July 2010 and was demanded to be settled within the stipulated time frame, failure to which the supply of electricity was threatened to be disconnected. The Company proposed to pay the dues in installments under protest and simultaneously proceed with the legal resolutions in the manner directed by the Hon'ble Madras High Court. The Company made provision towards principal charges of ₹221 Lakhs. The BPSC amounting to ₹457 lakh has been considered by the Company as contingent liability. Based on management assessment and professional advice received by the management, company is confident that the demand raised will not be payable by the company and expects that the outcome of the appeal to be made will be favourable to the company.

Customer Dispute:

During the current year, the Company received a legal notice from customer for demand towards incorrect processing of payroll along with interest. The Company provided its response through its external legal counsel in writing and denying all the claims made by the customer. No response was received by the company as till the date of approval of these financial statements post the response provided by the company's legal counsel. Management has represented that there is no further communication from the customer on this matter and no arrangements entered into with the customer relating to this matter. The Company obtained a legal opinion from an external legal counsel, basis of which has concluded that the amount demanded by the customer is not tenable and would not result outflow of economic benefits. Accordingly, no provision has been made in the books of accounts.

(b) Commitments

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Capital commitments that are not cancellable - Estimated amount of capital contracts remaining to be executed	83	5

30 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars*	2022-2023	2021-2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	108	17
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

31 The Group has not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

32 Segment Reporting

Ind AS 108 establishes the standards for the way that business enterprises report information about operating segments, which is based on the "management approach". Under "management approach", the 'Chief Operating Decision Maker' (CODM) considers and regularly reviews the segment operating results to assess the performance of the business segments and group as a whole. The Chief Executive Officer (CEO) is considered to be the 'Chief Operating Decision Maker' (CODM) as defined in IND AS 108. The Operating Segment is the level at which discrete financial information is available. The CODM allocates resources and assess performance at this level. The group has Digital Business Services (DBS) and Human Resource Outsourcing (HRO) as its business segments for the financial year ended 31 March 2023.

The above business segments have been identified considering :
a. the nature of products and services
b. the differing risks and returns
c. the internal organization and management structure, and
d. the internal financial reporting systems.

These business segments were considered to be primary and solely reportable segments of Group for the year ended 31 March 2023.

Business Segments

DBS comprises Inbound and Outbound Tele calling services and Call Quality Monitoring services rendered to its clients. HRO comprises payroll processing and statutory compliance support services to its client.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Segment information

Particulars	DBS	HRO	Unallocable	Total
Revenue from operations	25,475 *20,253*	13,570 *11,467*	- -	39,045 *31,720*
Operating and other expenses/(income), net	20,378 *16,191*	8,890 *7,289*	243 *(344)*	29,511 *23,136*
Depreciation and amortization expense	1,960 *1,531*	585 *263*	280 *551*	2,825 *2,345*
Finance costs	- -	- -	367 *208*	367 *208*
Interest income	- -	- -	112 *84*	112 *84*
Profit before tax	3,137 *2,531*	4,095 *3,915*	(778) *(331)*	6,454 *6,115*
Tax expense	- -	- -	1,568 *2,551*	1,568 *2,551*
Profit after tax	- -	- -	- -	4,886 *3,564*

Note : Numbers in italic represents corresponding figures for the Financial Year ended 31 March 2022

Other information

Particulars	DBS	HRO	Unallocable	Total
Segment Assets	5,218 *4,389*	5,432 *4,580*	22,707 *20,454*	33,357 *29,423*

Particulars	DBS	HRO	Unallocable	Total
Segment Liabilities	1,924 *1,691*	1,075 *908*	7,390 *5,880*	10,389 *8,479*

Note : Numbers in italic represents corresponding figures for the Financial Year ended 31 March 2022

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33 Employee Benefits

a) Defined Contribution plans

The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Expenses recognised :

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Included under 'Contributions to Provident and other Funds'		
Contributions to Employee state insurance	159	132
Contributions to provident funds	808	609
Contributions to other funds	298	175

b) Defined Benefit Plans:

In respect of Indian entity, the Company offers 'Gratuity' (Refer Note 21 Employees Benefits Expense) as a post employment benefit for qualifying employees and operates a gratuity plan. The benefit payable is calculated as per the Payment of Gratuity Act 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company s obligation towards its gratuity liability is a defined benefit plan.

In the case of Manila entity of the group, the Company offers the defined benefit plan in the form of Retirement benefits. As per the prevailing practice at the jurisdiction of the entity, the employee will retire and receive retirement pay upon reaching the age of 60 years or more, provided he has served at least five years with his employer. The Company s obligation towards its gratuity liability is a defined benefit plan.

Description of Risk Exposures
Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

A) Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

B) Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

C) Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

D) Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

E) Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2023. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method.

The following table sets out the funded status of the Gratuity Plan of India and the amounts recognized in the financial statement :

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	**808**	**778**
Interest cost	47	41
Current service cost	88	87
Past service cost	-	-
Benefits paid	(85)	(145)
Actuarial loss	(15)	47
Present value of defined benefit obligation at the end of the year	**843**	**808**
Changes in fair value of plan assets		
Fair value of plan assets at the beginning of the year	**143**	**210**
Expected return	8	10
Contributions by the Company	78	67
Benefits paid and charges deducted	(85)	(145)
Actuarial gains	1	1
Fair value of plan assets at the end of the year	**145**	**143**
Net defined benefit obligation (deficit)	**698**	**665**
Current	**60**	**60**
Non-current	**638**	**605**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Amount recognised in profit or loss		
Current service cost	88	87
Past service cost	-	-
Interest cost	47	41
Expected return on planned assets	(8)	(10)
Total amount recognised in profit or loss	**127**	**118**
Amount recognised in other comprehensive income		
Remeasurement due to changes in actuarial assumptions	(16)	46
Total amount recognised in other comprehensive income	**(16)**	**46**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Significant actuarial assumptions		
a) Discount rate and expected return on plan assets	7.13%	6.03%
b) Long-term rate of compensation increase	5.00%	5.00%
c) Attrition rate		
- employees with service upto 5 years as at valuation date	39.00%	39.00%
- employees with service more than 5 years as at valuation date	1.50%	1.50%

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. It is assumed that the active members of the scheme will experience in service mortality in accordance with the Indian Assured Lives Mortality (2012-14) Ultimate Table. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

	Attrition Rate		Discount Rate		Future Salary Increase	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2023						
Sensitivity Level	1%	(1%)	1%	(1%)	1%	(1%)
Impact on defined benefit obligation	17	(19)	(7)	9	6	(7)
31 March 2022	-					
Sensitivity Level	1%	(1%)	1%	(1%)	1%	(1%)
Impact on defined benefit obligation	5	(10)	(8)	9	9	(8)

Other information

Expected contribution to post-employment benefit plans for the year ending 31 March 2023 is ₹ 60 lakhs. The weighted average duration of the defined benefit obligation is 13 years (31 March 2022: 13 years).

The expected benefit payments for the 10 years after balance sheet date is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	5-10 years	Total
31 March 2023					
Defined benefit obligation	32	111	195	239	577
31 March 2022					
Defined benefit obligation	35	54	183	212	484

c) Retirement Plan of Manila

The following table sets out the funded status of the Retirement Plan of Manila and the amounts recognized in the financial statement:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	**121**	**113**
Interest cost	7	6
Current service cost	20	16
Past service cost	-	-
Benefits paid	-	-
Actuarial loss/(gain)	(18)	(14)
Exchange Fluctuation adjustments	5	-
Present value of defined benefit obligation at the end of the year	**135**	**121**
Changes in fair value of plan assets		
Fair value of plan assets at the beginning of the year	-	-
Expected return	-	-
Contributions by the Company	-	-
Benefits paid and charges deducted	-	-
Actuarial gains	-	-
Fair value of plan assets at the end of the year	-	-
Net defined benefit obligation (deficit)	**135**	**121**
Current	-	-
Non-current	**135**	**121**

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Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Amount recognised in profit or loss		
Current service cost	20	16
Past service cost	-	-
Interest cost	7	6
Expected return on planned assets	-	-
Provision for gratuity acquired as part of Business combination	-	-
Total amount recognised in profit or loss	**27**	**22**
Amount recognised in other comprehensive income		
Remeasurement due to changes in actuarial assumptions	(18)	(14)
Total amount recognised in other comprehensive income	**(18)**	**(14)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Significant actuarial assumptions		
a) Discount rate and expected return on plan assets	6.70%	6.03%
b) Long-term rate of compensation increase	5.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation.

	Discount Rate		Future Salary Increase	
	Increase	Decrease	Increase	Decrease
31 March 2023				
Sensitivity Level	1%	-1%	1%	-1%
Impact on defined benefit obligation	(19)	23	23	(19)
31 March 2022				
Sensitivity Level	1%	-1%	1%	-1%
Impact on defined benefit obligation	(18)	22	22	(18)

The expected benefit payments for the 10 years after balance sheet date is as follows:

Particulars	Between 1-5 years	Between 6-10 years	Between 11-15 years	16 years	Total
31 March 2023					
Defined benefit obligation	13	64	197	1,878	2,152
31 March 2022					
Defined benefit obligation	12	44	165	1,491	1,712

d) Compensated Absences

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Included under " Salaries and Bonus "	10	8

Particulars	As at 31 March 2023	As at 31 March 2022
(b) Net asset / (liability) recognised in the Balance Sheet	**227**	**217**
Current portion of the above	227	217
Non - current portion of the above	-	-

The Key Assumptions used in the computation of provision for compensated absences are as given below:

Particulars	2022-2023	2021-2022
Discount Rate (% p.a)	7.13%	6.03%
Future Salary Increase (% p.a)	5.00%	5.00%

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34 Financial Instruments

34.1 Capital Management

The Group manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Group's capital management, capital includes equity share Capital and Other Equity and Debt includes Borrowings and Other Financial Liabilities net of Cash and bank balances. The Group monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Group compared to last year.

Gearing Ratio :

Particulars	As at 31 March 2023	As at 31 March 2022
Borrowings	-	-
Cash and Bank Balance	(9,040)	(8,168)
Net Debt over and above the cash and bank balances (A)	-	-
Total Equity (B)	**22,968**	**20,944**
Net Debt to equity ratio (A/B)	**- %**	**- %**

34.2 Categories of Financial Instruments

The carrying value of the financial instruments by categories as on 31 March 2023 and 31 March 2022 are as follows:

Particulars	Carrying Value		Fair Value	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
(a) Financial Assets				
Measured at fair value through P&L				
- Current Investments	4,678	4,694	4,678	4,694
- Other financial assets	9	-	9	-
Measured at amortised cost				
- Cash and Bank balances	9,012	8,140	9,012	8,140
- Other Bank balances	28	28	28	28
- Trade receivables	5,924	5,720	5,924	5,720
- Other financial assets	3,650	2,138	3,650	2,138
	23,301	**20,720**	**23,301**	**20,720**
(b) Financial Liabilities :				
Measured at fair value through P&L				
- Other financial liabilities	-	4	-	4
Measured at amortised cost				
- Borrowings	-	-	-	-
- Trade Payables	3,809	2,495	3,809	2,495
- Lease Liabilities	4,394	4,298	4,394	4,298
- Other financial liabilities	198	30	198	30
	8,401	**6,827**	**8,401**	**6,827**

The management assessed that fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value/amortized cost

1) Long-term fixed-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables.

2) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the unquoted instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

Fair Value Hierarchy

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There were no items of financial assets or financial liabilities which were valued at fair value as of 31 March 2023 and 31 March 2022.

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34.3 Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk.

The Group's activities expose it to a variety of financial risks: liquidity risk, credit risk and market risk (including interest rate risk and other price risk). The Group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Group's risk assessment and management policies and processes.

(a) Liquidity Risk Management :

Liquidity risk refers to the risk that the Group cannot meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation. The Group maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Group periodically. The Group believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Liquidity and Interest Risk Tables :

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
31 March 2023				
Interest bearing*	1,887	2,507	-	4,394
Non-interest bearing	4,007	-	-	4,007
Total	**5,894**	**2,507**	**-**	**8,401**
31 March 2022				
Interest bearing*	1,622	2,710	-	4,332
Non-interest bearing	2,495	-	-	2,495
Total	**4,117**	**2,710**	**-**	**6,827**

*Includes Lease liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial Assets with agreed repayment periods. The Group does not hold any derivative financial instrument.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
31 March 2023				
Interest bearing	28	-	-	28
Non-interest bearing	22,498	775	-	23,273
Total	**22,526**	**775**	**-**	**23,301**
31 March 2022				
Interest bearing	28	-	-	28
Non-interest bearing	20,037	655	-	20,692
Total	**20,065**	**655**	**-**	**20,720**

(b) Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Group result in material concentration of credit risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

Trade receivables: The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and credit history, also has an influence on credit risk assessment.

Credit risk on current investments, cash & cash equivalent and derivatives is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in fixed deposits.

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(c) Market Risk :

Market risk is the risk of loss of any future earnings, in realizable fair values or in future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk and the market value of its investments. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

(c.1) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The Group's management monitors the interest fluctuations, if any, and accordingly, take necessary steps to mitigate any interest rate risk.

Interest rate sensitivity analysis

The Group doesn't have any borrowing as at 31 March 2023 and as at 31 March 2022.

(c.2) Foreign Currency Risk Management :

The Group undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises.
The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows:

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
		Amount ₹ In lakhs	Amount ₹ In lakhs
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	USD	9,269	8,290
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	PHP	1,231	2,163
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	SGD	6	5
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	GBP	2	-
Financial Liabilities (comprising of Trade payables & Provisions)	USD	355	148
Financial Liabilities (comprising of Trade payables & Provisions)	PHP	219	184
Financial Liabilities (comprising of Trade payables & Provisions)	AED	-	4

Foreign Currency sensitivity analysis:

The following table details the Group's sensitivity to a 10% increase and decrease in ₹ against the relevant foreign currencies. 10% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates a increase in profit / decrease in loss and increase in equity where the ₹ strengthens 10% against the relevant currency. For a 10% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

Impact on Profit and loss for the reporting period

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2022
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	891	(891)	814	(814)
PHP	101	(101)	198	(198)
SGD	1	(1)	1	(1)
AED	-	-	1	(1)
EUR	-	-	-	-

Impact on total equity as at end of the reporting period

Particulars	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2022
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	891	(891)	814	(814)
PHP	101	(101)	198	(198)
SGD	1	(1)	1	(1)
AED	-	-	1	(1)
EUR	-	-	-	-

Note :

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Group at the end of the reporting period.

34.4 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

34.5 Offsetting of financial assets and financial liabilities

The Group has not offset financial assets and financial liabilities.

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Allsec Technologies Limited
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

35 Additional information required as per Schedule-III of the Companies Act, 2013:

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated assets	Amount	As a % consolidated profit or loss	Amount	As a % consolidated other comprehensive income	Amount	As a % consolidated total comprehensive income	Amount
As at 31 March 2023								
Holding company	74%	17,801	59%	4,632	40%	12	59%	4,644
Foreign subsidiaries:								
Allsectech Inc	2%	486	1%	79	0%	-	1%	79
Allsectech Manila Inc	24%	5,716	40%	3,107	60%	18	40%	3,125
Retreat Capital Management Inc	0%	-	0%	-	0%	-	0%	-
Sub-total	**100%**	**24,003**	**100%**	**7,818**	**100%**	**30**	**100%**	**7,848**
Inter-company eliminations and other adjustments		(1,035)		(2,932)		156		(2,776)
Total		**22,968**		**4,886**		**185**		**5,072**

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated assets	Amount	As a % consolidated profit or loss	Amount	As a % consolidated other comprehensive income	Amount	As a % consolidated total comprehensive income	Amount
As at 31 March 2022								
Holding company	74%	16,205	76%	9,753	170%	(34)	76%	9,719
Foreign subsidiaries:								
Allsectech Inc	2%	375	0%	(47)	0%	-	0%	(47)
Allsectech Manila Inc	25%	5,395	24%	3,110	-70%	14	24%	3,124
Retreat Capital Management Inc	0%	-	0%	-	0%	-	0%	-
Sub-total	**100%**	**21,975**	**100%**	**12,816**	**100%**	**(20)**	**100%**	**12,796**
Inter-company eliminations and other adjustments		(1,031)		(9,252)		31		(9,221)
Total		**20,944**		**3,564**		**11**		**3,575**

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36 Fair value measurement

Financial Assets and Financial Liabilities that are measured at fair value on a recurring basis

Some of the financial assets and financial liabilities are measured at end of the each reporting period. The following table gives information about how the fair value of these financial assets and liabilities are considered

Financial Assets / Financial Liabilities	Fair Value as at		Fair Value Hierarchy	Value Techniques and Key Inputs
	31-Mar-23	31-Mar-22		
Investments in Mutual Funds	4,678	4,694	Level 1	Quoted Net Asset Value in Active Markets
Foreign Currency Forward contracts	9	(4)	Level 2	Refer below

There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2023 and 31 March 2022

Measurement of fair value of financial instruments

Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The finance team reports directly to the chief financial officer (CFO) and to the audit committee. Valuation processes and fair value changes are discussed among the audit committee and the valuation team at least every year, in line with the Group's reporting dates.

The valuation techniques used for instruments categorised in Levels 1, 2 and 3 are described below.

Investments in mutual fund units (Level 1)
The mutual funds are valued using the closing NAV.

Foreign exchange forward contracts (Level 2)

The Group's foreign currency forward contracts are not traded in active markets. These have been fair valued using observable forward exchange rates and interest rates corresponding to the maturity of the contract. The effects of non-observable inputs are not significant for foreign currency forward contracts.

Investments in equity instruments of other companies (Level 3)

These investments are not traded in active markets, and management considers the cost of investments to approximate the fair value.

Financial instruments measured at amortised cost for which the fair value is disclosed

The carrying amount of all financial instruments measured at amortised cost are considered to be a reasonable approximation of the fair value.

Fair value measurement of non-financial assets
There are no non-financial assets that were measured at fair value on the reporting dates.

37 Capital management policies and procedures

The Group's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Group is not subject to any externally imposed capital requirements.

38 Dividend

During the current year, the Company declared and paid out Interim Dividend of ₹ 20 per equity share (200% of par value of ₹ 10 each) each pursuant to the approval of the Board of Directors, at their meeting held on 28 October 2022. The Company is in compliance with Section 123 of the Act.

During the previous year, the company declared and paid out Interim Dividend of ₹ 15 per equity share (150% of par value of ₹ 10 each) pursuant to the approval of the Board of Directors, at their meeting held on 29 April 2021 and ₹ 45 per equity share (450% of par value of ₹ 10 each) pursuant to the approval of the Board of Directors, at their meeting held on 28 October 2021.

39 Other Disclosures

(a) The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the income tax assessments under the provisions of Income Tax Act, 1961.

(b) The Group neither has any immovable property nor any title deeds of Immovable Property not held in the name of the Group

(c) The Group neither has traded nor invested in Crypto currency or Virtual Currency during the Financial year or previous Financial year.

(d) The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period, as at the year ended 31 March 2023 and 31 March 2022.

(e) During the Financial year, the Group has not revalued any of its Property, Plant and Equipment, Right of Use Asset and Intangible Assets.

(f) The Group does not have any investment properties as at 31 March 2023 and 31 March 2022 as defined in Ind AS 40.

(g) No proceedings have been initiated during the year or are pending against the group as at 31 March 2023 and 31 March 2022 for holding any benami property under Benami Property Transactions (Prohibition) Act, 1988.

(h) The Group has not granted any loans or advance in the nature of loans to promoters, directors, Key Managerial Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(i) The Company reviewed the status of all its customers and vendors Company, as at 31 March 2023 and 31 March 2022, in MCA portal, and observed that the Company does not have any transaction or outstanding with struck off Companies under Section 248 of Companies Act, 2013 or Section 560 of Companies Act,1956.

40 Approval of Financial Statements

In connection with the preparation of the consolidated financial statements for the year ended 31 March 2023, the Board of Directors have confirmed the propriety of the contracts / agreements entered into by / on behalf of the Company and the resultant revenue earned / expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Company and have confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the consolidated financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these consolidated financial statements in its meeting held on 08 May 2023 in accordance with the provisions of Companies Act, 2013.

For and on behalf of the Board of Directors

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

Ajit Abraham Isaac
Chairman
DIN : 00087168
Place : Bengaluru
Date : 08 May 2023

Guruprasad Srinivasan
Director
DIN : 07596207
Place : Bengaluru
Date : 08 May 2023

Naozer Cusrow Dalal
Chief Executive Officer
Place : Bengaluru
Date : 08 May 2023

Gaurav Mehra
Chief Financial Officer
Place : Bengaluru
Date : 08 May 2023

Sripriyadarshini
Company Secretary
Place : Bengaluru
Date : 08 May 2023

ALLSEC TECHNOLOGIES LIMITED Chennai 600 042

Deloitte
Haskins & Sells

Chartered Accountants
ASV Ramana Tower
52, Venkatnarayana Road
T. Nagar
Chennai-600 017
Tamil Nadu, India

Tel: +91 44 6688 5000

INDEPENDENT AUDITOR'S REPORT

To The Members of Allsec Technologies Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Allsec Technologies Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition** Revenue for the year ended March 31, 2023 is ₹ 27,907 lakhs. Revenues from such contracts is recognised and measured based on (1) efforts incurred multiplied by agreed rate in the contract with customers and or (2) the unit of work delivered multiplied by agreed rate in the contract with customers. These contracts are subject to revision periodically for (1) rate agreed; (2) efforts due to deployment of additional resources and/ or (3) rate and efforts as more fully described above. Revenue is recognised only based on customer acceptances for delivery of work. Given the periodical changes to contracts with customers, there is significant audit effort to ensure that revenue is recorded based on (1) contractual terms which are legally enforceable and (2) the work delivered is duly acknowledged by the customer.	**Principal audit procedures performed:** We understood and evaluated the Company's process for recording and measuring revenues and compared that to the Company's accounting policies to ensure consistency. We tested the effectiveness of controls over (1) enforceability of contracts including inspecting that key terms in the contracts are agreed with customers and (2) revenue is recognised only based on agreed terms and customer acceptances for work delivered. For a sample of contracts, we performed the following procedures: We tested that revenue recognised for new contracts and revision to existing contracts was based on contractual terms agreed with customers multiplied by efforts or unit of work delivered duly acknowledged by customer. We tested unbilled revenues at year end by comparing subsequent invoicing to customer acknowledgement for delivery of service.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the Board of Director's report (but does not include the consolidated financial statements, the standalone financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and the Annual Report, which is expected to be made available to us after that date.

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

- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 30(a) to the standalone financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins and Sells
Chartered Accountants
(Firm's Registration No. 008072S)

C Manish Muralidhar
Partner
(Membership No. 213649)
UDIN: 23213649BGVBXV2919

Place: Bengaluru
Date: 08 May 2023
MM/VLS/YK/2023/16

Deloitte
Haskins & Sells

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Allsec Technologies Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements.

Deloitte
Haskins & Sells

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins and Sells
Chartered Accountants
(Firm's Registration No. 008072S)

C Manish Muralidhar
Partner
(Membership No. 213649)
UDIN: 23213649BGVBXV2919

Place: Bengaluru
Date: 08 May 2023
MM/VLS/YK/2023/16

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) In respect of Company's Property, Plant and Equipment and Intangible Assets:

(a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

(ii) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, so to cover all the items once every 18 months which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment was due during the year the question of reporting on material discrepancies noted on verification does not arise.

(c) The Company does not have any immovable properties and hence reporting under clause (i)(c) of the Order is not applicable.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.

(iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable

(vii) According to the information and explanations given to us in respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of provident fund and professional tax dues.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2023.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company has not made any investment in or given any new loan or advances to any of its subsidiaries during the year and hence, reporting under clause (ix)(e) of the Order is not applicable. The Company did not have any associate or joint venture during the year.

(f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) The internal audit plan agreed with the internal auditors and approved by the Audit Committee of the Company is for the period January 1, 2022 to December 31, 2022. We have considered the internal audit reports of the Company issued till the date of our report covering the period April 1, 2022 to January 31, 2023 as per the said approved internal audit plan in determining the nature, timing, and extent of our audit procedures.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company, or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There is no unspent CSR amount in respect of other than ongoing projects for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with the provision of sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause (xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For Deloitte Haskins and Sells
Chartered Accountants
(Firm's Registration No. 008072S)

C Manish Muralidhar
Partner
(Membership No. 213649)
UDIN: 23213649BGVBXV2919

Place: Bengaluru
Date: May 08, 2023
MM/VLS/YK/2023/16

Allsec Technologies Limited

Standalone Balance Sheet as at 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

	Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
A	ASSETS			
I	Non-Current Assets			
	(a) Property, plant and equipment	3	1,099	753
	(b) Right of use asset (ROUA)	26	3,492	3,141
	(c) Other intangible assets	3	478	377
	(d) Intangible assets under development	4	1,204	784
	(e) Financial assets			
	(i) Investments	5	1,020	1,020
	(ii) Other financial assets	6	627	521
	(f) Deferred tax assets (net)	25.2	697	693
	(g) Income tax assets (net)	7	1,217	1,059
	(h) Other non-current assets	8	23	40
	Total non-current assets		9,857	9,358
II	Current assets			
	(a) Financial assets			
	(i) Investments	5	4,678	4,694
	(ii) Trade receivables	9	4,278	4,407
	(iii) Cash and cash equivalents	10	3,931	3,671
	(iv) Bank balances other than cash and cash equivalents	11	28	28
	(v) Other financial assets	6	2,897	1,370
	(b) Other current assets	8	808	414
	Total current assets		16,620	14,584
	Total Assets (I + II)		26,477	22,942
B	EQUITY AND LIABILITIES			
III	Equity			
	(a) Equity Share Capital	12	1,524	1,524
	(b) Other equity	13	16,277	14,681
	Total Equity		17,801	16,205
IV	Non-current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	26	2,145	1,956
	(b) Provisions	15	638	605
	Total non-current liabilities		2,783	2,561
V	Current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	26	1,467	1,228
	(ii) Trade payables	16		
	(a) Total outstanding dues of micro enterprises and small enterprises		32	17
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,253	2,173
	(iii) Other financial liabilities	14	216	31
	(b) Other current liabilities	17	392	404
	(c) Provisions	15	533	323
	Total current liabilities		5,893	4,176
	TOTAL LIABILITIES (IV + V)		8,676	6,737
	Total Equity and Liabilities (III + IV + V)		26,477	22,942

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

C Manish Muralidhar
Partner

Place : Bengaluru
Date : 08 May 2023

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
DIN: 00087168

Place : Bengaluru
Date : 08 May 2023

Gururajprasad Srinivasan
Director
DIN: 07596207

Place : Bengaluru
Date : 08 May 2023

Naozer Cursrow Dalal
Chief Executive Officer

Place : Bengaluru
Date : 08 May 2023

Gaurav Mehra
Chief Financial Officer

Place : Bengaluru
Date : 08 May 2023

Sripriyadarshini
Company Secretary

Place : Bengaluru
Date : 08 May 2023

ALLSEC TECHNOLOGIES LIMITED ★ Chennai 600 042

Allsec Technologies Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2023
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

	Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
I	Revenue from operations	18	27,907	22,121
II	Other income	19	3,415	9,788
III	**Total income (I + II)**		**31,322**	**31,909**
IV	**Expenses**			
	Employee benefits expense	20	17,145	13,355
	Finance costs	21	310	181
	Depreciation and amortisation expense	3	2,264	1,805
	Other expenses	22	5,818	4,626
	Total expenses		**25,537**	**19,967**
V	**Profit before tax (III - IV)**		**5,785**	**11,942**
VI	**Tax expense**			
	(a) Current tax	25.1	1,191	2,053
	(b) Deferred tax	25.2	(38)	136
			1,153	2,189
VII	**Profit for the year (VII - VIII)**		**4,632**	**9,753**
VIII	**Other comprehensive income:**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		16	(46)
	Income tax relating to items that will not be reclassified to profit or loss		(4)	12
			12	**(34)**
	Items that will be reclassified subsequently to profit or loss		-	-
	Total other comprehensive income/(loss) for the year		**12**	**(34)**
IX	**Total comprehensive income for the year (VII + VIII)**		**4,644**	**9,719**
X	**Earnings per equity share (Face value of ₹ 10 each)**	28		
	(a) Basic (in ₹)		30.40	64.00
	(b) Diluted (in ₹)		30.40	64.00

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

C Manish Muralidhar
Partner

Place : Bengaluru
Date : 08 May 2023

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors** of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
DIN: 00087168
Place : Bengaluru
Date : 08 May 2023

Guruprasad Srinivasan
Director
DIN: 07596207
Place : Bengaluru
Date : 08 May 2023

Naozer Cusrow Dalal
Chief Executive Officer

Place : Bengaluru
Date : 08 May 2023

Gaurav Mehra
Chief Financial Officer

Place : Bengaluru
Date : 08 May 2023

Sripriyadarshini
Company Secretary

Place : Bengaluru
Date : 08 May 2023

ALLSEC TECHNOLOGIES LIMITED Chennai 600 042

Allsec Technologies Limited

Standalone Cash Flow Statement for the year ended 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax	5,785	11,942
Adjustments to reconcile net profit to net cash provided by operating activities :		
Depreciation and amortisation expense	2,264	1,805
Unrealized foreign exchange gain	(115)	(29)
Profit on sale of assets	-	(3)
Loss allowance for doubtful trade receivables (Net)	95	38
Finance costs	310	181
Fair Value (gain)/ loss on Financial Assets (measured at Fair Value through Profit & Loss)	(5)	27
Profit on redemption of current investments	(290)	(300)
Interest Income		
- on fixed deposits	(2)	(5)
- income tax refund	(54)	(84)
Dividend income received from subsidiary	(2,932)	(9,252)
Operating profit before Working Capital changes	**5,056**	**4,320**
Decrease/ (increase) in Trade receivables	36	(992)
(Increase)/Decrease in other financial assets	(1,665)	66
(Increase)/Decrease in other assets	(377)	(117)
Increase/(Decrease) in trade payables	1,095	548
Increase/(Decrease) in other financial liabilities	6	1
Decrease/ (increase) in other liabilities	(12)	121
Increase/(Decrease) in provisions	259	105
Cash Generated from Operations	**4,398**	**4,052**
Net income tax paid	(860)	(736)
Net cash generated from operating activities	**3,538**	**3,316**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment, other Intangible assets and intangible assets under development	(1,432)	(1,203)
Proceeds from sale of Property, plant and equipment	-	5
(Purchase)/Redemption of current investments (net)	264	550
Interest received on fixed deposits	2	5
Proceeds received on Maturity of Fixed deposits	-	111
Dividend income received from subsidiary	2,902	9,252
Tax Expenses on Dividend received from subsidiary	(435)	(1,390)
Net cash generated from Investing activities	**1,301**	**7,330**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	(16)
Payment of Lease Liabilities	(1,383)	(1,459)
Interest paid	(310)	(181)
Dividend paid	(3,048)	(9,132)
Net cash used in Financing activities	**(4,741)**	**(10,788)**

Allsec Technologies Limited

Standalone Cash Flow Statement for the year ended 31 March 2023

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Net increase/ (decrease) in cash and cash equivalents	**98**	**(142)**
Effect of exchange differences on cash & cash equivalents held in foreign currency	162	76
Cash and cash equivalents at the beginning of the year	3,671	3,737
Cash and cash equivalents at the end of the year	**3,931**	**3,671**
Components of cash and cash equivalents (Refer Note 10)		
Cash on hand	-	-
Balance with banks	3,931	3,671
Total cash and cash equivalents	**3,931**	**3,671**

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached

For **Deloitte Haskins & Sells**

Chartered Accountants

C Manish Muralidhar

Partner

Place : Bengaluru

Date : 08 May 2023

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

Allsec Technologies Limited

Ajit Abraham Isaac

Chairman

DIN : 00087168

Place : Bengaluru

Date : 08 May 2023

Guruprasad Srinivasan

Director

DIN : 07596207

Place : Bengaluru

Date : 08 May 2023

Naozer Cusrow Dalal

Chief Executive Officer

Place : Bengaluru

Date : 08 May 2023

Gaurav Mehra

Chief Financial Officer

Place : Bengaluru

Date : 08 May 2023

Sripiriyadarshini

Company Secretary

Place : Bengaluru

Date : 08 May 2023

Allsec Technologies Limited

Statement of Changes in Equity

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

A. Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at beginning of the year	1,524	1,524
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	1,524	1,524
Changes in equity share capital during the year	-	-
Balance as at end of the year	**1,524**	**1,524**

B. Other equity

Particulars	Reserves and Surplus				Total
	General reserve	Retained earnings*	Capital reserve	Securities premium	
Balance at 01 April 2021	**1,413**	**2,848**	**(2,175)**	**12,019**	**14,105**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the prior reporting period	**1,413**	**2,848**	**(2,175)**	**12,019**	**14,105**
Total Comprehensive Income for the year	-	9,753	-	-	9,753
Dividends (Refer Note 36)	-	(9,143)	-	-	(9,143)
Remeasurement of defined benefits plan (net of taxes)	-	(34)	-	-	(34)
Balance at 31 March 2022	**1,413**	**3,424**	**(2,175)**	**12,019**	**14,681**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the current reporting period	**1,413**	**3,424**	**(2,175)**	**12,019**	**14,681**
Total Comprehensive Income for the year	-	4,632	-	-	4,632
Dividends (Refer Note 36)	-	(3,048)	-	-	(3,048)
Remeasurement of defined benefits plan (net of taxes)	-	12	-	-	12
Balance at 31 March 2023	**1,413**	**5,020**	**(2,175)**	**12,019**	**16,277**

* Remeasurement of defined benefits plan (net of taxes) are recognised as part of Retained earnings

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

C Manish Muralidhar
Partner

Place : Bengaluru
Date : 08 May 2023

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors** of
Allsec Technologies Limited

Ajit Abraham Isaac
Chairman
DIN 00087168
Place : Bengaluru
Date : 08 May 2023

Guruprasad Srinivasan
Director
DIN 07596207
Place : Bengaluru
Date : 08 May 2023

Nazeer Guerow Dalal
Chief Executive Officer
Place : Bengaluru
Date : 08 May 2023

Gaurav Mehra
Chief Financial Officer
Place : Bengaluru
Date : 08 May 2023

Sripriyadarshini
Company Secretary
Place : Bengaluru
Date : 08 May 2023

ALLSEC TECHNOLOGIES LIMITED Chennai 600 042

1 General Information

Allsec Technologies Limited ('Allsec' or the 'Company') was incorporated on 24 August 1998. The Company is engaged in the business of providing Digital Business Services (DBS) and Human Resource Outsourcing (HRO) services for customers located in India and outside India. The services provided by the Company include data verification, processing of orders received through telephone calls, telemarketing, monitoring quality of calls of other call centers, customer services and HR and payroll processing. The Company has delivery centers at Chennai, Bengaluru and NCR. The Company has two wholly owned subsidiaries, Allsectech Inc., USA and Allsectech Manila Inc., Philippines.

Application of revised Ind AS

Statement of Compliance
All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing these financial statements.

Recent Statutory Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements -
This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the material impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors -
This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no material impact on its financial statements.

Ind AS 12 - Income Taxes -
This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no material impact on its financial statement.

Code on Social Security, 2020
The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020.The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

2 Summary of significant accounting policies

2.1 Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

(i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
(ii) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
(iii) Level 3 inputs are unobservable inputs for the asset or liability.

Going Concern:
Board of directors of the Company have, at the time of approving the financial statements, a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.2 Use of estimates

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Examples of such estimates include provision for doubtful debts/advances, provision for employee benefits, useful lives of fixed assets, provision for taxation, provision for contingencies etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the year in which the estimate is revised and/or in future years, as applicable.

2.3 Cash and cash equivalents (for purposes of cash flow statement)

Cash comprises cash on hand, balances with banks in current accounts and demand deposits with banks. Cash equivalents are short-term (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. Bank balances other than the balance included in cash and cash equivalents represents account of margin money deposit with banks.

2.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Revenue from contracts with customers

The Company derives revenues primarily from services comprising the DBS and HRO services for customer in India and outside India. The following is a summary of the significant accounting policies related to revenue recognition.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable.

Revenue from contracts with customers is recognised upon transfer of control of promised products or services to the customer at an amount that reflects the consideration the company expects to receive in exchange for those products or services. Agreements with customers are either on a fixed price, fixed time frame or on a time- and - material basis.

Revenue on time-and-material basis contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

In arrangements for one time services, the Company has applied the guidance in Ind AS 115, *Revenue from Contracts with Customers*, by applying the revenue recognition criteria for each distinct performance obligation. The contracts with customers generally meet the criteria for considering the principal service and one-time service as distinct performance obligations and consideration for the each of such service is clearly specified in the contract, that enables to arrive at the transaction price for each performance obligations which is best evidence of its standalone selling price.

The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer. The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

2.6 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.7 Property, plant and equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss (if any). The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates and includes taxes, duties, freight, incidental expenses related to the acquisition and installation of the assets concerned and is net of Goods and Service Tax (GST), wherever the credit is availed. Borrowing costs paid during the period of construction in respect of borrowed funds pertaining to construction / acquisition of qualifying property, plant and equipment is adjusted to the carrying cost of the underlying property, plant and equipment.

Any part or components of Property, Plant and Equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalised separately, based on the technical assessment of the management.
Cost of modifications that enhance the operating performance or extend the useful life of Property, Plant and Equipment are also capitalised, where there is a certainty of deriving future economic benefits from the use of such assets.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as "Capital Advances" under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under "Capital Work- in- Progress".

Depreciation:
The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The management, basis its past experience and technical assessment, has estimated the useful life in order to reflect the actual usage of the assets. The estimated useful lives of assets are as follows:

Asset Description	Useful lives (years) followed by the Company	Useful lives (years) prescribed by schedule II to the Companies Act,2013.
Computers and Servers	3-10	3
Call Centre Equipment	3-10	15
Furnitures and Fixtures	3-10	10
Office Equipment	5	5
Motor Vehicles	3-5	8

Leasehold improvements are amortised over the estimated useful lives or the remaining primary lease period, whichever is less.

The estimated useful lives mentioned above are different from the useful lives specified for certain categories of these assets, where applicable, as per the Schedule II of the Companies Act, 2013. The estimated useful lives followed in respect of these assets are based on Management's assessment and technical advise, taking into account factors such as the nature of the assets, the estimated usage pattern of the assets, the operating conditions, past history of replacement, anticipated technological changes and maintenance support etc.

Depreciation is accelerated on property, plant and equipment, based on their condition, usability etc., as per the technical estimates of the Management, where necessary.

Derecognition of Property, Plant and Equipment:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

2.8 Other intangible assets

Intangible assets acquired separately:
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets:
Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:
- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortisation

Intangible assets are amortised on a straight line basis over the estimated useful economic life. Costs incurred towards purchase of computer software are amortised using the straight-line method over a period based on management's estimate of useful lives of such software or over the license period of the software, whichever is shorter.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.9 Impairment of Tangible and Intangible Assets

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

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.10 Leases

The Company's lease asset classes primarily consist of leases for buildings and computers. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company, as a lessee, recognize, at the inception of the lease a right-of-use asset and a lease liability (representing present value of unpaid lease payments). Such right-of-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance cost subject to certain re-measurement adjustments.

2.11 Foreign currency Transactions

Initial Recognition:
On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition:
As at the reporting date, non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Treatment of Exchange Differences:
All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate and exchange differences on restatement of all monetary items are recognized in the Statement of Profit and Loss.

2.12 Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

2.12.1 Financial Assets

(a) Recognition and initial measurement

(i) The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

(b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:
- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy in financial assets measured at amortised cost, refer Note 2.12.1.e

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognized at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previous accumulated in this reserve is reclassified to profit or loss.

For the impairment policy in financial assets measured at amortised cost, refer Note 2.12.1.e

All other financial assets are subsequently measured at fair value.

(c) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item.

(d) Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(e) Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

(f) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprenensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(g) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.12.2 Financial Liabilities and Equity Instruments

(a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(c) Financial Liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

(d) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:
- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

(e) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for capital expenditure. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 3 months (for capital expenditure). These arrangements for raw materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognised as other financial liabilities.

(f) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified parties fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by an entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

(g) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

(h) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Forward contracts

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to probable forecast transactions. Such forward contracts are initially recognized at fair value on the date on which the contract is entered into and subsequently re-measured at fair value. These forward contracts are stated at fair value at each reporting date and these changes in fair value of these forward contract is recognized in statement of profit or loss. At each reporting date the net balance after fair valuation is shown as part as of other financial asset or liability.

2.13 Investment in Subsidiaries

Investment in equity instruments issued by subsidiaries are measured at cost less impairment. Dividend income from subsidiaries and associates is recognised when its right to receive the dividend is established. The acquired investment in subsidiaries are measured at acquisition date fair value.

CHARTERED ACCOUNTANTS

Allsec Technologies Limited
Chennai
600 042

2.14 Employee Benefits

Retirement benefit costs and termination benefits:

Defined Benefit Plans:

Employee defined benefit plans include gratuity.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:
- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

The Company makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.

Defined Contribution Plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset). If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

Employee defined contribution plans include provident fund and Employee state insurance. All employees of the Company receive benefits from Provident Fund and Employee's State Insurance, which are defined contribution plans. Both, the employee and the Company make monthly contributions to the plan, each equaling to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributes to the Employee Provident Fund and Employee's State Insurance scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

2.15 Earnings per equity share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.16 Taxation

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

MAT Credit Entitlement:

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset, in accordance with the provisions contained in the Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

2.17 Contingent liabilities, Contingent Assets and Provisions

Provisions are recognized when the Company has a present obligation (legal/ constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).
When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the standalone financial statements since this may result in the recognition of income that may never be realized.

2.18 Segment Reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief operating decision maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.19 Goods and Service Tax Input Credit

Goods and service tax input credit is accounted for in the books during the period when the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

2.20 Insurance Claims

Insurance claims are accrued for on the basis of claims admitted / expected to be admitted and to the extent there is no uncertainty in receiving the claims.

2.21 Borrowing Costs

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

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.22 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies:

- Useful lives of Property, plant and equipment and intangible assets
- Evaluation of Impairment indicators and assessment of recoverable value
- Provision for taxation
- Provision for disputed matters
- Allowance for Expected Credit Loss
- Fair value of financial assets and liabilities
- Assets and obligations relating to employee benefits

Determination of functional and presentation currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "unctional currency"). The financial statements are presented in Indian Rupees (₹), the national currency of India, which is the functional currency of the Company. All the financial information have been presented in Indian Rupees except for share data and as otherwise stated.

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Notes forming part of the Standalone Financial Statements for the year ended 31 March 2023
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

3 Property, Plant and Equipment and Intangible Assets

Particulars	Property, Plant and Equipment							Other Intangible assets - Computer software
	Computers and servers	Call centre equipment	Furniture and Fixtures	Office equipment	Motor Vehicles	Leasehold improvements	Total	
Gross block								
Balance as at 01 April 2021	**402**	**613**	**91**	**290**	**76**	**197**	**1,669**	**1,053**
Additions	303	120	-	68	-	13	504	63
Disposals	(103)	-	(1)	(7)	(68)	-	(179)	-
Balance as at 31 March 2022	**602**	**733**	**90**	**351**	**8**	**210**	**1,994**	**1,116**
Additions	309	122	46	58	-	207	742	297
Disposals	-	-	(6)	-	(8)	-	(14)	-
Balance as at 31 March 2023	**911**	**855**	**130**	**409**	**-**	**417**	**2,722**	**1,413**
Accumulated depreciation/amortisation								
Balance as at 01 April 2021	**365**	**445**	**43**	**151**	**60**	**83**	**1,147**	**587**
Depreciation/amortisation expense for the year	71	83	10	48	12	47	271	152
Disposals	(103)	-	(1)	(7)	(66)	-	(177)	-
Balance as at 31 March 2022	**333**	**528**	**52**	**192**	**6**	**130**	**1,241**	**739**
Depreciation/amortisation expense for the year	170	92	15	56	2	61	396	196
Disposals	-	-	(6)	-	(8)	-	(14)	-
Balance as at 31 March 2023	**503**	**620**	**61**	**248**	**-**	**191**	**1,623**	**935**
Net block								
Balance as at 31 March 2022	269	205	38	159	2	80	753	377
Balance as at 31 March 2023	**408**	**235**	**69**	**161**	-	**226**	**1,099**	**478**

Note:

1. Depreciation and amortisation expense:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of Property, Plant and Equipment	396	271
Amortisation of Other intangible assets & Impairment of Intangible Assets under Development (Refer Note 4(a))	348	152
Depreciation of Right of use asset (Refer Note 26(c))	1,520	1,382
Total	**2,264**	1,805

4 **a. Intangible Assets under development (IAUD)**

Description	Amount in Intangible Assets under development for a period of *				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
FY 2022-23					
Project in Progress	572	586	46	-	1,204
FY 2021-22					
Project in Progress	650	134	-	-	784

b. Intangible Assets under development completion schedule

For intangible Assets under development, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of March 31, 2023 and March 31, 2022 :

Intangible Assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
FY 2022-23				
Project in Progress	1,204	-	-	-
Grand Total	**1,204**	-	-	-
FY 2021-22				
Project in Progress	784	-	-	-
Grand Total	784	-	-	-

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5 Investments

Particulars	As at 31 March 2023	As at 31 March 2022
A. Non-current (Unquoted)		
Investments carried at cost		
Investments in equity instruments of subsidiaries (fully paid-up)		
Allsectech Inc, USA	1,214	1,214
- 100 (31 March 2022 - 100) Common stock of US $ 23,100 each, fully paid up		
Allsectech Manila Inc., Philippines	1,020	1,020
- 8,12,500 (31 March 2022 - 8,12,500) Equity shares of Philippine Pesos (PHP) 100 each fully paid up		
Total	**2,234**	**2,234**
Provision for impairment	(1,214)	(1,214)
Total non-current investments	**1,020**	**1,020**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate book value of unquoted investments	1,020	1,020
Aggregate amount of impairment in the value of investments	1,214	1,214
Extent of investment in subsidiaries		
Allsectech Inc, USA	100%	100%
Allsectech Manila Inc., Philippines	100%	100%
B. Current (Quoted)		
Investments carried at fair value through profit and loss		
Investment in mutual funds	4,678	4,694
Total current investments	**4,678**	**4,694**
Aggregate amount of quoted investments and market value thereof	4,678	4,694
Aggregate book value of investments	4,678	4,694
Aggregate amount of impairment in the value of investments	-	-

Details of investment in Mutual Funds

Name of Mutual fund	Number of Units * As At		Carrying Value As At	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
HDFC Floating Rate Debt Fund - Growth	-	1,338,487	-	530
HDFC Money Market Fund – Growth	-	3,291	-	151
ICICI Prudential Savings Fund - Growth	19,823	187,596	91	821
Kotak Money Market Scheme - Growth	-	13,436	-	484
ICICI Prudential Short Term Fund - Growth	1,525,236	-	771	-
ICICI Prudential Banking & PSU Debt Fund Growth	1,786,852	-	492	-
HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	1,008,804	1,008,804	427	404
HDFC Ultra Short Term Fund – Direct Growth	3,266,716	3,266,716	428	406
ICICI Prudential Savings Fund - DP - Growth	187,596	127,588	868	553
Kotak Banking and PSU Debt Fund - Growth (Regular Plan)	2,695,684	1,769,612	1,488	937
Kotak Bond Short Term Plan - Growth	-	706,153	-	301
UTI Treasury Advantage Fund - DP Growth Option	3,707	3,707	115	107
			4,678	**4,694**

** No of units are in absolute numbers*

6 Other Financial Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Security Deposits		
- Unsecured, considered good *	627	521
- Doubtful	-	-
Total	**627**	**521**
Current		
Foreign currency forward contracts receivable	-	6
Unbilled Revenue	2,876	1,333
Other Advances	21	32
Total	**2,897**	**1,370**

* Deposit includes ₹161 Lakhs paid under protest towards outstanding demand from Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) in relation to dues pertaining to FY 2005-2011 arising out of reclassification of tariff. (As at March 31, 2022 - ₹ nil) (Refer Note 29(a))

7 Non-Current tax asset

Particulars	As at 31 March 2023	As at 31 March 2022
Advance Taxes (Net of Provision for taxes)	1,217	1,059
Total	1,217	1,059

8 Other assets

Particulars	As at 31 March 2023	As at 31 March 2022
Non-Current		
Prepaid expenses	23	40
Total	**23**	**40**
Current		
Prepaid expenses	620	374
Advance to suppliers	2	1
Advance to Employees	179	-
Others	7	39
Total	**808**	**414**

9 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade Receivables considered good, Unsecured*	4,459	4,489
Less: Allowance for Expected Credit Losses	(181)	(82)
Trade Receivables considered good, Unsecured	4,278	4,407
Trade Receivables - Doubtful - Unsecured	60	64
Less: Allowance for Expected Credit Losses	(60)	(64)
Trade Receivable - Doubtful - Unsecured	-	-
Total Trade Receivables	**4,278**	**4,407**
* Includes Trade Receivables from Related Parties (Refer Note No. 27)	381	659

Trade receivables ageing schedule for the year ended as on March 31, 2023:

Particulars	Outstanding for the following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables							
- Considered good	2,710	1,463	209	63	14	-	4,459
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
	2,710	1,463	209	63	14	-	4,459
Disputed trade receivables							
- Considered good	-	-	1	10	6	43	60
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
	-	-	1	10	6	43	60
Total	**2,710**	**1,463**	**210**	**73**	**20**	**43**	4,519
Less : Expected Credit Loss Allowance							(241)
Total Trade Receivables							**4,278**

Trade receivables ageing schedule for the year ended as on March 31, 2022:

Particulars	Outstanding for the following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables							
- Considered good	2,872	1,512	64	35	5	-	4,489
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
	2,872	1,512	64	35	5	-	4,489
Disputed trade receivables							
- Considered good	-	-	10	1	29	19	59
- Significant increase in credit risk	-	-	-	2	3	-	5
- Credit impaired	-	-	-	-	-	-	-
	-	-	10	3	32	19	64
Total	**2,872**	**1,512**	**74**	**38**	**38**	**19**	**4,553**
Less : Expected Credit Loss Allowance							(146)
Total Trade Receivables							**4,407**

9.1 Credit period and risk

The average credit period for the services rendered:

(a) Trade receivables (Domestic) are non-interest bearing and are generally on terms ranging from 30 days to 90 days. (31 March 2022: Ranging from 30 days to 90 days)
(b) Trade receivables (International) are non-interest bearing and are generally on terms ranging from 30 days to 180 days. (31 March 2022: Ranging from 30 days to 180 days)

Of the trade receivable balance as at March 31, 2023, ₹ 855 Lakh is due from one customer i.e having more than 10% of the total outstanding trade receivable balance. There were two customers whose aggregate due was ₹ 1,084 represents more than 10% of the total receivables of the company as at 31 March 2022.

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor are any trade receivable due from firms or private companies respectively in which any director is a partner, a director or a member.

9.2 Expected credit loss allowance

The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information.

Based on the assessment of the Company, there is no risk associated with the dues from the related parties both from a credit risk or time value of money as these are managed through the Company's cash management process and can be recovered on demand by the Company. Accordingly, no provisions has been considered necessary.
With regard to other parties, the company had, based on past experience, wherein collections are done within a year of it being due and expectation in the future Credit loss, has made necessary provisions.

9.3 Movement in the allowance for doubtful receivables (including expected credit loss allowance)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at beginning of the year	146	108
Add: Allowance towards Expected credit loss provided	95	54
Less: Allowances written off during the year	-	(16)
Balance at end of the year	**241**	**146**

10 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Cash on hand	-	-
(b) Balance with banks	3,912	3,609
(c) Earmarked balances with banks*	19	62
Total	3,931	3,671

** Earmarked balances with banks includes :*
i. ₹ 19 Lakh (FY 22: ₹ 16 Lakh) of balance towards unclaimed dividends and
ii. ₹ NIL (FY 22. ₹ 46 Lakh) towards CSR Expenditure kept in exclusive current accounts for the respective obligations.

11 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with bank held as margin money*	28	28
	28	28

**Margin money deposits are provided as security against guarantee.*

12 Equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares *	Amount	Number of Shares *	Amount
Authorised				
Equity shares of ₹10/- each	20,000,000	2,000	20,000,000	2,000
Convertible preference shares of ₹ 100/- each	1,350,000	1,350	1,350,000	1,350
Issued, subscribed and fully paid-up				
Equity shares of ₹ 10/- each fully paid up	15,238,326	1,524	15,238,326	1,524
	15,238,326	1,524	15,238,326	1,524

** No of shares are in absolute numbers.*

a) There is no change in issued and subscribed share capital during the current period and in the previous year.

b) **Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**
Equity shares of ₹10/- each fully paid

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares *	% holding	Number of Shares *	% holding
Conneqt Business Solutions Limited	11,182,912	73.39%	11,182,912	73.39%

** No of shares are in absolute numbers.*

c) **Rights, preferences and restrictions attached to equity shares**

The Company has issued only one class of equity shares having a face value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, which can be approved by the Board of Directors In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues or brought back during the last five years immediately preceding 31 March 2023.

e) **Shareholding of Promoters**

Promoter Name	31 March 2023			31 March 2022		
	No. of Shares *	% of total Shares	% changes during the year	No. of Shares *	% of total Shares	% changes during the year
Conneqt Business Solutions Limited	11,182,912	73.39%	0%	11,182,912	73.39%	0%

** No of shares are in absolute numbers.*

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13 Other equity

Particulars	As at 31 March 2023	As at 31 March 2022
a) Securities Premium (Refer Note 13.1 below)		
Balance at the beginning of the year	12,019	12,019
Add : Additions made during the year	-	-
Balance at the end of the year	**12,019**	**12,019**
b) Capital reserve (Refer Note 13.2 below)		
Balance at the beginning of the year	(2,175)	(2,175)
Add : Additions made during the year	-	-
Balance at the end of the year	**(2,175)**	**(2,175)**
c) General reserve (Refer Note 13.3 below)		
Balance at the beginning of the year	1,413	1,413
Add : Additions made during the year	-	-
Balance at the end of the year	**1,413**	**1,413**
d) Retained earnings (Refer Note 13.4 below)		
Balance at the beginning of the year	3,424	2,848
Less: Dividends (Refer Note 36)	(3,048)	(9,143)
Add: Profit for the year	4,632	9,753
Add : Remeasurement of defined benefits plan (net of taxes)	12	(34)
Balance at the end of the year	**5,020**	**3,424**
Total	**16,277**	**14,681**

Notes:

13.1: Amounts received on issue of shares in excess of the par value has been classified as securities premium, net of utilisation.

13.2: Capital reserve comprises initial application money on warrants received, forfeited subsequently.

13.3: This represents appropriation of profit by the Company.

13.4: Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

14 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Creditor for Capital Goods*	179	14
Unclaimed dividend	19	16
Foreign currency forward contracts payable	16	-
Others	2	1
Total	**216**	**31**

* Includes balance of ₹ 76 Lakh due to MSME vendor for capital goods (As at March 31, 2022 ₹ Nil).

15 Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Provision for Gratuity	638	605
	638	**605**
Current		
Gratuity	60	60
Compensated absences*	227	217
Provision for CSR Expenditure (Refer Note 24)	25	46
Provision against contingent liability (Refer Note 29 (a))	221	-
Total	**533**	**323**

*The amount of compensated absences provision is presented as current, since the Company does not have an unconditional right to defer settlement for this obligation.

16 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
- Other than Acceptances (Refer Note 30)		
- Dues of Micro Enterprises and Small Enterprises	32	17
- Dues of Creditors Other than Micro Enterprises and Small Enterprises*	3,253	2,173
Total Trade payables	**3,285**	**2,190**
* Includes Trade Payable to Related Parties (Refer Note 27)	122	117

There are no interest due or outstanding on the dues to Micro, Small and Medium Enterprises. During the year ended March 31, 2023 and March 31, 2022, all the dues were paid to MSME vendors within the agreed credit terms

Trade payables ageing schedule for the year ended as on March 31, 2023 :

Particulars	Outstanding for the following periods from date of transaction					
	Not Due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
(i). MSME	32	-	-	-	-	32
(ii). Others	3,208	45	-	-	-	3,253
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iii). Disputed Dues - Others	-	-	-	-	-	-
Total Trade payables	**3,240**	**45**	**-**	**-**	**-**	**3,285**

Trade payables ageing schedule for the year ended as on March 31, 2022 :

Particulars	Outstanding for the following periods from date of transaction					
	Not Due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
(i). MSME	17	-	-	-	-	17
(ii). Others	2,135	38	-	-	-	2,173
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iii). Disputed Dues - Others	-	-	-	-	-	-
Total Trade payables	**2,152**	**38**	**-**	**-**	**-**	**2,190**

17 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Advances from customers	21	23
Statutory dues payable	371	381
Total	**392**	**404**

18 Revenue from operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from Services:		
A. Digital Business Solutions (DBS)		
(i) International	7,240	4,885
(ii) Domestic	7,988	6,509
B. Human Resource Operation (HRO)		
(i) International	2,045	1,740
(ii) Domestic	10,654	8,987
Total	**27,907**	**22,121**

(i) Disaggregation of revenue

The above break up presents disaggregated revenues from contracts with customers by each of the business segments. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(II) Trade receivables and Unbilled Revenue

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables and contract assets from contracts with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Receivables, which are included in 'Trade and other receivables'	4,278	4,407
Unbilled Revenue	2,876	1,333

Unbilled Revenue primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. Unbilled Revenue are transferred to receivables when the rights become unconditional.

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for (i) contracts with an original expected duration of one year or less and (ii) contracts for which the Company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

19 Other Income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Dividend Income from Subsidiaries	2,932	9,252
Interest Income		
- on fixed deposits	2	5
- income tax refund	54	84
- Others	47	15
Net loss arising on Financial Assets designated as at Fair Value through Profit or Loss	(42)	(27)
Profit on redemption of current investments	290	300
Net gain on foreign currency transaction and translation	132	151
Profit on sale of assets	-	3
Miscellaneous income	-	5
Total	**3,415**	**9,788**

20 Employee benefits expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	15,225	11,964
Contribution to provident and other funds	1,094	875
Staff welfare expenses	826	516
	17,145	**13,355**

21 Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense		
(i) Interest on finance lease obligations	-	1
(ii) Interest accrued on lease liabilities	310	180
Total	**310**	**181**

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22 Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Professional and Consultancy Charges	1,807	1,681
Travelling and Conveyance	281	82
Power and Fuel *	750	443
Rent	33	59
Repairs and maintenance		
-Machinery	1,091	998
-Others	364	302
Insurance expenses	21	34
Fees, rates and taxes	13	-
Sales and marketing expenses	174	101
Communication charges	101	42
Connectivity cost	616	498
Security charges	282	178
Bank charges	14	6
Allowance for Expected Credit Losses	96	54
Bad Receivables Written off	-	16
Less: Release of allowance for expected credit losses	-	(16)
	-	-
Corporate social responsibility expenditure (Refer note 24)	51	51
Directors' sitting fees	12	7
Directors' commission	18	17
Miscellaneous expenses	95	73
Total	**5,818**	**4,626**

** Power and Fuel includes provision of ₹221 Lakhs towards outstanding demand from Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) in relation to dues pertaining to FY 2005-2011 arising out of reclassification of tariff. (Refer Note No. 29(a))*

23 Details of payment to auditors (included in Professional and Consultancy Charges)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor:		
Audit fee*	47	47
In other capacities:		
Certification fees*	5	3
Re-imbursement of expenses*	2	1
Total	**54**	**51**

*excluding taxes

24 Corporate social responsibility expenditure

As per section 135 of the Companies Act, 2013, 2% of the average net profit of the last 3 years as computed under Section 198 of the Act, are as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Gross amount required to be spent by the Company during the year	51	51
Amount spent during the year		
(i) Construction or acquisition of any asset	-	-
(ii) On purpose other than (i) above*	72	5
Shortfall at the end of the year	25	46
Total of previous years shortfall	-	-
	Pertains to ongoing projects	Pertains to ongoing projects
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

** Contribution made to entity in which Directors having significant influence (Refer Note 27(B))*

The provisions of Section 135 of the Companies Act, 2013, relating to the mandatory requirement of amount to be spent towards corporate social responsibility is applicable for the Company during the current year based on the stipulated criteria. Accordingly the Company needs to spend at least 2% of its average net profit of the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. During the current Financial Year, the Company has spent an amount of ₹26 Lakh (31 March 2022-₹5 Lakh) against current year obligation and ₹46 Lakh towards previous year obligation brough forward, towards various activities as enumerated in the CSR Policy of the Company which covers promoting education, health and civic amenities etc. and earmarked the balance amount of the obligation amounting to ₹25 Lakh (31 March 2022-₹46 Lakh) to be deposited in an exclusive Current account with Bank for CSR expenditures for the year within the time stipulated under section 135 of companies Act, 2013, as the ongoing project spend is in the nature of disbursement in phased manner and not completed as at the year end. Subsequent to the year end, the company has received back an amount of ₹ 5 Lakh to its earmarked bank account and the entire pending amount of ₹ 30 Lakh shall be spent for the intended project in the subsequent months by the Company.

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25 Taxation

25.1 Income tax expense

25.1.1 Recognised in Statement of Profit and Loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current Tax:		
In respect of the current year *	1,191	2,053
Adjustments in respect of earlier years	-	-
	1,191	2,053
Deferred Tax		
In respect of the current year	(38)	136
	(38)	136
Total income tax expense recognised in statement of profit and loss	1,153	2,189

* The Company has opted to avail deduction under Section 80M of Income Tax Act, 1961 in respect of dividend income amounting to ₹ 2,932 lakhs and ₹9,252 Lakh during the year ended 31 March 2023 and 31 March 2022, respectively received from its wholly owned subsidiary, Allsectech Manila Inc., Philippines. Consequently, the Company charged off foreign tax credit on the dividend income to 'current tax expense' which aggregates to ₹ 435 lakhs and ₹ 1,372 lakhs during the year ended 31 March 2023 and 31 March 2022, respectively.

25.1.2 Recognised in Other Comprehensive Income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Deferred Tax		
Remeasurements of the defined benefit liabilities/ (asset)	(4)	12
Total income tax recognised in other comprehensive income	(4)	12
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(4)	12
	(4)	12

25.1.3 Reconciliation of income tax

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 25.17%, Reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows :

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	5,785	11,843
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	1,456	3,006
Tax on Dividend Income treated under special provision	(304)	(939)
Effect of non-deductible expenses	36	25
Effect of Special deductions	(22)	(34)
Adjustment for Bad debts actually written off during the year	-	4
Tax on Gain from Mutual Fund investments under special provision	(32)	(45)
Impact of changes in tax rate	-	118
Others	19	54
Total income tax expense recognised in the statement of profit and loss	1,153	2,189

25.2 Deferred Tax Balances

The following is the analysis of the net deferred tax asset position as presented in the financial statements:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Deferred tax assets	785	704
Less: Deferred tax liabilities	(88)	(41)
Deferred tax asset (net)	697	663

Movement in the deferred tax balance :

Particulars	For the year ended 31 March 2023				
	Opening Balance	MAT credit utilisation	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Depreciation on Property, Plant and Equipment	428	-	(18)	-	410
Employee Benefit Expenses	231	-	22	(4)	249
Provision for Expected Credit Loss on Financial Assets	36	-	23	-	59
Impact on account of ROU asset and lease liabilities	9	-	20	-	29
Fair valuation adjustments - Financial Assets	(41)	-	(47)	-	(88)
Provision for Impairment of Intangible Asset under development	-	-	38	-	38
Deferred Tax Asset /(Liabilities)	663	-	38	(4)	697

Particulars	For the year ended 31 March 2022				
	Opening Balance	MAT credit utilisation	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Depreciation on Property, Plant and Equipment*	530	-	(102)	-	428
Employee Benefit Expenses	244	-	(25)	12	231
Provision for Expected Credit Loss on Financial Assets	31	-	5	-	36
Impact on account of ROU asset and lease liabilities	34	-	(25)	-	9
Fair valuation adjustments - Financial Assets	(46)	-	5	-	(41)
MAT credit	173	(173)	-	-	-
Deferred Tax Asset /(Liabilities)	966	(173)	(142)	12	663

* Includes other adjustments of Rs. 6 Lakhs.

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26 Leases

The Company has leases for Buildings and Computers.

(a) Right of Use Asset "ROU"

The following are the changes in the carrying value of right of use assets for the year ended 31 March 2023:

Particulars	Category of ROU Asset		Total
	Buildings	Computers	
Balance as at 01 April 2021	1,265	446	1,711
Additions ^	2,812	-	2,812
Deletions ^	-	-	-
Depreciation*	(1,149)	(233)	(1,382)
Balance as at 31 March 2022	**2,928**	**213**	**3,141**
Balance as at 01 April 2022	2,928	213	3,141
Additions ^	1,523	248	1,871
Deletions ^	-	-	-
Depreciation*	(1,288)	(232)	(1,520)
Balance as at 31 March 2023	**3,263**	**229**	**3,492**

^ Net of adjustments on account of modifications

*The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

(b) Lease Liabilities

The following is the movement in lease liabilities during the year ended :

Particulars	Buildings	Computers	Total
Balance as at 01 April 2021	1,363	467	1,830
Additions	2,813	-	2,813
Finance cost accrued during the year	151	29	180
Deletions	-	-	-
Payment of lease liabilities	(1,376)	(263)	(1,639)
Balance as at 31 March 2022	**2,951**	**233**	**3,184**
Balance as at 01 April 2022	2,951	233	3,184
Additions	1,563	248	1,811
Finance cost accrued during the year	300	10	310
Deletions	-	-	-
Payment of lease liabilities	(1,429)	(264)	(1,693)
Balance as at 31 March 2023	**3,385**	**227**	**3,612**

The following is the break-up of current and non-current lease liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Current lease liabilities	1,467	1,228
Non-current lease liabilities	2,145	1,956

(c) Amounts recognized in profit and loss were as follows

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation Expenditure	1,520	1,382
Finance Cost on Lease Liabilities	310	180

(d) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2023	As at 31 March 2022
Not later than 1 year	1,718	1,449
Later than 1 year and not later than 5 years	2,368	2,142
Later than 5 years	-	-

Note: The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

27 Related party transactions

A. Names of related parties and related party relationships

Nature of Relationship*	Name of the related party
Ultimate Holding Company	Quess Corp Limited
Holding Company	Connect Business Solutions Limited
Fellow Subsidiaries	MFX Infotech Private Limited Monster.Com (India) Private Limited Terrier Security Services (India) Private Limited Heptagon Technologies Private Limited MFXchange US Inc. Quessglobal (Malaysia) Sdn. Bhd. Quess (Philippines) Corp. Qdigi Services Limited Trimax Smart Infraprojects Private Limited Vedang Cellular Services Private Limited Billion Careers Private Limited Simpliance Technologies Pvt Ltd (Ceased to be a fellow subsidiary effective from 21 October 2022) Quess International Services Private Limited (formerly Golden Star Facilities And Services Private Limited)
Related parties where control exists	
Subsidiaries (Wholly owned)	Allsectech Inc., USA Allsectech Manila Inc., Philippines
Entity in which Directors have significant influence	Careworks Foundation
Key management personnel	
Chief Executive Officer	Mr. Ashish Johri (till 15 February 2023)
Chief Executive Officer	Mr. Naozer Cursow Dalal (from 16 February 2023)
Chief Financial officer	Mr. Raghunath. P (till 03 January 2023)
Chief Financial officer	Mr. Gaurav Mehra (from 04 January 2023)
Company Secretary	Ms. Sripriyadashini (from 14 May 2022)
Directors	
Chairman of the Board of Directors	Mr. Ajit Abraham Isaac
Independent director	Mr. Sanjay Anandaram
Independent director	Mr. Milind Chalisgaonkar
Independent director	Ms. Lakshmi Sarada R
Non-executive Non-independent director	Mr. Guruprasad Srinivasan (from 11 February 2022)
Non-executive Non-independent director	Mr. Ravi Vishwanath (till 06 January 2023)
Non-executive Non-independent director	Mr. Kamal Pal Hooa (from 06 January 2023)

* Related Party relationships are as identified by the Management.

27 Related party transactions (continued)

B. Transactions with related parties

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Income from services billed to		
Allsectech Inc., USA	5,380	3,109
Quess Corp Limited	275	279
Connect Business Solutions Limited	42	32
Simpliance Technologies Pvt Ltd[@]	-	30
Monster.Com (India) Private Limited	5	4
Heptagon Technologies Private Limited	1	-
Terrier Security Services (India) Private Limited	1	1
MFX Infotech Private Limited	4	5
MFXchange US, Inc.	999	688
Quessglobal (Malaysia) Sdn. Bhd.	5	6
Quess (Philippines) Corp.	4	-
Qdigi Services Limited	18	19
Trimax Smart Infraprojects Private Limited *	-	-
Vedang Cellular Services Private Limited *	-	-
Careworks Foundation*	-	-
Quess International Services Private Limited* (formerly Golden Star Facilities And Services Private Limited)	-	-

Expense incurred for recruitment/professional/consulting/security/AMC etc		
MFX Infotech Private Limited	92	235
Simpliance Technologies Pvt Ltd@	120	241
Quess Corp Limited	293	330
Terrier Security Services (India) Private Limited	285	179
Hexagon Technologies Private Limited	58	264
Connect Business Solutions Limited	126	248
Quess Corp Manpower Supply Services LLC	79	33
Dividend paid to Holding company		
Connect Business Solutions Limited	2,237	6,710
Dividend from wholly owned subsidiary company		
Allsectech Manila Inc., Philippines	2,932	9,252
Reimbursement of expenses incurred by the company		
Quess Corp Limited	60	53
Conneqt Business Solutions Limited	105	-
Recovery made by the company towards facilities cost		
MFXchange US, Inc.	132	-
Payments made towards Corporate Social Responsibility Expense		
Careworks Foundation	67	5
Remuneration and other benefits#		
Chief Executive officer	167	141
Chief Financial Officer	72	76
Company Secretary	10	26
Non-whole-time directors	30	24

* Amount less than a lakh rupees

Remuneration and other benefits pertain to short term employee benefits. As the gratuity and compensated absences are determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.

@ Ceased to be a fellow subsidiary effective from 21 October 2022. Transactions reported for current year are upto 21 October 2022

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C. Balances with related parties

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Investments in equity instruments of subsidiaries		
Allsectech Inc, USA	1,214	1,214
Allsectech Manila Inc., Philippines	1,020	1,020
Trade receivables		
Allsectech Inc., USA	179	501
Quess Corp Limited	69	73
Conneqt Business Solutions Limited	9	24
Simpliance Technologies Pvt Ltd@	-	3
MFXchange US, Inc.	117	53
Quess (Philippines) Corp.	1	-
Qdigi Services Limited	1	2
MFX Infotech Private Limited	1	-
Monster.Com (India) Private Limited	3	2
Terrier Security Services (India) Private Limited	1	1
Quess International Services Private Limited *(formerly Golden Star Facilities And Services Private Limited)	-	-
Trade Payable		
Terrier Security Services (India) Private Limited	36	24
Quess Corp Limited	45	7
Conneqt Business Solutions Limited	3	52
Heptagon Technologies Private Limited*	-	20
MFX Infotech Private Limited	27	-
Salaries payable to KMP	11	14
Directors' commission payable	18	17
Other financial assets		
Quess Corp Limited	5	8
Allsectech Inc.	482	27
MFXchange US, Inc.	95	53
MFX Infotech Private Limited*	-	-
Monster.Com (India) Private Limited	2	-
Quessglobal (Malaysia) Sdn. Bhd.	1	-
Simpliance Technologies Pvt Ltd@	-	1
QDigi Services limited	1	1
Conneqt Business Solutions Limited	3	2
Terrier Security Services (India) Private Limited*	-	-
Vedang Cellular Services Private Limited *	-	-
Careworks Foundation*	-	-
Quess International Services Private Limited* (formerly Golden Star Facilities And Services Private Limited)	-	-
Other financial liabilities		
Conneqt Business Solutions Limited	49	26
MFX Infotech Private Limited	4	71
Quess Corp Limited	129	181
Terrier Security Services (India) Private Limited	8	-
Heptagon Technologies Private Limited	-	22
Quess Corp Manpower Supply Services LLC*	-	4
Simpliance Technologies Pvt Ltd@	-	20
Investments in subsidiaries		
Allsectech Inc, USA	1,214	1,214
Allsectech Manila Inc., Philippines	1,020	1,020

* Amount less than a lakh rupees

@ Ceased to be a fellow subsidiary effective from 21 October 2022. Transactions disclosed in this note for the current year is for the period of 01 April 2022 to 21 October 2022.

Notes:

(i) The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at 31 March 2023 and 31 March 2022, there are no further amounts payable to / receivable from them, other than as disclosed above. The Company incurs certain costs on behalf of other companies in the group. These costs have been allocated/recovered from the group companies on a basis mutually agreed to with the group companies.

(ii) Remuneration and other benefits pertain to short term employee benefits. As the gratuity and compensated absences are determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.

(iii) The remuneration payable to key management personnel is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.

(iv) All transactions with these related parties are priced at arm's length basis. The amounts outstanding are unsecured and will be settled in cash. There have been no instances of amounts due to or due from related parties that have been written back or written off or otherwise provided for during the year.

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28 Earnings per equity share

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit after tax considered as numerator for calculating basic and diluted earnings per share	4,632	9,753
Weighted average number of equity shares for the purpose of calculating Basic & Diluted EPS	15,238,326	15,238,326
Nominal value of equity shares (in ₹)	10	10
Basic EPS (in ₹)	30.40	64.00
Diluted EPS (in ₹)	30.40	64.00

29 Contingent liabilities and commitments

(a) Contingent liabilities

Claims against the company not acknowledged as debt

In January 2008, the Company had received a demand from the Tamil Nadu Generation and Distribution Corporation Limited ("TANGEDCO") for an amount of ₹ 109 lakhs towards differential amount of charges arising from reclassification on the tariff category applicable to the Company with retrospective effect from June 2005 till June 2007. The Company had filed a writ with Hon'ble High Court of Madras seeking relief from the demand. During the previous year, the Hon'ble High Court of Madras vide its order dated 12 January 2022 directed the Company to approach the Electricity Regulatory Commission to get the grievances settled and instructed the Commission to conclude the plea in line with applicable provisions laid down by the Commission in this regard. While the procedural approach as directed by the Hon'ble High Court was in progress, the company received demand notices from the TANGEDCO towards this disputed claim of ₹109 Lakh for the above cited period and additional demand for the period from July 2007 to July 2010 amounting to ₹112 Lakh along with Belated Payment Surcharge ("BPSC") on the principal amounts pertaining to the period June 2005 to July 2010 and was demanded to be settled within the stipulated time frame, failure to which the supply of electricity was threatened to be disconnected. The Company proposed to pay the dues in installments under protest and simultaneously proceed with the legal resolutions in the manner directed by the Hon'ble Madras High Court. The Company made provision towards principal charges of ₹221 Lakhs. The BPSC amounting to ₹457 lakh has been considered by the Company as contingent liability. Based on management assessment and professional advice received by the management, company is confident that the demand raised will not be payable by the company and expects that the outcome of the appeal to be made will be favourable to the company.

Customer Dispute:

During the current year, the Company received a legal notice from customer for demand towards incorrect processing of payroll along with interest. The Company provided its response through its external legal counsel in writing and denying all the claims made by the customer. No response was received by the company till the date of approval of these financial statements post the response provided by the company's legal counsel. Management has represented that there is no further communication from the customer on this matter and no arrangements entered into with the customer relating to this matter.The Company obtained a legal opinion from an external legal counsel, basis of which has concluded that the amount demanded by the customer is not tenable and would not result outflow of economic benefits. Accordingly, no provision has been made in the books of accounts.

(b) Commitments

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Capital commitments that are not cancellable - Estimated amount of capital contracts remaining to be executed *	83	5

* Represents the entity's contractual commitment towards Intangible Assets under Development (IAUD)

30 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars*	2022-2023	2021-2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	108	17
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as	-	-

*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

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31 Employee Benefits

a) Defined Contribution plans

The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Expenses recognised :

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Included under 'Contributions to Provident and other Funds'		
Contributions to Employee state insurance	159	132
Contributions to provident funds	808	609

b) Defined Benefit Plans:

The Company offers 'Gratuity' (Refer Note 20 'Employees Benefits Expense) as a post employment benefit for qualifying employees and operates a gratuity plan. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company's obligation towards its gratuity liability is a defined benefit plan.

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

A) Interest Rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

B) Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

C) Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

D) Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

E) Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2023. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method.

The following table sets out the funded status of the Gratuity Plan and the amounts recognized in the financial statement :

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	**808**	**778**
Interest cost	47	41
Current service cost	88	87
Past service cost	-	-
Benefits paid	(85)	(145)
Actuarial loss/(gain)	(15)	47
Present value of defined benefit obligation at the end of the year	**843**	**808**
Changes in fair value of plan assets		
Fair value of plan assets at the beginning of the year	**143**	**210**
Expected return	8	10
Contributions by the Company	78	67
Benefits paid and charges deducted	(85)	(145)
Actuarial gains	1	1
Fair value of plan assets at the end of the year	**145**	**143**
Net defined benefit obligation (deficit)	**698**	**665**
Non-current	**638**	**605**
Current	**60**	**60**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Amount recognised in profit or loss		
Current service cost	88	87
Past service cost	-	-
Interest cost	47	41
Expected return on planned assets	(8)	(10)
Total amount recognised in profit or loss	**127**	**118**
Amount recognised in other comprehensive income		
Remeasurement due to changes in actuarial assumptions	(16)	46
Total amount recognised in other comprehensive income	**(16)**	**46**

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Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Significant actuarial assumptions		
a) Discount rate and expected return on plan assets	7.13%	6.03%
b) Long-term rate of compensation increase	5.00%	5.00%
c) Attrition rate		
- employees with service upto 5 years as at valuation date	39.00%	39.00%
- employees with service more than 5 years as at valuation date	1.50%	1.50%

a. The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

b. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

c. Attrition rate considered is the management's estimate based on the past trend of employee turnover in the Company

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. It is assumed that the active members of the scheme will experience in service mortality in accordance with the Indian Assured Lives Mortality (2012-'14) Ultimate Table. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

	Attrition Rate		Discount Rate		Future Salary Increase	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2023						
Sensitivity Level	1%	-1%	1%	-1%	1%	-1%
Impact on defined benefit obligation	17	(18)	(69)	82	85	(78)
31 March 2022						
Sensitivity Level	1%	-1%	1%	-1%	1%	-1%
Impact on defined benefit obligation	5	(13)	(51)	58	61	(60)

Other information

Expected contribution to post-employment benefit plans for the year ending 31 March 2023 is ₹ 60 lakhs. The weighted average duration of the defined benefit obligation is 12 years (31 March 2022: 13 years).

The expected benefit payments for the 10 years after balance sheet date is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	5-10 years	Total
31 March 2023					
Defined benefit obligation	32	111	195	239	577
31 March 2022					
Defined benefit obligation	35	54	183	212	484

c) Compensated Absences

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Included under ' Salaries and Bonus ' *	10	8

** Net of encashments*

Particulars	As at 31 March 2023	As at 31 March 2022
(b) Net asset / (liability) recognised in the Balance Sheet	227	217
Current portion of the above	227	217
Non - current portion of the above	-	-

The Key Assumptions used in the computation of provision for compensated absences are as given below:

Particulars	2022-2023	2021-2022
Discount Rate (% p.a)	7.13%	6.03%
Future Salary Increase (% p.a)	5.00%	5.00%

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32 Ratios

The following are analytical ratios for the year ended 31 March 2023 and 31 March 2022

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variance	Remarks
Current Ratio	Current assets	Current liabilities	2.8	3.5	-19%	
Debt – Equity Ratio	Total Debt (including lease liabilities)*	Shareholder's Equity	0.2	0.2	3%	
Debt Service Coverage Ratio	Earnings available for debt service **	Debt Service @	4.2	7.5	-44%	Refer Note 1
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	27%	61%	-56%	Refer Note 1
Trade receivables turnover ratio	Revenue	Average Trade Receivable	6.4	5.6	14%	
Trade payables turnover ratio	Purchase of Goods and Services	Average Trade Payables	8.4	9.4	-11%	
Net Capital turnover ratio	Revenue	Working Capital	2.6	2.1	22%	
Net Profit ratio	Net Profit	Revenue	17%	44%	-62%	Refer Note 1
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed #	28%	63%	-54%	Refer Note 1
Return on Investment (ROI)	Income generated on investments ##	Average Investments ###	5%	6%	-6%	

* *Total debts for the year ended 31 March 2023 and 31 March 2022 comprises of Lease liabilities alone*

** *Comprises of Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.*

@ *Debt Service comprises of lease payments, Interest payments and repayment of borrowings*

\# *Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liabilities*

\#\# *Income generated on investments = Interest income on fixed deposits + Mutual fund investment gain*

\#\#\# *Average Investments = Average of investments in mutual funds, margin money and other bank deposits.*

Variance in on account of the following reasons:

1 *The dividend income received from subsidiary company Allsectech Manila Inc., Philippines (reported under other income) during the current year is lower by ₹ 6,320 Lakh comparing to previous year and also provision amounting to ₹221 Lakh was recorded towards Electricity disputed tariff reclassification (Refer Note.29(a))*

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33 Financial Instruments

33.1 Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share Capital and Other Equity and Debt includes Borrowings and Other Financial Liabilities net of Cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Gearing Ratio :

Particulars	As at 31 March 2023	As at 31 March 2022
Borrowings	-	-
Cash and Bank Balance	(3,959)	(3,699)
Net Debt over and above the cash and bank balances (A)	-	-
Total Equity (B)	17,801	16,205
Net Debt to equity ratio (A/B)	- %	- %

33.2 Categories of Financial Instruments

The carrying value of the financial instruments by categories as on 31 March 2023 and 31 March 2022 is as follows:

Particulars	Carrying Value		Fair Value	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
(a) Financial Assets				
Measured at cost				
Investment in subsiciaries	1,020	1,020	1,020	1,020
Measured at fair value through P&L				
- Current Investments	4,678	4,694	4,678	4,694
- Other financial assets	-	-	-	-
Measured at amortised cost				
- Cash and Bank balances	3,931	3,671	3,931	3,671
- Other Bank balances	28	28	28	28
- Trade receivables	4,278	4,407	4,278	4,407
- Other financial assets	3,524	1,891	3,524	1,891
	17,459	**15,711**	**17,459**	**15,711**
(b) Financial Liabilities :				
Measured at fair value through P&L				
- Other financial liabilities	-	-	-	-
Measured at amortised cost				
- Borrowings	-	-	-	-
- Trade Payables	3,285	2,190	3,285	2,190
- Lease Liabilities	3,612	3,184	3,612	3,184
- Other financial liabilities	216	31	216	31
	7,113	**5,405**	**7,113**	**5,405**

The management assessed that fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value/amortized cost

1) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables

2) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the unquoted instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

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Fair Value Hierarchy

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

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

There were no items of financial assets or financial liabilities which were valued at fair value as of 31 March 2023 and 31 March 2022.

33.3 Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk.
The Company's activities expose it to a variety of financial risks: liquidity risk, credit risk and market risk (including interest rate risk and other price risk). The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

(a) Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company periodically. The Company believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Liquidity and Interest Risk Tables :

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
31 March 2023				
Interest bearing*	1,467	2,145	-	3,612
Non-interest bearing	3,501	-	-	3,501
Total	**4,968**	**2,145**	**-**	**7,113**
31 March 2022				
Interest bearing	1,228	1,956	-	3,184
Non-interest bearing	2,221	-	-	2,221
Total	**3,449**	**1,956**	**-**	**5,405**

*Includes Lease liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial Assets with agreed repayment periods. The Company does not hold any derivative financial instrument.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
31 March 2023				
Interest bearing	28	-	-	28
Non-interest bearing	15,784	627	1,020	17,431
Total	**15,812**	**627**	**1,020**	**17,459**
31 March 2022				
Interest bearing	28	-	-	28
Non-interest bearing	14,142	521	1,020	15,683
Total	**14,170**	**521**	**1,020**	**15,711**

(b) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

Trade receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and credit history, also has an influence on credit risk assessment.

Credit risk on current investments, cash & cash equivalent and derivatives is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in fixed deposits.

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(c) Market Risk :

Market risk is the risk of loss of any future earnings, in realizable fair values or in future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

(c.1) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's management monitors the interest fluctuations, if any, and accordingly, take necessary steps to mitigate any interest rate risk.

Interest rate sensitivity analysis

The Company is debt free as at 31 March 2023 and 31 March 2022 and hence the Company is not exposed to changes in market interest rates.

(c.2) Foreign Currency Risk Management :

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

Particulars	Currency	As at 31 March 2023	As at 31 March 2022
		Amount ₹ In lakhs	Amount ₹ In lakhs
Financial Assets (Trade Receivables, Unbilled Revenue & Cash and Cash equivalents)	USD	3,838	3,102
Financial Assets (Trade Receivables & Unbilled Revenue)	SGD	6	5
Financial Assets (Trade Receivables & Unbilled Revenue)	GBP	2	-
Financial Liabilities (Trade Payables and Provisions)	USD	48	25
Financial Liabilities (Trade Payables and Provisions)	EUR	2	-

Foreign Currency sensitivity analysis:

The following table details the Company's sensitivity to a 10% increase and decrease in ₹ against the relevant foreign currencies. 10% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates a increase in profit / decrease in loss and increase in equity where the ₹ strengthens 10% against the relevant currency. For a 10% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

Impact on Profit and loss for the reporting period

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2022
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	379	(379)	308	(308)
SGD	1	(1)	1	(1)
GBP	-	-	-	-
EUR	-	-	-	-

Impact on total equity as at end of the reporting period

Particulars	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2022
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	379	(379)	308	(308)
SGD	1	(1)	1	(1)
GBP	-	-	-	-
EUR	-	-	-	-

Note :
This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Company at the end of the reporting period.

33.4 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

33.5 Offsetting of financial assets and financial liabilities

The Company has not offset financial assets and financial liabilities.

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34 Fair value measurement

Financial Assets and Financial Liabilities that are measured at fair value on a recurring basis

Some of the financial assets and financial liabilities are measured at end of the each reporting period. The following table gives information about how the fair value of these financial assets and liabilities are considered:

Financial Assets / Financial Liabilities	Fair Value as at		Fair Value Hierarchy	Value Techniques and Key Inputs
	31 March 2023	31 March 2022		
Investments in Mutual Funds	4,678	4,694	Level 1	Quoted Net Asset Value in Active Markets
Foreign Currency Forward contracts	(16)	5	Level 2	Refer below

There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2023 and 31 March 2022.

Measurement of fair value of financial instruments

Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The finance team reports directly to the chief financial officer (CFO) and to the audit committee. Valuation processes and fair value changes are discussed among the audit committee and the valuation team at least every year, in line with the Company's reporting dates.

The valuation techniques used for instruments categorised in Levels 1, 2 and 3 are described below:

Investments in mutual fund units (Level 1)

The mutual funds are valued using the closing NAV.

Foreign exchange forward contracts (Level 2)

The Company's foreign currency forward contracts are not traded in active markets. These have been fair valued using observable forward exchange rates and interest rates corresponding to the maturity of the contract. The effects of non-observable inputs are not significant for foreign currency forward contracts.

Investments in equity instruments of other companies (Level 3)

These investments are not traded in active markets, and management considers the cost of investments to approximate the fair value.

Financial instruments measured at amortised cost for which the fair value is disclosed

The carrying amount of all financial instruments measured at amortised cost are considered to be a reasonable approximation of the fair value.

Fair value measurement of non-financial assets

There are no non-financial assets that were measured at fair value on the reporting dates.

35 Capital management policies and procedures

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

36 Dividend

During the current year, the Company declared and paid out Interim Dividend of ₹ 20 per equity share (200% of par value of ₹ 10 each) each pursuant to the approval of the Board of Directors, at their meeting held on 28 October 2022. The Company is in compliance with Section 123 of the Act.

During the previous year, the company declared and paid out Interim Dividend of ₹ 15 per equity share (150% of par value of ₹ 10 each) pursuant to the approval of the Board of Directors, at their meeting held on 29 April 2021 and ₹ 45 per equity share (450% of par value of ₹ 10 each) pursuant to the approval of the Board of Directors, at their meeting held on 28 October 2021.

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37 Relationship with struck off companies

The Company reviewed the status of all its customers and vendors Company, as at 31 March 2023, in MCA portal, and observed that the Company does not have any transaction or outstanding with struck off Companies under Section 248 of Companies Act, 2013 or Section 560 of Companies Act,1956.

38 Other Disclosures

(a) The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the income tax assessments under the provisions of Income Tax Act, 1961.

(b) The Company neither has any immovable property nor any title deeds of Immovable Property not held in the name of the Company

(c) The Company neither has traded nor invested in Crypto currency or Virtual Currency during the Financial year.

(d) The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period, as at the year ended 31 March 2023 and 31 March 2022.

(e) During the Financial year, the Company has not revalued any of its Property, Plant and Equipment, Right of Use Asset and Intangible Assets.

(f) The Company does not have any investment properties as at 31 March 2023 and 31 March 2022 as defined in Ind AS 40.

(g) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 and 31 March 2022 for holding any benami property under Benami Property Transactions (Prohibition) Act, 1988.

(h) The Company has not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(i) As at 31 March 2023, the Company has two wholly owned subsidiaries (Refer Note 1) and the Company complies with clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

(j) The Company has not granted any loans or advance in the nature of loans to promoters, directors, Key Managerial Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

CHARTERED ACCOUNTANTS

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Chennai
600 042

39 Approval of Financial Statements

In connection with the preparation of the standalone financial statements for the year ended 31 March 2023, the Board of Directors have confirmed the propriety of the contracts / agreements entered into by / on behalf of the Company and the resultant revenue earned / expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Company and have confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the standalone financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these standalone financial statements in its meeting held on 08 May 2023 in accordance with the provisions of Companies Act, 2013.

For and on behalf of **the Board of Directors** of
Allsec Technologies Limited

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

Ajit Abraham Isaac
Chairman
DIN : 00087168
Place : Bengaluru
Date : 08 May 2023

Guruprasad Srinivasan
Director
DIN : 07596207
Place : Bengaluru
Date : 08 May 2023

Naozer Cusrow Dalal
Chief Executive Officer
Place : Bengaluru
Date : 08 May 2023

Gaurav Mehra
Chief Financial Officer
Place : Bengaluru
Date : 08 May 2023

Sripriyadarshini
Company Secretary
Place : Bengaluru
Date : 08 May 2023

ALLSEC TECHNOLOGIES LIMITED Chennai 600 042

CA. Lokesh Kumar
B.Com (A&F), ACA.
Chartered Accountant

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF **M/s. BILLION CAREERS PRIVATE LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

I have audited the accompanying Standalone financial statements of **BILLION CAREERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, the Statement of changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies, notes to the standalone financial statements and other explanatory information (hereinafter referred to as the "standalone financial statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its Loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

I conducted my audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of my report. I am 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 my audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report including Annexure to the Board's Report but does not include the standalone financial statements and my auditor's report thereon. My opinion on the standalone financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the standalone financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information. I am required to report that fact. I have nothing to report in this regard.

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Mobile no: +91 72045 69541,+91 81231 82675 Email Id: calokeshreddyalle@gmail.com

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in exercise of powers conferred by section 143(11) of the Companies Act, 2013, I give in '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, I report to the extent applicable that:

(a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

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(b) In my opinion, proper books of account as required by law have been kept by the Company, so far as it appears from my examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, Statement of changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.

(d) In my opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

(f) Since the Company's turnover as per last audited standalone financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during year is less than Rs.25 Crores, the company is exempt from getting an audit opinion with respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2016 and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In my opinion and to the best of my information and according to the explanations given to me, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, as amended, in my opinion and to the best my information and according to the explanations given to me:
(i) The Company does not have any pending litigations which would its financial position.

(ii)The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii)There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the standalone financial statements, no funds(which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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(b) The management has represented, that, to the best of its knowledge and belief, no funds(which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under subclause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

(v) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

(vi). Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

LOKESH KUMAR M.No. 243276 Chartered Accountant

Lokesh Kumar
Chartered Accountant
Membership No. 243276

UDIN: **23243276BGXPFK1063**

Place: Bangalore
Date: 15/05/2023

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Annexure A to Independent Auditor's Report
(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of my report to the members of BILLION CAREERS PRIVATE LIMITED of even date):

To the best of my information and according to the explanations provided to me by the company and the books of account and records examined by me in the normal course of audit, I state that:

i) In respect of Company's Property, Plant and Equipment, right-of-use assets and Intangible Assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant, equipment, relevant details of right-of-use assets and Intangible assets.

(b) The Company has a regular programme of physical verification to cover all the items of Property, Plant and Equipment and right-of-use assets so to cover all the assets in a phased manner over a period of three years, which in my opinion, is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to me and the records examined by me, there are no immovable properties of land and buildings held in the name of the Company as at the balance sheet date.

(d) The company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) (a) The company does not have any inventory and hence reporting under clause 3(ii)(a) of the order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii) According to the information and explanation given to me, the company has not made any investments in and not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the order is not applicable.

iv) In my opinion and according to the information and explanations given to me, the Company has not granted any loans or provided guarantees or given any security or made investments to which the provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the order is not applicable.

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v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi) The Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act for any of the activities of the company and accordingly clause (vi) of the order is not applicable.

vii) In respect of Statutory Dues:

(a) According to the information and explanations given to me and on the basis of my examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues, including Goods and Services tax, provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, duty of excise, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

(b) According to the information and explanations given to me, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to me, there are no material dues of Statutory Dues referred to in sub clause(a) which have not been deposited with the appropriate authorities on account of any dispute.

viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) a) In my opinion and according to the information and explanations given to me, the Company has not been defaulted in repayment of loans taken from the bank and other lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The company has not obtained any term loan during the year, hence reporting on clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

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(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence reporting on clause 3(ix)(f) of the Order is not applicable.

x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The company has not made any preferential allotment/private placement of shares during the year under section 42 and section 62 of the Companies Act, 2013. Hence reporting under clause 3(x)(b) of the order is not applicable.

xi) (a)To the best of my knowledge and according to the information and explanations given to me, no fraud by the Company or no material frauds on the Company by its officers or employees has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) There are no whistle-blower complaints received during the year by the company.

xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii) In my opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv) (a)As per Rule 13 of the Companies (Accounts) Rules, 2014, private limited company having turnover less than Rs.200 crores during the immediate preceding financial year or outstanding loans or borrowings from banks or financial institutions is less than Rs. 100 crores. Hence the Internal Audit is not applicable to the company. Hence reporting under clause 3(xiv)(a) of the Order is not applicable.

(b) The Internal Audit was not applicable to the company. Hence reporting under clause 3(xiv)(b) of the Order is not applicable.

xv) In my opinion during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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xvi) (a) In my opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b)In my opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii) The company has incurred cash losses in the financial year and in the immediately preceding financial year. Cash losses in FY 2022-23 is INR 101.65 Million and Cash loss in FY 2021-22 is INR. 0.64 Million.

xviii) There has been no resignation of the statutory auditors of the Company during the year.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and my knowledge of the Board of Directors and Management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which causes me to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability.of the Company. I further state that my reporting is based on the facts up to the date of the audit report and i neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) The Corporate Social Responsibility (CSR) as per section 135(1) Companies Act, 2013 is not applicable to the company. Hence reporting under clause 3(xx)(a) and(b) of the order is not applicable.

xxi) There is no requirement of Consolidated financial statements for the company. Hence reporting under clause 3(xxi) of the order is not applicable.

LOKESH KUMAR * M.No. 243276 * Chartered Accountant

Lokesh Kumar
Chartered Accountant
Membership No. 243276

UDIN: **23243276BGXPFK1063**

Place: Bangalore
Date: 15/05/2023

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Billion Careers Private Limited
Notes to the financial statements for the year ended 31 March 2023

1. Company overview

Billion Careers Private Limited ('Billion Careers' or 'the Company') was incorporated on 26 November 2021 under the provisions of Companies Act, 2013, with its registered office in Bengaluru, India. To carry on the business of manpower consultant and advisors to individuals, bodies corporate, societies, undertakings, institutions, associations, government, local authorities for the recruitment of managerial personnel and other relating to the administration, organization, production, storage and marketing sales and management or industry and business and to carry on the business of industrial and business consultants and to provide services through Information Technology (IT) platform.

2. Basis of preparation

The company being a Subsidiary Company of M/s. Quess Corp Ltd., a company whose equity is listed in both Bombay Stock Exchange (BSE) & National Stock Exchange, (NSE). These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"). the provisions of the Companies Act, 2013 ("Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

The Ind AS financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency.

2.1 Basis of measurement and significant accounting policies

The financial statements have been prepared on historical cost basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments) and

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of Defined Benefit Obligations ("DBO").

Going concern:

The directors have, at the time of approving the standalone financial statements, a reasonable expectation that the company will continue to have operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the standalone financial statements.

2.2 Use of estimates and judgement

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

i. ***Income taxes:*** Significant judgements are involved in determining provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

ii. ***Measurement of defined benefit obligations:*** The cost of the defined benefit obligations are based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. All assumptions are reviewed on a periodic basis.

iii. ***Impairment of financial assets:*** The Company assesses on a forward-looking basis the expected credit losses associated with financial assets carried at amortised cost based on 12-month expected credit losses (ECL) at each reporting period, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

iv. ***Property, plant and equipment and Intangible assets:*** The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired, generated, and reviewed periodically.

v. ***Other estimates:*** The impairment of non-financial assets involves key assumptions underlying recoverable amounts including the recoverability of expenditure on internally generated intangible assets.

2.3 Measurement of fair values

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

Fair values are categorized into different levels in a fair value hierarchy based on the degree to which the fair value measurements are observable and significance of the inputs to fair value measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments

2.4 Property, plant and equipment

i) Recognition and measurement

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

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

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

The cost and related accumulated depreciation are derecognized from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'

ii) Depreciation

Depreciation is provided on a Straight-Line Method ('SLM') over the estimated useful lives of the property, plant and equipment as estimated by the Management and is generally recognized in the statement of profit and loss. The management believes that the useful lives as given below best represent the period over which the management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for some of these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of). The Company has estimated the useful lives for property, plant and equipment as follows:

Asset category	Estimated useful life for 31 March 2023
Plant and machinery	3 years
Computer equipment	3 years
Furniture and Fixtures	5 years
Office equipment	5 years

Leasehold improvements are depreciated over the lease term or estimated useful life whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted if appropriate.

2.5 Goodwill and intangible assets

(i) Recognition and measurement

Internally generated: Research and development

Research costs are expensed as incurred. Costs associated with maintaining software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software includes employee costs and an appropriate portion of relevant overheads.
Capitalized development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

LOKESH KUMAR
M.No. 243276
Chartered Accountant

Others

Other intangible assets such as computer software, copyright and trademarks are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brand, is recognized in the statement of profit and loss as and when incurred.

(iii) Amortisation

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The estimated useful lives of intangible assets are as follows:

Asset category	**Estimated useful life for 31 March 2023**
Software (owned)	5 years
Trademark	3 Years

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted if appropriate.

2.6 Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset/CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.7 Leases

Ind AS 116 replaced Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. The Company has adopted Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The Company's lease asset classes primarily consist of Land and Building. The group assesses whether a contract is a lease or not at the inception of each contract. A contract or a part of a contract is a lease if conveys the right to control the use of an asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimated of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use-asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is change in future lease payments arising from a change in an index or rate, if there is change in the Company estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use-asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize right-of-use assets and liabilities for short-term leases of INR 100,000 that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Practical expedients adopted on initial recognition:

1. The agreements maturing within 12 months from the initial application of Ind AS 116, are not considered.
2. Single discount rate is applied to a portfolio of leases with reasonably similar characteristics on the date of initial application.
3. Value of initial direct costs (such as Stamp Duty, registration costs etc. already paid) excluded from the measurement of ROUA.

2.8 Revenue recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018 using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those services.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.

Revenue from fixed-price, fixed time frame contracts are recognized as per the terms of the arrangement with the customer where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. In fixed rate contracts, the performance obligation and control are being satisfied and transferred over time and revenue is being recognized by measuring progress towards completion of the performance obligation. Certain arrangements are on time and material basis and are recognized as the services are performed as per the terms of the arrangement with the customer.

a) Policy in case of Unbilled revenue and unearned revenue

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

b) Policy in case of Contract modifications

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the selling price, or as a termination of the existing contract and creation of a new contract if not priced at the selling price.

c) Policy in case of variable consideration

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

d) Policy in case of cost of obtaining a contract

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognized as an asset when the Company expects to recover these costs and amortized over the contract term.

e) Policy in case of cost of fulfilling a contract

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of services to customer to which the asset relates.

2.9 Other income

Other income mostly comprises interest income on deposits, dividend income and gain/ (losses) on disposal of financial assets and non-financial assets. Interest income is recognized using the effective interest method.

2.10 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transaction. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit or loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in the statement profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

The assets and liabilities of foreign operations (subsidiaries and joint venture) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

2.11 Financial instruments

a) Recognition and initial measurement

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

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

b) Financial assets

(i) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at
- amortised cost;
- Fair Value through other comprehensive income (FVOCI) - debt investment;
- Fair Value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit and loss (FVTPL)

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

(i) A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

(ii) A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

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

(iv) All financial assets not classified at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to statement of profit and loss.

(i) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on financial assets trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL

ECL impairment loss allowance (or reversal) is recognized as an income/expense in the Statement of Profit and Loss during the period.

(ii) Derecognition of financial assets

A financial asset is derecognised only when:
- The Company has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

c) Financial liabilities

(i) Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit and loss. Other financial liabilities subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit and loss. Any gain or loss is also recognized in the statement of profit and loss.

(ii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because the specified party fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts are initially recognized at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of

the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative amortization.

(iii) Derecognition

A financial liability is derecognized when the Group's obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.12 Employee benefits

(a) Short-term benefit plans

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the amount of obligation can be estimated reliably.

(b) Compensated absences

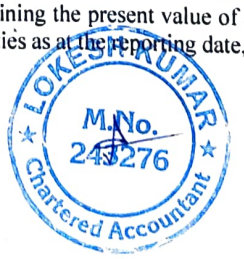
The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit Method as at the reporting date.

(c) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(d) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.



Actuarial gains or losses are recognized in other comprehensive income. Further, the Statement of profit and loss does not include an expected return on plan assets. Instead net interest recognized in the Statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the Statement of profit and loss in subsequent periods.

(e) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

2.13 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

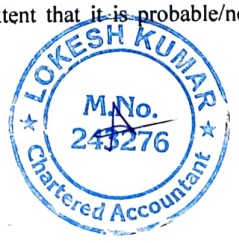
Deferred tax is not recognized for:

-temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction.

- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

-taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realised. Deferred tax assets, unrecognised or recognized, are reviewed at each reporting date and are recognized/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.



Minimum alternative tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Ind AS 12 defines deferred tax to include carry forward of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement is grouped with deferred tax assets (net) in the balance sheet.

2.14 Provisions

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the reporting date) at a pre -tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of discount is recognized as finance cost. Expected future operating losses are not provided for.

Onerous contract

A contract is considered to be onerous when the expected economic benefit to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with the contract.

2.15 Contingent liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.17 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

LOKESH KUMAR
M.No. 243276
Chartered Accountant

2.18 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

2.19 Segment reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. However since the Company is in the business of rendering Information technology services & Information technology products to clients which are covered under similar arrangements and is considered by CODM as the only reportable business segment.

Billion Careers Private Limited
CIN:U74140KA2021PTC154916
Balance sheet as at 31 March 2023

(Amount in INR Million)

Particulars	Note	31 Mar 2023	31 Mar 2022
ASSETS			
Non-Current assets			
Property, Plant and Equipment	3	0.80	1.17
Intangibe Assets	3	12.97	40.84
Intangibe Assets under Development	4	34.17	-
Total Non-Current assets		**47.93**	**42.01**
Current assets			
Inventories		-	-
Financial assets			
Trade receivables	5	40.75	-
Cash and cash equivalents	6	1.08	9.71
Other Current assets	7	7.45	-
Total Current assets		**49.28**	**9.71**
Total Assets		**97.22**	**51.72**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	60.10	60.10
Other equity	9	(120.09)	(11.53)
Total equity		**(59.99)**	**48.57**
Liabilities			
Non-Current liabilities			
Financial liabilities			
Borrowings		-	-
Non-Current Provisions	10	1.05	-
Total Non-Current liabilities		**1.05**	**-**
Current liabilities			
Financial liabilities			
Borrowings	11	122.35	-
Trade payables	12	2.20	0.64
Other current financial liabilities	13	3.15	2.50
Current Provisions	14	0.66	-
Other Current Liabilities	15	27.80	-
Total Current Liabilities		**156.16**	**3.15**
Total Liabilities		**157.21**	**3.15**
Total Equity and Liabilities		**97.22**	**51.72**

As per our report of even date attached

for and on behalf of Board of Directors of
Billion Careers Private Limited
CIN:U74140KA2021PTC154916

LOKESH KUMAR M.No. 243276 Chartered Accountant

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 23243276BGXPFK1063

Place: Bengaluru
Date: 15th May 2023

Kundan Kumar Lal
Director
DIN: 06446995

Place: Bengaluru
Date: 15th May 2023

Kamal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 15th May 2023

Billion Careers Private Limited
CIN:U74140KA2021PTC154916
Statement of Profit and Loss for the year ended 31 March 2023

(Amount in INR Million)

Particulars	Note	31 Mar 2023	31 Mar 2022
Income			
Revenue from operations	16	38.83	-
Other income		-	-
Total income		**38.83**	-
Expenses			
Employee benefit expenses	17	41.17	-
Finance costs	18	4.66	-
Depreciation and amortisation expenses	19	6.91	-
Other expenses	20	94.65	0.64
Total expenses		**147.39**	**0.64**
Loss before tax and exceptional items		**(108.56)**	**(0.64)**
Exceptional items		-	-
Loss before tax		**(108.56)**	**(0.64)**
Tax expense			
Current tax		-	-
Income tax relating to earlier years		-	-
Deferred tax		-	-
Total tax expenses		-	-
Loss for the year		**(108.56)**	**(0.64)**
Total comprehensive loss for the year		**(108.56)**	**(0.64)**
Earnings /(Loss) per equity share (face value of Rs 10 each)			
Basic	27	(18.06)	(32.47)
Diluted		(18.06)	(32.47)

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for and on behalf of Board of Directors of
Billion Careers Private Limited
CIN:U74140KA2021PTC154916

Lokesh Kumar
Chartered Accountant
Membership No. - 243276
UDIN: 23243276BGXPFK1063

Place: Bengaluru
Date: 15th May 2023

Kundan Kumar Lal
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Place: Bengaluru
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Kamal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 15th May 2023

Billion Careers Private Limited
CIN:U74140KA2021PTC154916
Statement of Changes in Equity for the year ended 31 March 2023

(A) Equity share capital *(Amount in INR Million)*

Particulars	Note	31 March 2023	31 March 2022
Opening balance	8	60.10	-
Changes in equity share capital	8	-	60.10
Closing balance		**60.10**	**60.10**

(B) Other equity *(Amount in INR Million)*

Particulars	Other equity		Total Equity attributable to Equity holders of
	Reserves and Surplus		
	Capital Reserve	Retained Earnings	
Balance as at April 1, 2021	-	-	-
Add: Profit / (Loss) for the year	(10.89)	(0.64)	(11.53)
Total comprehensive income/(loss)	(10.89)	(0.64)	(11.53)
Add: Premium received on issue of Equity Shares	-	-	-
Balance as at March 31, 2022	**(10.89)**	**(0.64)**	**(11.53)**
Balance as at April 1, 2022	**(10.89)**	**(0.64)**	**(11.53)**
Add: Profit / (Loss) for the year	-	(108.56)	(108.56)
Total comprehensive income/(loss)	(10.89)	(109.20)	(120.09)
Add: Premium received on issue of Equity Shares	-	-	-
Balance as at March 31, 2023	**(10.89)**	**(109.20)**	**(120.09)**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for and on behalf of Board of Directors of
Billion Careers Private Limited
CIN:U74140KA2021PTC154916

Lokesh Kumar
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LOKESH KUMAR M.No. 243276 Chartered Accountant

Kundan Kumar Lal
Director
DIN: 06446995

Place: Bengaluru
Date: 15th May 2023

Kamal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 15th May 2023

BILLION CAREERS PRIVATE LIMITED

Billion Careers Private Limited
CIN:U74140KA2021PTC154916
Statement of Cash Flows for the year ended 31 March 2023

(Amount in INR Million)

Particulars	For the year ended	
	31 Mar 2023	31 Mar 2022
Cash flows from operating activities		
Profit / (Loss) after tax	(108.56)	(0.64)
Adjustments for:		
Tax Expense	-	-
Depreciation and amortisation	6.91	-
Interest income on term deposits	-	-
Interest on tax refunds due	-	-
Finance costs	4.66	-
Operating cash flows before working capital changes	**(96.99)**	**(0.64)**
Working Capital Changes		
(Increase) / decrease in Trade Receivables	(40.75)	-
(Increase) / decrease in Other Current Assets	(7.45)	-
Increase / (Decrease) in Non-current Provisions	1.05	-
Increase / (Decrease) in Trade Payables	1.56	3.15
Increase / (decrease) in Other Current Financial Liabilities	0.65	-
Increase / (decrease) in Other Current Liabilities	28.45	-
Cash generated from /(used in) operations	**(113.49)**	**2.50**
Income taxes paid, net of refund	-	-
Net cash provided by/ (used in) operating activities (A)	**(113.49)**	**2.50**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles, net of sale proceeds	(12.83)	(52.89)
Interest income on term deposits	-	-
Interest on tax refunds due	-	-
Deferred tax assets (net)	-	-
Net cash used in investing activities (B)	**(12.83)**	**(52.89)**
Cash flows from financing activities		
Proceeds from borrowings	-	-
Proceeds from issue of equity shares, net of issue expenses	-	60.10
Proceeds / (repayment) of short term borrowings, net	-	-
Loans from related parties, net of amounts repaid	122.35	-
Finance costs	(4.66)	-
Net cash provided by financing activities (C)	**117.69**	**60.10**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(8.63)	9.71
Cash and cash equivalents at the beginning of the year	9.71	-
Cash and cash equivalents at the end of the year	**1.08**	**9.71**

As per our report of even date attached

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 23243276BGXPFK1063

Place: Bengaluru
Date: 15th May 2023

LOKESH KUMAR ★ M.No. 243276 ★ Chartered Accountant

for and on behalf of Board of Directors of
Billion Careers Private Limited
CIN:U74140KA2021PTC154916

Kundan Kumar Lal
Director
DIN: 06446995

Place: Bengaluru
Date: 15th May 2023

Kamal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 15th May 2023

BILLION CAREERS PRIVATE LIMITED

Billion Careers Private Limited
CIN:U74140KA2021PTC154916
Notes to the Standalone financial statements for the year ended 31 March 2023

3 Property, Plant and Equipment and Intangible Assets

(Amount in INR Million)

	Tangible Assets				
Particulars	**Furniture and fixtures**	**Office equipment**	**Computer equipment**	**Computer software(Intangible Asset)**	**Total Property, plant and equipment and Intangibe Assets**
Gross carrying amount as at 1 April 2021	-	-	-	-	-
Additions	-	-	1.17	-	1.17
Disposals	-	-	-	-	-
Balance as at 31 March 2022	-	-	**1.17**	-	**1.17**
Additions	-	-	-	19.50	19.50
Disposals	-	-		-	-
As at 31 March 2023	-	-	**1.17**	**19.50**	**19.67**
Accumulated Depreciation as at 1 April 2021	-	-	-	-	-
Depreciation for the year	-	-	-	-	-
Disposal	-	-	-	-	-
Accumulated Depreciation as at 31 March 2022	-	-	-	-	-
Depreciation for the year	-	-	0.38	6.53	6.91
Disposal	-	-	-	-	-
Accumulated Depreciation as at 31 March 2023	-	-	**0.38**	**6.53**	**6.91**
Net Carrying Amount					
As at 31 March 2023	-	-	**0.80**	**12.97**	**13.76**
As at 31 March 2022	-	-	**1.17**	-	**1.17**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

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4.Intangible assets under development

(Amount in INR Million)

Particulars	Intangible assets under development
Gross carrying amount	
Acquisition through business combination(Computer Software Work in progress)-Opening Work In progress	40.84
Additions	7.20
Deletion	(13.87)
Closing gross carrying amount as at 31 Mar 2023	**34.17**
As at 31 Mar 2022	**40.84**

Following is the ageing schedule as on 31 March 2023:

(Amount in INR Million)

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	34.17	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	**34.17**	-	-	-

Following is the completion schedule for those intangible assets under development whose completion is overdue or/ and has exceeded its cost compared to the original plan:

(Amount in INR Million)

Particulars	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	ore than 3 years
Project 1	-	34.17	-	-
Project 2	-	-	-	-

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5 Trade receivables

i) Trade receivables - billed

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Unsecured		
Undisputed Trade receivables		
Considered good	15.65	-
Less: Allowance for expected credit loss	-	-
	15.65	-

ii) Trade receivables - unbilled

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Unbilled revenue	25.10	-
Less: Provision for impairment of unbilled revenue	-	-
	25.10	-

Trade receivable ageing schedule as on 31 March 2023:

(Amount in INR Million)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	25.10		-	15.65	-	-	-	40.75
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

Trade receivable ageing schedule as on 31 March 2022:

(Amount in INR Million)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

6 Cash and cash equivalents

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Cash and cash equivalents		
Cash in hand	-	-
Balances with banks	1.08	9.71
Cash and cash equivalent in the statement of cash flow	**1.08**	**9.71**

7 Other current assets

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Advances other than capital advances		
Prepaid expenses		-
Balances with Government auhorities(GST Input Credit available)	7.45	-
	7.45	-

8 Equity share capital

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Authorised		
70,00,000 (31 March 2022: 70,00,000) equity shares of par value of Rs 10 each	70.00	70.00
	70.00	**70.00**
Issued, subscribed and paid-up		
60,10,000 (31 March 2022: 60,10,000) equity shares of par value of Rs 10 each, fully paid up	60.10	60.10
	60.10	**60.10**

8.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year

(Amount in INR Million)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the commencement of the year	60,10,000	60.10	-	-
Changes during the year	-	-	60,10,000	60.10
At the end of the year	**60,10,000**	**60.10**	**60,10,000**	**60.10**

8.2 Details of shareholders holding more than 5% shares in the Company

(Amount in INR Million)

Particulars	As at 31 March 2023			As at 31 March 2022		
	Number of shares	Amount	%	Number of shares	Amount	%
Shares Capital						
Equity shares of par value Rs 10 each						
Quess Corp Limited	60,09,999	60.10	100%	60,09,999	60.10	100%
Ajit Abraham ISAAC(Nominee of Quess Corp)	1	0.00	0%	1	0.00	0%
	60,10,000	**60.10**	**100%**	**60,10,000**	**60.10**	**100%**

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8.3 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each equity holder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of shareholders in ensuring Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of preferential amounts if any, in proportion to their shareholding.

8.4 The Company has not made any buy back of shares or issued any shares for consideration other than cash, during the period of five years immediately preceding the balance

8.5 Details of shareholding of promoters:

Promoter name	31 March 2023			31 March 2022		
	Number of shares	% held	% change during the year	Number of shares	% held	% change during the year
Quess Corp Limited	60,09,999	100%	0.00%	60,09,999	100%	100.00%
Ajit Abraham ISAAC(Nominee of Quess Corp)	1	0%	0.00%	1	0%	0.00%

9 Other equity

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Retained earnings	(109.20)	(0.64)
Capital Reserve	(10.89)	(10.89)
Total Other equity	**(120.09)**	**(11.53)**

9.1 Capital Reserve account

The Company has purchased the business undertaking of Quess corp Limited on a slump sale basis as on 30.03.2022 resulting in negative capital reserve

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Balance as at the beginning of the year	**(10.89)**	-
Add: Capital Reserve	-	(10.89)
Balance as at the end of the year	**(10.89)**	**(10.89)**

9.2 Retained earnings

Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Balance as at the beginning of the year	**(0.64)**	-
Add: Profit /(Loss) for the year	(108.56)	(0.64)
Less: Dividends paid during the year	-	-
Balance as at the end of the year	**(109.20)**	**(0.64)**

10 Non-current provisions

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Provision for employee benefits		
Provision for gratuity (refer note 25)	1.05	-
Total Non-current provisions	**1.05**	-

11 Current borrowings

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Secured ^	-	-
Bank Overdraft	-	-
Current maturities of long term debt		
Unsecured	-	-
Corporate credit cards		
Loan from related parties	-	-
Loan from Directors	122.35	-
Loan from holding Co. - Quess Corp Limited*	**122.35**	-
Total Current borrowings		

*The Company has availed a loan of INR 117.9 Million from Quess Corp Ltd. at the rate of 7.45% p.a which is repayable on demand.

12 Trade payables

(Amount in INR Million)

i) Trade payables - billed dues Particulars	31 Mar 2023	31 Mar 2022
Undiputed dues		
Total outstanding dues of micro enterprises and small enterprises (refer note 26)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2.20	0.64
Total Trade Payables	**2.20**	**0.64**

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 22.

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2023:

(Amount in INR Million)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises (refer note 26)	-		-	-	-	-
- Others	-	2.20	-	-	-	2.20

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2022:

(Amount in INR Million)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises (refer note 26)	-	-	-	-	-	-
- Others	-	0.64	-	-	-	0.64

13 Other current financial liabilities

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Accrued Expense	0.20	-
Salary Payable	2.95	2.50
Total Other current financial liabilities	**3.15**	**2.50**

The Company's exposure to currency and liquidity risk related to other current financial liabilities is disclosed in note 22

14 Current provisions

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Provision for employee benefits		
Provision for compensated absences (refer note 25)	0.45	-
Provision for other employee benefits payable	0.22	
Total Current Provisons	**0.66**	-

15 Other current liabilities

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Duties & Taxes	2.41	-
Advance received from Quess	22.62	
Other Current liabilities	2.76	
Total Other current liabilities	**27.80**	-

16 Revenue from operations

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Sale of services (refer note 28)	38.83	-
Total Revenue from operations	**38.83**	**-**

17 Employee benefits expense

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Salaries	38.20	-
Contribution to Provident and Other funds	0.64	-
Retirement Benefits	1.05	-
Expenses related to compensated absences	0.45	-
Staff welfare expenses	0.83	-
Total Employee benefit expenses	**41.17**	**-**

18 Finance costs

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Interest on Borrowings	4.66	-
Total Finance costs	**4.66**	**-**

19 Depreciation and amortisation expense

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Depreciation of property, plant and equipment and computer software (refer note 3)	6.91	-
Total Depreciation and amortisation expense	**6.91**	**-**

20 Other expenses

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Advertising & Business Promotion	54.72	-
Audit Fee	0.20	
Legal & Professional Fees	39.67	-
Bank charges	0.0010	-
Rates & Taxes	0.0024	0.64
Other Miscellaneous Expenses	0.0537	-
Total Other expenses	**94.65**	**0.64**

20.1 Payment to auditors (net of GST; included in legal and professional fees)

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Statutory audit fees	0.20	-
Total Payment to auditors	0.20	-

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21 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in INR Million)

Particulars	Note	31 March 2023		
		FVTPL	FVTOCI	Amortised Cost
Financial assets:				
Trade receivables	5	-	-	15.65
Cash and cash equivalents	6	-	-	1.08
Unbilled revenue	5	-	-	25.10
Total financial assets		-	-	**41.83**
Financial liabilities:				
Borrowings	11	-	-	122.35
Trade payables	12	-	-	2.20
Other financial liabilities	13	-	-	3.15
Non-current borrowings		-	-	-
Total financial liabilities		-	-	**127.70**

(Amount in INR Million)

Particulars	Note	31 March 2022		
		FVTPL	FVTOCI	Amortised Cost
Financial assets:				
Trade receivables	5	-	-	-
Cash and cash equivalents	6	-	-	9.71
Unbilled revenue	5	-	-	-
Total financial assets		-	-	**9.71**
Financial liabilities:				
Borrowings	11	-	-	-
Trade payables	12	-	-	0.64
Other current financial liabilities	13	-	-	2.50
Non-current borrowings		-	-	-
Total financial liabilities		-	-	**3.15**

Accounting classification and fair value

The carrying value and fair value of financial instruments by categories as at 31 March 2023 and 31 March 2022 are as follows:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

(Amount in INR Million)

As at 31 March 2023				
Particulars	Carrying value	Fair value		
	31 March 2023	Level 1	Level 2	Level 3
Financial assets				
Amortised cost				
Trade receivables	15.65	-	-	-
Unbilled revenue	25.10	-	-	-
Cash and cash equivalents	1.08	-	-	-
Total financial assets	**41.83**	-	-	-
Financial liabilities				
Amortised cost				
Borrowings	122.35	-	-	-
Trade payables	2.20	-	-	-
Other financial liabilities	3.15	-	-	-
Non-current borrowings	-	-	-	-
Total financial liabilities	**127.70**	-	-	-

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As at 31 March 2022 *(Amount in INR Million)*

Particulars	Carrying value	Fair value		
Financial assets	**31 March 2022**	**Level 1**	**Level 2**	**Level 3**
Amortised cost				
Trade receivables	-	-	-	-
Unbilled revenue	-			
Cash and cash equivalents	9.71	-	-	-
Total financial assets	**9.71**	-	-	-
Financial liabilities				
Amortised cost				
Borrowings	-	-	-	-
Trade payables	0.64	-	-	-
Other financial liabilities	2.50	-	-	-
Non-current borrowings	-	-	-	-
Total financial liabilities	**3.15**	-	-	-

The management assessed that fair value of cash and short-term deposits, trade receivables, other current assets, borrowings, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in unquoted preference shares included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current \transaction between willing parties, other than in a forced or liquidation sale.

The management assessed that fair value of financials assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Hence there are no financials assets or liabilities revalued at fair value except below items.

22 Financial risk management

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

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

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loan represents security deposits given to suppliers, employees and others. The credit risk associated with such deposits is relatively low.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by its customers. However, the management also considers the factors that may influence the credit risk of its customer base. The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to three months for customers. The Company does not have trade receivables for which no loss allowance is recognised because of collateral.

Expected credit loss assessment for corporate customers as at 31 March 2023 and 31 March 2022 are as follows:

Based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired) if the payments are due for more than specific number of days. Loss rates are based on historical credit loss experience.

Movement in allowance for impairment in respect of trade receivables:

The movement in the allowance for impairment in respect of trade receivables during the year was as follows: *(Amount in INR Million)*

Particulars	31 March 2023	31 March 2022
Balance as at the beginning of the year	-	-
Impairment loss allowances recognised/ (reversed)	-	-
Less: Bad debts written off	-	-
Balance as at the end of the year	-	-

ii) Liquidity risk

The Company's principal source of liquidity are cash and cash equivalents and financial support from Quess Corp Ltd. Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

i) Financing arrangement

The Company maintains the following line of credit:

(i) The Company has taken loan from Quess Corp Ltd. at an interest rate of 7.45% p.a.

(Amount in INR Million)

As at 31 March 2023		**Contractual cash flows**		
Particulars	**Carrying amount**	**Less than 1 year**	**1-2 years**	**2 years and above**
Non-current borrowings	-	-	-	-
Borrowings	122.35	122.35	-	-
Trade payables	2.20	2.20	-	-
Other financial liabilities	3.15	3.15	-	-

As at 31 March 2022		**Contractual cash flows**		
Particulars	**Carrying amount**	**Less than 1 year**	**1-2 years**	**2 years and above**
Non-current borrowings	-	-	-	-
Borrowings	-	-	-	-
Trade payables	0.64	0.64	-	-
Other financial liabilities	2.50	2.50	-	-

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Note on Financial risk management continued

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company is not exposed to Market risk as the Company does not have any major foreign transactions and interest rates are also fixed.

a) Currency risk

The Company is not significantly exposed to currency risk as the Company's functional currency in INR and revenues and costs are denominated in INR and therefore disclosure required under "Ind AS 107 - Financial Instruments Disclosure" have not been given.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company borrowings comprises of Bank Overdraft facility from HDFC Bank and working capital loan taken from Quess Corp Ltd. The overdraft facility from HDFC Bank is at floating rate of interest and loan from Quess Corp Ltd. is at fixed rate of interest

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in INR Million)

Particulars	March 31, 2023	March 31, 2022
Variable rate borrowings	-	-
Fixed rate borrowings	122.35	-
Total borrowings	**122.35**	-

23 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of borrowings and lease liabilities less cash and cash equivalents..

(Amount in INR Million)

Particulars	As at 31 March 2023	As at 31 March 2022
Gross debt	122.35	-
Less: Cash and cash equivalent	1.08	9.71
Adjusted net debt (borrowings net of cash and cash equivalent)	**121.27**	**(9.71)**
Total equity	(59.99)	48.57
Net debt (Total external liabilities) to equity ratio	**(2.02)**	**(0.20)**

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24 Capital Commitments and commitments

The company does not have any capital commitments and contingent liability as at 31 March 2023 and 31 March 2022.

25 Assets and liabilities relating to employee benefits

A The Company operates post-employment defined benefit plan that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit. The Scheme is not funded. The Company accrued gratuity under the provisions of the Payment of Gratuity Act, 1972 as applicable as at the balance sheet date and the maximum payment is restricted to Rs 20 lakhs.

(Amount in INR Million)

Particulars	As at 31 March 2023	As at 31 March 2022
Net defined benefit liability, gratuity plan	1.05	-
Liability for compensated absences	0.45	-
Provision for other employee benefits payable	0.22	
Total employee benefit liability	**1.72**	-
Current	0.66	-
Non- Current	1.05	-
	1.72	-

For details about employee benefit expenses, refer note 17

26 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. However, the Company does not have any amounts payable to such enterprises as at 31 March 2023 based on the information received and available with the Company. Also the Company has not received any claim for interest from any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	As at 31 March 2023	As at 31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year;		
- Principal	-	-
- Interest	-	-
The amount of interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

27 Computation of Earnings per share (EPS)

(Amount in INR Million except number of shares and per share data)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Nominal value of equity shares	10	10
Net profit after tax for the purpose of earnings per share	(108.56)	(0.64)
Weighted average number of shares used in computing basic earnings per share	60,10,000	19,836
Basic earnings per share	**(18.06)**	**(32.47)**
Weighted average number of shares used in computing diluted earnings per share	60,10,000	19,836
Diluted earnings per share	**(18.06)**	**(32.47)**

Computation of weighted average number of shares

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Number of equity shares outstanding at beginning of the year	**60,10,000**	-
Add: Weighted average number of equity shares issued during the year	-	19,836
Weighted average number of shares outstanding at the end of year for computing basic and diluted earnings per share	**60,10,000**	**19,836**

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28 Revenue from Contracts with customers

(i) Trade Receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.
Invoicing in excess of earnings are classified as unearned revenue.
Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(Amount in INR Million)

Particulars	As at 31 March 2023	As at 31 March 2022
Receivables, which are included in 'Trade and other receivables'	15.65	-
Contract assets (Unbilled revenue)	25.10	-
Contract liabilities (Unearned revenue & Advance from customers)	-	-

The unbilled revenue (contract assets) primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customer, for which revenue is recognised on completion of contract terms.

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2023 and 31 March 2022:

(Amount in INR Million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning	-	-
Add : Revenue recognized during the period	38.83	-
Less : Invoiced during the period	(13.73)	-
Balance at the end	**25.10**	-

(ii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the company has not disclosed the value of remaining performance obligations for
(i) contracts with an original expected duration of one year or less and
(ii) contracts for which the company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2023, other than those meeting the exclusion criteria mentioned above, is Nil.

LOKESH KUMAR
M.No. 215276
Chartered Accountant

29 Related party disclosures

(A) Name of related parties and description of relationship:

- Ultimate Holding Company	Fairfax Financial Holdings Limited
- Holding Company	Quess Corp Limited
- Fellow Subsidiaries	Brainhunter Systems Ltd. Mindwire Systems Limited MFX Infotech Private Limited Quess (Philippines) Corp. Quess Corp (USA) Inc. Quess Corp Holdings Pte. Ltd. Quessglobal (Malaysia) Sdn. Bhd. MFXchange Holdings, Inc. MFXchange US, Inc. Quess Corp Lanka (Private) Limited Quesscorp Singapore Pte Ltd (formerly known as Comtel Solutions Pte. Limited) Quess East Bengal FC Private Limited Excelus Learning Solutions Private Limited Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited) Vedang Cellular Services Private Limited Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited) Quess Selection & Services Pte Ltd (formerly known as Comtelpro Pte. Ltd.) Comtelink Sdn. Bhd. Monster.com.SG PTE Limited Monster.com.HK Limited Agensi Pekerjaan Monster Malaysia Sdn. Bhd (formerly known as Monster Malaysia Sdn Bhd) Monster.com (India) Private Limited Quess Corp Vietnam LLC Simpliance Technologies Private Limited (till 20 October 2022) Qdigi Services Limited (formerly known as: HCL Computing Products Limited) Greenpiece Landscapes India Private Limited Quesscorp Management Consultancies (formerly known as Styracorp Management Services) Quesscorp Manpower Supply Services LLC [formerly known as S M S Manpower Supply Services (LLC)] Allsec Technologies Limited Allsectech Inc., USA Allsectech Manila Inc., Philippines Quess Services Limited Trimax Smart Infraprojects Private Limited Terrier Security Services (India) Private Limited Heptagon Technologies Private Limited Stellarslog Technovation Private Limited Quess Corp NA LLC (w.e.f 17 May 2022)
- Associates of the holding company	Quess Recruit, Inc. Agency Pekerjaan Quess Recruit Sdn. Bhd. Stellarslog Technovation Private Limited(till 06th April 2022)
- Joint Venture of the holding company	Himmer Industrial Services (M) Sdn. Bhd.
- Entities having common directors	MONSTER.COM (INDIA) PRIVATE LIMITED LIVE SPORTS365 PRIVATE LIMITED URBANHABITATE PROJECTS (INDIA) PRIVATE LIMITED MFX INFOTECH PRIVATE LIMITED QUESS EAST BENGAL FC PRIVATE LIMITED CONNEQT BUSINESS SOLUTIONS LIMITED ALLSEC TECHNOLOGIES LIMITED GREENPIECE LANDSCAPES INDIA PRIVATE LIMITED

(B) Key executive management personnel

Chandra Sekhar Reddy Garisa	Director(Appointed on 18th July 2022)
Kundan Kumar Lal	Director
Kamal Pal Hoda	Director
Ravi Vishwanath Narayanaswamy	Director(Resigned on 10th January 2023)

(C) Transactions with related parties

(Amount in INR Million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Issue of equity shares		
- Quess Corp Limited	-	60.10
Securities premium on equity shares issued		
- Quess Corp Limited	-	-
Unsecured loan received from Related Parties		
- Quess Corp Limited (Holding Company)	117.90	-
- Directors	-	-
Unsecured loan repaid to Related Parties		
- Directors	-	-
Interest on unsecured loan received from holding company		
- Quess Corp Limited	4.45	
Rendering of services to holding company		
- Quess Corp Limited	17.71	-
Other expenses		
- Quess Corp Limited	-	-
Finance cost		
- Quess Corp Limited	-	-
Compensation of key managerial personnel		
Kundan Kumar Lal	-	-
Kamal Pal Hoda	-	-

*The above compensation paid does not include cost of employee benefits such as gratuity and compensated absences since provision for these are based on an actuarial valuation carried out for the Company as a whole.

(D) Balance receivable from and payable to related parties as at the balance sheet date:

(Amount in INR Million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Unbilled revenue		
- Quess Corp Limited	17.71	-
Other Current Liabilities		
- Quess Corp Limited	6.45	-
Borrowings		
- Quess Corp Limited	122.35	-
Accrued Expenses(Other Current Liabilities)		
- Quess Corp Limited	16.17	-
Unsecured loan payable		
Kundan Kumar Lal	-	-
Kamal Pal Hoda	-	-
	-	-
Accrued Expenses (Remuneration payable)		
Kundan Kumar Lal	-	-
Kamal Pal Hoda	-	-
	-	-

LOKESH KUMAR
M.No. 243276
Chartered Accountant

Billion Careers Private Limited
CIN:U74140KA2021PTC154916
Notes to the Standalone financial statements for the year ended 31 March 2023

30 Ratios

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variance	Reason for variance (greater than 25%)
Current ratio	Current assets	Current liabilities	0.3	3.1	-89.8%	Refer note 30.1
Debt-equity ratio	Total Debt	Shareholder's equity	(2.0)	NA	NA	
Debt service coverage ratio	Earnings available for debt service (EFDS)	Debt Service	(0.8)	NA	NA	
Return on equity ratio	Net profits after taxes	Average shareholder's equity	(19.0)	(0.022)	87561.3%	Refer note 30.2
Trade receivables turnover ratio	Revenue from operations	Average trade receivable	1.9	NA	NA	
Trade payables turnover ratio	Purchases and adjusted other expenses	Average trade payables	66.4	1.3	5127.0%	Refer note 30.3
Net capital turnover ratio	Revenue from operations	Average working capital	(0.8)	NA	NA	
Net profit ratio	Net profits after taxes	Revenue from operations	-279.6%	NA	NA	
Return on capital employed	Earning before interest and taxes	Capital employed	-166.6%	-1.3%	12465.3%	

30.1 Decrease in current ratio is on account of increase in short term borrowings to meet working capital requirements
30.2 Decrease in ROE is on account of increase in accumulated losses
30.3 Increase in Trade Payable Turnover ratio is on account of operational expenditure started in this financial year. Hence not comparable
30.4 Decrease in Capital Turnover ratio is on account of higher operational losses in this year.

31 Contingent Liabilities
There are no such transactions entered into by the company during the period under reporting,which requires disclosure of any contingent Liability as on the reporting date.

32 Foreign Exchange out flow & inflow: (Amount in INR Million)

Particulars	31-03-2023	31-03-2022
Earnings in foreign exchange	-	-
Expenditure in foreign exchange	-	-

33 Capital Work In Progress
No such Capital Workin Progress exist in the companies books of accounts as at the reporting date.

34 Intangible Assets under Development
The Research & Development on Computer Software is under development as on 31st March 2023.(Refer Note No. 04)

35 Title deeds of Immovable Property not held in name of the Company
There are no Immovable property in the name of company, hence disclosure under this clause will not applicable.

36 Wilful Defaulter
The company has been regular in repayment of loans to banks/financial institutions, hence the company is not a wilful defaulter.

37 Layers of Companies
The Company is a Subsidary of Quess Corp Limited

38 Corporate Social Responsibilty related Disclosures
CSR is not applicable to the company , as neither of companies turnover exceeded 1000 crores nor Networth exceeded 500 crores nor Net profit Exceeded 5 Crores During the Preceeding financial year.

39 Derivative Instruments and Other Un-hedged Foreign Currency Exposure
There are no derivative contracts oustanding at the close of the year.

40 Details of Crypto Currency or Virtual Currency:
The company has not traded or invested in crypto currency or virtual currency during the financial year, the disclosure on the same will not be applicable.

41 Segment Reporting
Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. However since the Company is in the business of rendering Information technology services & Information technology products to clients which are covered under similar arrangements and is considered by CODM as the only reportable business segment.

LOKESH KUMAR
M.No. 248276
Chartered Accountant

Billion Careers Private Limited
CIN:U74140KA2021PTC154916
Notes to the Standalone financial statements for the year ended 31 March 2023

42 Sundry Debtors and Sundry Creditors Confirmations

Balances of Sundry Debtors and Sundry Creditors as at 31st March 2023 are subject to confirmations

43 Rounding off and Regrouping:

All the figures are rounded off to the nearest Millions. Previous year figures have been regrouped / recast, wherever necessary, so as to make them comparable with those of the current year.

As per our report of even date attached

LOKESH KUMAR M.No. 243276 Chartered Accountant

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 23243276BGXPFK1063

Place: Bengaluru
Date: 15th May 2023

for and on behalf of Board of Directors of
Billion Careers Private Limited
CIN:U74140KA2021PTC154916

Kundan Kumar Lal
Director
DIN: 06446995

Place: Bengaluru
Date: 15th May 2023

Kamal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 15th May 2023

BILLION CAREERS PRIVATE LIMITED

B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City, Orwell, B Wing,
6th Floor, Unit-3, Sy No. 83/1, Plot No. 02,
Raidurg, Hyderabad – 500 081 – India
Tel: +91 407 182 2000
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Independent Auditor's Report

To the Members of Conneqt Business Solutions Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Conneqt Business Solutions Limited (the "Company") which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

a. We draw attention to Note 37(ii) to the financial statements which describes the contingent liability regarding the provident fund contribution pursuant to the Supreme Court Judgement dated 28 February 2019. The Company has been legally advised that there are interpretative challenges on the application of the judgement retrospectively. Based on the legal advice and in the absence of reliable measurement of the provision for the earlier periods, the Company has made a provision for provident fund contribution pursuant to the judgement only from the date of Supreme Court Order.

   Our opinion is not modified in respect of this matter.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include

the financial statements and auditor's report(s) thereon.

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

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

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern

basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 01 April 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its financial statements - Refer Note 37 to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and

Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42(g) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42(h) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231W/W-100024

Jhahanwijha Shyamsukha

Partner

Membership No.: 064550

ICAI UDIN:23064550BGYJJU6047

Place: Hyderabad

Date: 09 May 2023

Annexure A to the Independent Auditor's Report on the Financial Statements of Conneqt Business Solutions Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering Business Process Outsourcing services including Contact Centre services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has granted loans to a company and other parties during the year in respect of which the requisite information is as below:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to a company and any other parties as below:

Annexure A to the Independent Auditor's Report on the Financial Statements of Conneqt Business Solutions Limited for the year ended 31 March 2023 *(Continued)*

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
- Fellow subsidiary	-	-	1,700	-
- Employees	-	-	6.77	-
Balance outstanding as at balance sheet date				
- Fellow subsidiary	-	-	-	-
- Employees	-	-	5.10	-

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party during the year.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment. Further, the Company has not given any advance in the nature of loans to any party during the year.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made and loans given by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

Annexure A to the Independent Auditor's Report on the Financial Statements of Conneqt Business Solutions Limited for the year ended 31 March 2023 *(Continued)*

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a large number of cases of Professional tax and Employees State Insurance.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs.) (in lakhs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	4,433.35 (334.12)#	2011-12 to 2016-17	Central Excise Service Tax Appllate Tribunal, Hyderabad
Goods and Service Tax Act, 2017	GST	32.32	April 2017 to June 2017	Superintendent - Begumpet-III Range
		470.81	July 2017 to March 2018	Deputy Commissinoner, Begumpet - STU 1
		6.14	FY 2021-22	Deputy Commissinoner, Begumpet - STU 1
		48.94	July 2017 to March 2018	Deputy Commissinoner, Thodupuzha, Special Circle
		366.37	July 2017 to March 2020	Deputy Commissinoner, Begumpet - STU 1
		39.53	FY 2020-21	Deputy Commissinoner, Begumpet - STU 1
		10.75	FY 2017-18 to FY 2021-22	Superintendent - Range 1, Viman Nagar

Annexure A to the Independent Auditor's Report on the Financial Statements of Conneqt Business Solutions Limited for the year ended 31 March 2023 *(Continued)*

Name of the statute	Nature of the dues	Amount (Rs.) (in lakhs)	Period to which the amount relates	Forum where dispute is pending
Employee Provident Fund Act, 1952	PF	220.07 (68.04)#	April 2014 to Aug 2015	High Court of Maharashtra
		287.48	14 April 2018 to 26 December 2022	Employee Provident Fund Organisation, Telangana
Income-tax Act, 1961	Income tax	53.32	FY 2017-18	Commissioner of Income-tax (Appeals)
		928.60 (118.35)#	FY 2019-20	Commissioner of Income-tax (Appeals)

Amounts in paranthesis represents payments made under protest/under court order.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the

Annexure A to the Independent Auditor's Report on the Financial Statements of Conneqt Business Solutions Limited for the year ended 31 March 2023 *(Continued)*

information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Establishment of vigil mechanism is not mandated for the Company. We have taken into consideration the whistle blower complaints received under the vigil mechanism established voluntarily by the Company during the year and shared with us while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged

Annexure A to the Independent Auditor's Report on the Financial Statements of Conneqt Business Solutions Limited for the year ended 31 March 2023 *(Continued)*

by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231W/W-100024

Jhahanwijha Shyamsukha

Partner

Membership No.: 064550

ICAI UDIN:23064550BGYJJU6047

Place: Hyderabad

Date: 09 May 2023

Annexure B to the Independent Auditor's Report on the financial statements of Conneqt Business Solutions Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Conneqt Business Solutions Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

Annexure B to the Independent Auditor's Report on the financial statements of Conneqt Business Solutions Limited for the year ended 31 March 2023 *(Continued)*

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231W/W-100024

Jhahanwijha Shyamsukha

Partner

Place: Hyderabad

Membership No.: 064550

Date: 09 May 2023

ICAI UDIN:23064550BGYJJU6047

Conneqt Business Solutions Limited
Balance Sheet as at 31 March 2023
(All amounts are in Indian Rupees in lakhs, except for share data and where otherwise stated)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
I Non-current assets			
(a) Property, plant and equipment	3	7,106.57	7,285.43
(b) Capital work-in-progress	4	6.87	-
(c) Right-of-use assets	5	25,921.22	16,055.83
(d) Intangible assets	6	6.32	49.43
(e) Financial assets			
(i) Investments	7	32,996.08	32,996.08
(ii) Other financial assets	8(a)	2,146.10	1,166.01
(f) Deferred tax assets (net)	27	2,155.33	2,169.60
(g) Income tax assets (net)	9	1,731.14	1,184.65
(h) Other non-current assets	10(a)	707.36	640.97
Total non-current assets		**72,776.99**	**61,548.00**
II Current assets			
(a) Financial assets			
(i) Trade receivables	11	27,249.30	21,236.70
(ii) Cash and cash equivalents	12	13,342.47	9,568.39
(iii) Loans	13	5.10	1.73
(iv) Other financial assets	8(b)	437.89	1,187.60
(b) Other current assets	10(b)	1,767.68	1,720.21
Total current assets		**42,802.44**	**33,714.63**
TOTAL ASSETS (I+II)		**115,579.43**	**95,262.63**
EQUITY AND LIABILITIES			
III Equity			
(a) Equity share capital	14	14,946.39	14,946.39
(b) Other equity	15	48,861.53	41,348.88
Total equity		**63,807.92**	**56,295.27**
IV Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16(a)	99.76	108.97
(ii) Lease liabilities	36	20,411.36	11,622.62
(b) Other non-current liabilities	17(a)	47.47	86.44
Total non-current liabilities		**20,558.59**	**11,818.03**
V Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16(b)	75.81	127.01
(ii) Lease liabilities	36	7,870.56	5,803.15
(iii) Trade payables	18		
- Total outstanding dues of micro enterprises and small enterprises		199.59	125.82
- Total outstanding dues of creditors other than micro enterprises and small enterprises		4,467.95	4,281.98
(iv) Other financial liabilities	19	13,101.38	11,956.65
(b) Other current liabilities	17(b)	2,913.04	2,292.80
(c) Provisions	20	2,584.59	2,561.92
Total current liabilities		**31,212.92**	**27,149.33**
TOTAL EQUITY AND LIABILITIES (III+IV+V)		**115,579.43**	**95,262.63**

The accompanying notes form an integral part of these financials statements.
As per our Report of even date attached.

For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number.: 116231W/W-100024

Jhahanwijha Shyamsukha
Partner
Membership No: 064550

Place: Hyderabad
Date: 9 May 2023

For and on behalf of the Board of Directors of
Conneqt Business Solutions Limited
CIN No.: U64200KA1995PLC148924

Srinivasan Guruprasad
Chairman
DIN: 07596207

Place: Bengaluru
Date: 9 May 2023

Kamal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 9 May 2023

Arjun Ramaraju
Chief Executive Officer

Place: Bengaluru
Date: 9 May 2023

A.S. Krishnan
Chief Financial Officer

Place: Hyderabad
Date: 9 May 2023

V. Sampath
Company Secretary

Place: Hyderabad
Date: 9 May 2023

Conneqt Business Solutions Limited

Statement of Profit and Loss for the year ended 31 March 2023

(All amounts are in Indian Rupees in lakhs, except for share data and where otherwise stated)

Particulars		Notes	For the year ended	
			31 March 2023	31 March 2022
I	**INCOME**			
	Revenue from operations	21	142,607.23	114,015.13
	Other income	22	2,718.42	7,128.82
	Total income		**145,325.65**	**121,143.95**
II	**EXPENSES**			
	Employee benefits expense	23	103,786.19	78,787.45
	Finance costs	24	3,080.63	1,528.20
	Depreciation and amortisation expense	3,5&6	10,507.12	8,095.49
	Other expenses	25	16,239.82	15,783.70
	Total expenses		**133,613.76**	**104,194.84**
III	**Profit before tax (I-II)**		**11,711.89**	**16,949.11**
IV	**Tax expense:**			
	(a) Current tax expense	26(a)	2,852.35	2,754.81
	(b) Deferred tax benefit	26(a)	(51.83)	(627.32)
	Total tax expense		**2,800.52**	**2,127.49**
V	**Profit for the year (III-IV)**		**8,911.37**	**14,821.62**
VI	**Other comprehensive income**			
	Items that will not be reclassified subsequently to statement of profit or loss			
	(i) Re-measurement gain on defined benefit plans	32(A)(c)	262.63	122.23
	(ii) Income-tax effect	26(b)	(66.10)	30.76
	Total other comprehensive income for the year (net of tax)		**196.53**	**152.99**
VII	**Total comprehensive income for the year (V+VI)**		**9,107.90**	**14,974.61**
VIII	**Earning per equity share**			
	Basic earnings per share (in Rs.)	34	5.96	9.92
	Diluted earnings per share (in Rs.)	34	5.96	9.69

The accompanying notes form an integral part of these financials statements.

As per our Report of even date attached.

For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number.: 116231W/W-100024

Jhahanwijha Shyamsukha
Partner
Membership No: 064550

Place: Hyderabad
Date: 9 May 2023

For and on behalf of the Board of Directors of
Conneqt Business Solutions Limited
CIN No.: U64200KA1995PLC148924

Srinivasan Guruprasad
Chairman
DIN: 07596207

Place: Bengaluru
Date: 9 May 2023

Kamal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 9 May 2023

Arjun Ramaraju
Chief Executive Officer

Place: Bengaluru
Date: 9 May 2023

A.S. Krishnan
Chief Financial Officer

Place: Hyderabad
Date: 9 May 2023

V. Sampath
Company Secretary

Place: Hyderabad
Date: 9 May 2023

Conneqt Business Solutions Limited
Statement of Cash Flow for the year ended 31 March 2023
(All amounts are in Indian Rupees in lakhs, except for share data and where otherwise stated)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Cash flows from operating activities		
Profit before tax	11,711.89	16,949.11
Adjustments:		
- Depreciation and amortization expense	10,507.12	8,095.49
- Profit on sale of property, plant and equipment, net	(59.26)	(23.20)
- Gain on de-recognition of right-of-use assets, net	(69.68)	-
- Bad debts written off	10.21	180.66
- Allowance for expected credit loss (net)	609.55	(455.80)
- Interest income on margin money deposits and inter-corporate deposits	(7.97)	(141.65)
- Interest income on financial assets carried at amortized cost	(146.10)	-
- Interest income on tax refunds	-	(163.79)
- Rental Income	(46.11)	(66.20)
- Unrealised exchange gain	(66.34)	(19.90)
- Dividend from subsidiary	(2,236.58)	(6,709.75)
- Finance costs	3,080.63	1,528.20
- Employee shared based payment from the holding company	422.51	-
Operating profit before working capital changes	**23,709.87**	**19,173.17**
Adjustments for working capital:		
Increase in trade receivables	(6,596.19)	(3,681.11)
Increase in other financial assets	(292.34)	(115.76)
Increase in other assets	(121.62)	(705.58)
Increase in trade payables and other financial liabilities	2,049.86	3,561.95
Increase in in other liabilities	581.27	574.04
Increase in in provisions	285.30	193.22
Cash generated from operations activities	**19,616.15**	**18,999.93**
Income taxes paid, net of refund	(3,398.84)	(358.19)
Net cash generated from operating activities (A)	**16,217.31**	**18,641.74**
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,709.90)	(1,679.79)
Proceeds from sale of property, plant and equipment, net	115.87	57.76
Rental income received	7.61	66.20
Interest received	0.47	135.04
Bank deposits (having with maturity of more than 12 months)	-	(2.00)
Dividend received from subsidiary	2,236.58	6,709.75
Inter-corporate loans given	1,700.00	-
Inter-corporate loans received	(1,700.00)	-
Net cash generated/(used in) investing activities (B)	**(349.37)**	**5,286.96**
Cash flows from financing activities		
Proceeds from long-term borrowings	93.44	19.12
Repayment of long-term borrowings	(153.85)	(140.05)
Redemption of convertible debentures	-	(8,200.00)
Dividends paid	(2,017.76)	(8,713.74)
Principal payment of lease liabilities	(7,066.92)	(5,649.88)
Finance cost paid	(2,978.95)	(1,528.20)
Net cash used in financing activities (C)	**(12,124.04)**	**(24,212.75)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**3,743.90**	**(284.05)**
Cash and cash equivalents at the beginning of the year	9,568.39	9,840.78
Exchange difference on translation of foreign currency cash and bank balances	30.18	11.66
Cash and cash equivalents at the end of the year	**13,342.47**	**9,568.39**

Conneqt Business Solutions Limited
Statement of Cash Flow for the year ended 31 March 2023
(All amounts are in Indian Rupees in lakhs, except for share data and where otherwise stated)

Notes:
Reconciliation of cash and cash equivalents as per the cash flow statement

Particulars	As at	
	31 March 2023	31 March 2022
Balances with banks		
- In current accounts	13,252.50	9,368.09
- In EEFC accounts	89.97	200.30
	13,342.47	**9,568.39**

The notes referred to above form an integral part of these financial statements.
As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number.: 116231W/W-100024

Jhahanwijha Shyamsukha
Partner
Membership No: 064550

Place: Hyderabad
Date: 9 May 2023

For and on behalf of the Board of Directors of
Conneqt Business Solutions Limited
CIN No.: U64200KA1995PLC148924

Srinivasan Guruprasad
Chairman
DIN: 07596207

Place: Bengaluru
Date: 9 May 2023

Kamal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 9 May 2023

Arjun Ramaraju
Chief Executive Officer

Place: Bengaluru
Date: 9 May 2023

A.S. Krishnan
Chief Financial Officer

Place: Hyderabad
Date: 9 May 2023

V. Sampath
Company Secretary

Place: Hyderabad
Date: 9 May 2023

Conneqt Business Solutions Limited
Statement of Changes in Equity for the year ended 31 March 2023
(All amounts are in Indian Rupees in lakhs, except for share data and where otherwise stated)

A. Equity Share Capital

	Balance at the beginning of the previous reporting year	Change in equity share capital during the year	Balance at the end of the previous reporting year
31 March 2023	14,946.39	-	14,946.39
31 March 2022	14,946.39	-	14,946.39

B. Other Equity

Particulars	Other equity					Total other equity
	Instruments entirely equity in nature (refer note 28(d))	Reserves and surplus				
		Securities premium	Capital redemption reserve	Capital contribution by Holding company	Retained earnings	
Balance as at 1 April 2021	**8,200.00**	**13,515.20**	**1,500.00**	**-**	**20,072.81**	**43,288.01**
Add: Profit for the year	-	-	-	-	14,821.62	14,821.62
Add: Remeasurement of defined benefit plans, net of taxes	-	-	-	-	152.99	152.99
Less: Interim dividend for the year	-	-	-	-	(8,713.74)	(8,713.74)
Less: Redemption of Convertible debentures (entirely equity in nature	(8,200.00)	-	-	-	-	(8,200.00)
Balance as of 31 March 2022	**-**	**13,515.20**	**1,500.00**	**-**	**26,333.68**	**41,348.88**
Add: Profit for the year	-	-	-	-	8,911.37	8,911.37
Add: Remeasurement of defined benefit plans, net of taxes	-	-	-	-	196.53	196.53
Add: Employee shared based payment from the holding company (refer note 32(B))	-	-	-	422.51	-	422.51
Less: Interim dividend for the year	-	-	-	-	(2,017.76)	(2,017.76)
Balance as of 31 March 2023	**-**	**13,515.20**	**1,500.00**	**422.51**	**33,423.82**	**48,861.53**

The accompanying notes form an integral part of these financials statements.
As per our Report of even date attached.

For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number.: 116231W/W-100024

Jhahanwijha Shyamsukha
Partner
Membership No: 064550

Place: Hyderabad
Date: 9 May 2023

Srinivasan Guruprasad
Chairman
DIN: 07596207

Place: Bengaluru
Date: 9 May 2023

Kamal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 9 May 2023

Arjun Ramaraju
Chief Executive Officer

Place: Bengaluru
Date: 9 May 2023

A.S. Krishnan
Chief Financial Officer

Place: Hyderabad
Date: 9 May 2023

V. Sampath
Company Secretary

Place: Hyderabad
Date: 9 May 2023

Company overview

Conneqt Business Solutions Limited is an unlisted public limited company incorporated and domiciled in India. The registered office of the Company is located at Bangalore, Karnataka, India. The Company is engaged in the business of providing Business Process Outsourcing Services including Contact Center Services with back-office solutions for application processing, operations and banking, collections, legal remedial and finance and accounting services in telecommunications, entertainment media, automobile, manufacturing, retail, banking, financial services and insurance (BFSI) sectors and operate from India.

As explained in note 7, the Company has acquired controlling stake in Allsec Technologies Limited ("Allsec") during the financial year 2019-20 and hence has become the immediate parent company of Allsec. However, the Company has used the exemption available under para 4(a) of Ind AS 110 and has chosen not to present consolidated financial statements, since Quess Corp Limited (parent company) has prepared and presented it's consolidated financial statements which have been produced for public use.

The Board of Directors approved the financial statements for the year ended 31 March 2023 and authorised for issue on 9 May 2023.

1. Basis of preparation

1.1. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 ('Act').

1.2. Basis of preparation

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations ("DBO") and expenses relating to share based payments are measured at fair value on the date of grant.

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs up to two places of decimals, unless otherwise indicated.

1.3. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements:

- **Contingent liabilities:** Contingent liabilities are not recognised in the financial statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs (except in the extremely rare circumstances where no reliable estimate can be made).

1.3. Use of estimates and judgements (continued)

- **Income taxes:** Significant judgements are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.
- **Measurement of defined benefit obligations:** Key actuarial assumptions used for actuarial valuation.
- **Impairment of financial assets:** The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost.
- **Property, plant and equipment:** Useful life of asset.
- **Lease term**: Whether the Company is reasonably certain to exercise extension options or not.
- **Other estimates:** The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit- worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

1.4. Measurement of fair values

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1.5. Current/Non-current classification

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

1.5. Current/Non-current classification (continued)

A liability is classified as current when –

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Group's normal operating cycle is twelve months.

2. Significant accounting policies

2.1. Property, plant and equipment

i. Recognition and measurement
The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

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

ii. Transition to Ind AS
The cost property, plant and equipment on 1 April 2018, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

iii. Subsequent expenditure
Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

2.1. Property, plant and equipment (continued)

iv. De-recognition
The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss. Gains and losses on disposals are determined by comparing proceeds with carrying amount. Assets to be disposed-off are reported at the lower of the carrying value or the fair value less cost to sell.

v. Depreciation methods, estimated useful lives and residual value
Depreciation is provided on a Straight-Line Method ('SLM') over estimated useful life of the property, plant and equipment estimated by the Management. The management believes that the useful lives as given below best represent the period over which management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful live for these assets is different from the useful lives as prescribed under part C of Schedule II of the Companies Act, 2013. Depreciation for assets addition/ deletion during the year is provided on pro-rata basis i.e., from/(upto) the date on which asset is ready for use/ (disposed off).

The Company estimated the useful lives for property, plant and equipment as follows:

Category	**Useful life as per management**
Leasehold improvements	Lease term or 8 years whichever is lower
Building	60
Air conditioners	8
Electrical equipment	8
Furniture & fittings	5
Generators	8
Office equipment	5
Vehicles	5
Information technology and networking assets	3 years to 5 years

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

vi. Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of the assets not put to use before such date are disclosed under Capital work-in-progress.

2.2 Other intangible assets

i. Recognition and measurement
Acquired intangible assets and assets acquired on business combinations are measured initially at cost. Other intangible assets are subsequently measured at cost less any accumulated amortization and any accumulated impairment losses.

ii. Subsequent expenditure
Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including on internally generated software is recognised in profit and loss as and when incurred.

2.2 Other intangible assets (continued)

iii. Amortisation
The Company amortises intangible assets with a finite useful life less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in statement of profit and loss.

The intangible asset is depreciated over a useful life of 3-5 years. The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

iv. Transition to Ind AS
The cost property, plant and equipment at 1 April 2018, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

2.3 Impairment of intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.4 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

2.4 Leases (continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payments.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, plant and equipment' and lease liabilities separately in the balance sheet within 'Financial Liabilities'.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery and buildings that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

ii. As a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

2.4 Leases (continued)

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 to allocate the consideration in the contract.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

2.5 Revenue recognition

The Company earns revenue primarily from providing business process outsourcing services including contact center services.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised services ("performance obligations") to customers.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is net of variable consideration on account of variable schemes offered by the Company as a part of the contract.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned revenue ("contract liability") is recognised when there are billings in excess of revenues.

2.6 Recognition of Dividend income, interest income and expense

Dividend income is recognized in profit and loss on the date on which the Company's right to receive payments established.

Interest income or expenses is recognised using effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instruments to:

- the gross carrying amount of the financial assets; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.6 Investments in Subsidiary

Investment in equity instruments issued by subsidiary is measured at cost less impairment. Investments in subsidiary is evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis. If such investment is considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the investment exceeds the estimated recoverable amount of the investment.

2.7 Financial instruments

a) Recognition and initial measurement

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

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

b) Classification and subsequent measurement financial assets

On initial recognition, a financial asset is classified and measured at:
- amortised cost;
- Fair Value through other comprehensive income (FVOCI) - debt investment;
- Fair Value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and

the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

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

2.7 Financial instruments (continued)

All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

- Financial assets, at FVTPL - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognised in profit or loss.

- Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- Investment in subsidiaries: Investment in subsidiaries are carried at cost less impairment in the financial statements.

c) Impairment of financial assets

The Company assess on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 30 details how the Company determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 24-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based actual credit loss experience over the last eight quarters.

d) Derecognition of financial assets

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

The Company enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

2.7 Financial instruments (continued)

Financial liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

2.7 Financial instruments (continued)

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Employee benefits

a) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets, instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of remeasurements of the net defined liability or asset through other comprehensive income.

Remeasurement of the net defined liability or asset (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

b) Short-term employee benefits

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., short term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the amount of obligation can be estimated reliably.

c) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit method as at the reporting date.

d) Defined contribution plan

A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity.

The Company makes specified monthly contributions towards Government administered Provident Fund Scheme which is a defined contribution plan.

Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

2.8 Employee benefits (continued)

e) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

f) Share based payments

As prescribed by the Guidance Note on Accounting for Employee Share–based Payments issued by Institute of Chartered Accountants of India and related interpretations, the Company applies the fair value-based method of accounting to account for restricted stock awards issued by Quess Corp Limited, the holding company to the employees of the Company. The fair market value of such rights is recognized as an expense over the period in which the related services are received.

The Company has not issued any shares / stock options on its shares. The holding company has, however, issued restricted stock units on its own shares to certain employees of the Company. As cost of such restricted stock units have been charged to the Company based on the grant date fair value, the Company measures and discloses such cost using fair value method.

Equity instruments granted to the employees of the Company are measured by reference to the fair value of the instrument at the date of grant. The expense is recognised in the statement of profit and loss with a corresponding increase in reserves (capital contribution by the holding company). The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortization). The stock compensation expense is determined based on the holding company's estimate of equity instruments that will eventually vest.

2.9 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective;
- and qualifying cash flow hedges to the extent that the hedges are effective.

2.10 Taxes

Income tax expense comprises current and deferred income tax. It is recognised in profit and loss in except to the extent that it relates to items recognised directly in equity or in Other comprehensive income.

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

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

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

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognizing deferred tax.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

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

2.11 Provisions (other than employee benefits)

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for.

Where the Group expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

2.12 Contingent liability

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

2.13 Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.15. Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.16 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increase loss per share are included.

2.17 Segment reporting

Based on the “management approach” as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Company’s performance and allocates resources based on an analysis of various performance indicators by business segment. Business process outsourcing services has been considered as the only reportable segment. Hence, no separate final disclosure have been provided for the segment reporting.

2.18 Government grants and incentives

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received.

When the grant or subsidy relates to revenue, it is recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Government grants received in relation to assets are presented as a reduction to the carrying amount of the related asset.

2.19 Standards issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

3 Property, plant and equipment

	Buildings*	Air conditioners	Electrical equipments	Furniture and fixtures	Generators	Leasehold improvement	Office equipment	Vehicles#	Information technology and networking assets	Total
Gross carrying amount										
As at 1 April 2021	3,543.96	404.15	480.21	822.17	35.66	474.39	594.37	717.82	9,362.95	16,435.68
Additions during the year	-	1.56	18.16	163.65	-	-	34.40	19.33	2,191.61	2,428.70
Disposals during the year	-	(7.33)	(25.13)	(22.95)	(0.66)	(37.89)	(12.44)	(38.04)	(177.50)	(321.96)
As at 31 March 2022	**3,543.96**	**398.37**	**473.24**	**962.87**	**35.00**	**436.50**	**616.32**	**699.11**	**11,377.06**	**18,542.43**
Additions during the year	-	63.34	125.13	277.95	-	-	80.14	94.39	1,361.25	2,002.21
Disposals during the year	-	-	(54.22)	(3.59)	-	(0.01)	(3.60)	(187.96)	(846.89)	(1,096.28)
As at 31 March 2023	**3,543.96**	**461.71**	**544.15**	**1,237.23**	**35.00**	**436.49**	**692.86**	**605.54**	**11,891.42**	**19,448.36**
Accumulated depreciation										
Upto 31 March 2021	304.36	284.58	325.90	676.59	19.21	347.08	409.05	362.01	6,629.03	9,357.81
Charge for the year	59.62	21.90	49.64	52.59	2.74	35.58	66.85	115.46	1,782.19	2,186.58
Adjustments on disposals	-	(5.16)	(21.18)	(21.40)	-	(34.65)	(9.21)	(20.00)	(175.79)	(287.39)
Upto 31 March 2022	**363.98**	**301.32**	**354.36**	**707.77**	**21.95**	**348.01**	**466.70**	**457.47**	**8,235.43**	**11,257.00**
Charge for the year	59.62	28.71	77.41	205.99	1.13	16.63	82.85	94.83	1,557.30	2,124.46
Adjustments on disposals	-	-	(49.88)	(3.38)	-	-	(3.28)	(136.31)	(846.81)	(1,039.67)
Balance as at 31 March 2023	**423.60**	**330.03**	**381.89**	**910.38**	**23.08**	**364.64**	**546.26**	**415.99**	**8,945.92**	**12,341.79**
Net carrying amount										
As at 31 March 2023	**3,120.36**	**131.68**	**162.26**	**326.85**	**11.92**	**71.85**	**146.60**	**189.55**	**2,945.50**	**7,106.57**
As at 31 March 2022	**3,179.98**	**97.05**	**118.88**	**255.10**	**13.05**	**88.49**	**149.62**	**241.64**	**3,141.63**	**7,285.43**

*The title deeds of immovable properties as disclosed above are held in the name of the Company.

#Certain movable Property, plant and equipment are hypothecated against the borrowing availed by the Company (refer note 16)

Notes:

(i) The Company has not revalued any Property, plant and equipment after initial recognition, during the current and previous financial year.

(ii) Refer note 39 for disclosure of contractual commitments for acquisition of property, plant and equipment.

4 Capital work-in-progress

	As at	
	31 March 2023	**31 March 2022**
Capital work-in-progress ('CWIP')	6.87	-
	6.87	**-**

Capital work-in-progress (CWIP ageing schedule)

Projects in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
31 March 2023	6.87	-	-	-	**6.87**
31 March 2022	-	-	-	-	**-**

Note: There are no projects which are temporarily suspended and the Company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan for the current and previous reporting dates.

5 Right-of-use assets

Particulars	Buildings	Facility assets	IT Equipments	Total
Gross carrying amount				
As at 1 April 2021	21,808.91	1,016.13	1,964.77	24,789.81
Additions during the year	5,773.49	-	2,240.50	8,013.99
Disposals during the year	-	-	-	-
As at 31 March 2022	**27,582.40**	**1,016.13**	**4,205.27**	**32,803.80**
Additions during the year	16,465.39	-	2,108.24	18,573.63
Disposals during the year	(834.09)	-	-	(834.09)
As at 31 March 2023	**43,213.70**	**1,016.13**	**6,313.51**	**50,543.34**
Accumulated Depreciation				
Upto 31 March 2021	9,375.21	571.58	1,098.20	11,044.99
Charge for the year	4,863.48	175.85	663.65	5,702.98
Adjustments on disposals	-	-	-	-
Upto 31 March 2022	**14,238.69**	**747.43**	**1,761.85**	**16,747.97**
Charge for the year	6,681.35	110.19	1,548.01	8,339.55
Adjustments on disposals	(465.40)	-	-	(465.40)
Upto 31 March 2023	**20,454.64**	**857.62**	**3,309.86**	**24,622.12**
Net carrying amount				
As at 31 March 2023	**22,759.06**	**158.51**	**3,003.65**	**25,921.22**
As at 31 March 2022	**13,343.71**	**268.70**	**2,443.42**	**16,055.83**

For details regarding future minimum lease payments at the end of the year, refer note 36.

6 Intangible assets

Particulars	Computer software	Total
Gross carrying amount		
As at 1 April 2021	1,650.22	1,650.22
Additions during the year	2.15	2.15
Disposals during the year	(1.42)	(1.42)
As at 31 March 2022	**1,650.95**	**1,650.95**
Additions during the year	-	-
Disposals during the year	-	-
As at 31 March 2023	**1,650.95**	**1,650.95**
Accumulated amortisation		
Upto 31 March 2021	1,397.00	1,397.00
Charge for the year	205.94	205.94
Adjustments on disposals	(1.42)	(1.42)
Upto 31 March 2022	**1,601.52**	**1,601.52**
Charge for the year	43.11	43.11
Adjustments on disposals	-	-
Upto 31 March 2023	**1,644.63**	**1,644.63**
Net carrying amount		
As at 31 March 2023	**6.32**	**6.32**
As at 31 March 2022	**49.43**	**49.43**

7 Non-current Investments

	As at	
	31 March 2023	**31 March 2022**
Investments in quoted equity shares (carried at cost)		
In subsidiary		
11,182,912 (31 March 2022: 11,182,912) equity shares of Rs.10 each fully paid-up of Allsec Technologies Limited	32,996.08	32,996.08
	32,996.08	**32,996.08**
Aggregate value of quoted investments is as follows:		
Aggregate amount of book value of quoted investments	32,996.08	32,996.08
Aggregate amount of market value of quoted investments	54,354.54	58,352.43
Aggregate amount of impairment in value of investments	-	-

The Company acquired 11,182,912 shares of INR 10 each fully paid-up, representing 73.39% equity shares of Allsec Technologies Limited ("Allsec") for a total consideration of INR 32,996.08 lakhs in two tranches on 3 June 2019 (61.35%) and on 21 June 2019 (12.03%). Allsec is listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

8 Other financial assets

(Unsecured, considered good unless stated otherwise)

	As at	
	31 March 2023	**31 March 2022**
(a) Non-current		
Margin money deposit with maturity more than 12 months at amortised cost *	127.00	127.00
Security deposits #	2,019.10	1,039.01
	2,146.10	**1,166.01**

* Represents lien marked deposit against bank guarantees.

(b) Current		
Interest accrued on margin money deposits	36.84	29.34
Others	36.91	136.18
Security deposits #		
- Considered good	364.14	1,022.08
- Doubtful	78.95	78.95
	443.09	**1,101.03**
Less: Provision for impairment of security deposits	(78.95)	(78.95)
	364.14	**1,022.08**
	437.89	**1,187.60**

\# Represents deposits given majorly for buildings taken on lease and electricity.

9 Income tax assets (net)

	As at	
	31 March 2023	**31 March 2022**
Advance tax, net of provision for tax	1,731.14	1,184.65
	1,731.14	**1,184.65**

10 Other assets

(Unsecured, considered good unless stated otherwise)

	As at	
	31 March 2023	**31 March 2022**
(a) Non-current		
Capital advances	-	7.76
Deposits paid under protest	672.81	554.46
Prepaid expenses	34.55	78.75
	707.36	**640.97**

(b) Current		
Advance to service providers	283.23	174.96
Prepaid expenses	1,355.97	1,517.53
Advance to employees	128.48	27.72
	1,767.68	**1,720.21**

11 Trade receivables

	As at	
	31 March 2023	**31 March 2022**
(a) Trade receivables - Billed		
Trade receivables considered good - Unsecured*	15,006.00	11,730.85
Trade receivables which have significant increase in credit risk	520.34	126.42
Trade receivables - credit impaired	119.03	26.19
	15,645.37	**11,883.46**
Less: Allowance for expected credit losses - Billed	(639.37)	(152.61)
Total (A)	**15,006.00**	**11,730.85**
(b) Trade receivables - Unbilled		
Trade receivables- Unbilled - Unsecured*	12,396.40	9,536.16
Less: Allowance for expected credit losses - Unbilled	(153.10)	(30.31)
Total (B)	**12,243.30**	**9,505.85**
Total (A+B)	**27,249.30**	**21,236.70**

Refer note 30(i) for the Company's credit risk management process.
* Includes trade receivables from related parties amounting to Rs.460.26 (31 March 2022: Rs.295.50). Refer note 28(c) for related party disclosures.

Trade Receivables ageing schedule:
As at 31 March 2023

Particulars	**Unbilled**	**Not Due**	**Outstanding for following periods from due date of payment**					**Total**
			Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed trade receivables								
- considered good	12,243.30	9,818.67	4,621.45	482.37	83.51	-	-	27,249.30
- significant increase in credit risk	153.10	48.85	103.80	138.80	152.53	70.99	5.37	673.44
- credit impaired	-	-	12.04	76.59	21.76	8.64	-	119.03
	12,396.40	**9,867.52**	**4,737.29**	**697.76**	**257.80**	**79.63**	**5.37**	**28,041.77**
Less: Allowance for expected credit losses								(792.47)
								27,249.30

As at 31 March 2022

Particulars	**Unbilled**	**Not Due**	**Outstanding for following periods from due date of payment**					**Total**
			Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed trade receivables								
- considered good	9,505.85	7,798.23	3,585.65	319.62	27.35	-	-	21,236.70
- significant increase in credit risk	30.31	17.21	25.71	31.09	28.30	17.95	6.16	156.73
- credit impaired	-	-	1.16	13.79	11.24	-	-	26.19
	9,536.16	**7,815.44**	**3,612.52**	**364.50**	**66.89**	**17.95**	**6.16**	**21,419.62**
Less: Allowance for expected credit losses								(182.92)
								21,236.70

Note: There are no secured and no disputed trade receivables outstanding as at 31 March 2023 and 31 March 2022.

12 Cash and cash equivalents

	As at	
	31 March 2023	**31 March 2022**
Balance with banks		
- in current accounts	13,252.50	9,368.09
- in EEFC accounts	89.97	200.30
	13,342.47	**9,568.39**

13 Loans

(Unsecured, considered good unless stated otherwise)

	As at	
	31 March 2023	**31 March 2022**
Loan to employees	5.10	1.73
	5.10	**1.73**

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14 Equity share capital

	As at			
	31 March 2023		31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Authorized share capital				
191,000,000 (31 March 2022: 191,000,000) equity shares of Rs.10 each	191,000,000	19,100.00	191,000,000	19,100.00
Issued, subscribed and paid-up share capital				
149,463,887 (31 March 2022: 149,463,887) equity shares of Rs.10 each	149,463,887	14,946.39	149,463,887	14,946.39
	149,463,887	**14,946.39**	**149,463,887**	**14,946.39**

(a) **Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:**

Particulars	31 March 2023		31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Balance as at the beginning of the year	149,463,887	14,946.39	149,463,887	14,946.39
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	**149,463,887**	**14,946.39**	**149,463,887**	**14,946.39**

(b) **Terms and rights attached to the equity shares:**

The Company has a single class of equity shares having a face value of Rs. 10 each. Each Shareholder is eligible for one vote per share held. Any dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. On winding up of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholdings.

(c) **Shares held by holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:**

Name of the equity shareholder	31 March 2023		31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Quess Corp Limited and its nominees	149,463,887	14,946.39	149,463,887	14,946.39
	149,463,887	**14,946.39**	**149,463,887**	**14,946.39**

(d) **Particulars of shareholders holding more than 5% of the total number of equity shares:**

Name of the equity shareholder	31 March 2023		31 March 2022	
	Number of shares	% of Holding	Number of shares	% of Holding
Equity shares				
Quess Corp Limited and its nominees	149,463,887	100.00%	149,463,887	100.00%
	149,463,887	**100.00%**	**149,463,887**	**100.00%**

(e) There are no shares issued pursuant to contract without payment being received in cash during the period of five years immediately preceding the reporting date.

(f) No equity shares bought back during the period of five years immediately preceding the reporting date.

(g) No shares have been allotted as fully paid up by way of bonus shares during the period of five years immediately preceding the reporting date.

(h) **Shareholdings of Promoters**

Disclosure of shareholding of promoters as at 31 March 2023 is as follows:

Name of the equity shareholder	31 March 2023		31 March 2022		% change during the year
	Number of shares	% of Holding	Number of shares	% of Holding	
Equity shares					
Quess Corp Limited and its nominees	149,463,887	100.00%	149,463,887	100.00%	0.00%
	149,463,887	**100.00%**	**149,463,887**	**100.00%**	

Disclosure of shareholding of promoters as at 31 March 2022 is as follows:

Name of the equity shareholder	31 March 2022		31 March 2021		% change during the year
	Number of shares	% of Holding	Number of shares	% of Holding	
Equity shares					
Quess Corp Limited and its nominees	149,463,887	100.00%	104,624,721	70.00%	30.00%
TATA Sons Private Limited and its nominee	-	-	44,839,166	30.00%	(-30.00%)
	149,463,887	**100.00%**	**149,463,887**	**100.00%**	

15 Other equity

	As at	
	31 March 2023	**31 March 2022**
Retained earnings - Surplus in the Statements of Profit and Loss		
Balance at the beginning of the year	26,333.68	20,072.81
Add: Profit for the year	8,911.37	14,821.62
Add: Re-measurement impact on defined benefit plans	196.53	152.99
Amount available for appropriations	**35,441.58**	**35,047.42**
Less: Appropriations - Interim dividend on equity shares during the year	(2,017.76)	(8,713.74)
Balance at the end of the year	**33,423.82**	**26,333.68**
Capital redemption reserve		
Balance at the beginning and end of the year	1,500.00	1,500.00
	1,500.00	**1,500.00**
Securities premium		
Balance at the beginning and end of the year	13,515.20	13,515.20
	13,515.20	**13,515.20**
Capital contribution by Holding company		
Balance at the beginning of the year	-	-
Add: Employee shared based payment from the holding company [refer note 32(B)]	422.51	-
Balance at the end of the year	**422.51**	**-**
Total other equity	**48,861.53**	**41,348.88**

Nature and purpose of reserves:

(i) **Retained earnings:** Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders

(ii) **Capital redemption reserve ('CRR'):** The Company had issued 12.33% cumulative redeemable preference shares having face value of Rs.10 each and redeemable at Rs.12 each. As per the provisions of the Companies Act, 2013, the Company is required to create a capital redemption reserve equivalent to the nominal value of shares redeemed out of the profits of the Company. Such reserve can be created out of the free reserves of the Company. Accordingly, the Company has created CRR out of the retained earnings of earlier years. As per the provisions of the Companies Act, 2013, such CRR can be used for issuing fully paid up bonus shares.

(iii) **Securities premium:** Securities premium is used to record the premium received on issue of shares. Premium received is utilised in accordance with the provisions of the Companies Act, 2013.

(iv) **Dividend:** Dividends paid during the year ended 31 March 2023 includes an amount of Rs.1.35 per equity share towards interim dividend declared on 10 November 2022. Dividend paid during the year ended 31 March 2022 includes an amount of Rs.4.70 per equity share towards interim dividend declared on 28 October 2021.

16 Borrowings (secured)

	As at	
	31 March 2023	**31 March 2022**
(a) Non-current		
- Vehicle loans from bank (refer note below)	99.76	108.97
	99.76	**108.97**
(b) Current		
Current maturities of long-term borrowings		
- Vehicle loans from bank	75.81	127.01
	75.81	**127.01**

Note: Terms of repayment of loan as at Balance Sheet date

Vehicle loans obtained from HDFC Bank Limited are repayable in equal monthly instalments over a period of 5 years from the date of availing respective loan. The same is secured by hypothecation of the vehicles financed. Rate of interest is in the range of 6.60% to 9.15% p.a. (31 March 2022: 7.65% to 9.65% p.a.) and number of instalments pending for payments are ranging between 2-58 instalments. Amount outstanding including current maturities) as at 31 March 2023 is Rs.175.57 lakhs (31 March 2022: Rs.235.98 lakhs). The Company's exposure to liquidity risk related to borrowings is disclosed in Note 30(ii).

Changes in liabilities arising from financing activities:

The below section sets out an analysis of liabilities arising from financing activities and the movements for each of the years presented:

	As at	
	31 March 2023	**31 March 2022**
Lease liabilities (refer note 36)	28,281.92	17,425.77
Current borrowings	75.81	127.01
Non-current borrowings	99.76	108.97
Interest accrued	-	-
Liabilities arising from financing activities	**28,457.49**	**17,661.75**

16 Borrowings (continued)

Changes in liabilities arising from financing activities (continued):

	Borrowings	Lease liabilities	Interest accrued	Total
Opening balance as at 1 April 2022	**235.98**	**17,425.77**	**-**	**17,661.75**
Changes from financing cash flow:				
- Proceeds during the year	93.44	-	-	**93.44**
- Repayment during the year	(153.85)	-	-	**(153.85)**
- Payment of lease liabilities during the year	-	(7,066.92)	-	**(7,066.92)**
Other changes:				
- Lease liabilities recognised during the year	-	18,361.45	-	**18,361.45**
- Lease liabilities derecognised during the year	-	(438.36)	-	**(438.36)**
- Interest expenses	-	2,750.22	228.73	**2,978.95**
- Interest paid	-	(2,750.22)	(228.73)	**(2,978.95)**
Closing balance as at 31 March 2023	**175.57**	**28,281.92**	**-**	**28,457.49**

	Debentures	Borrowings	Lease liabilities	Interest accrued	Total
Opening balance as at 1 April 2021	**8,200.00**	**356.91**	**15,061.66**	**-**	**15,418.57**
Changes from financing cash flow:					
- Proceeds during the year	-	19.12	-	-	**19.12**
- Repayment during the year	(8,200.00)	(140.05)	-	-	**(140.05)**
- Payment of lease liabilities during the year	-	-	(5,649.88)	-	**(5,649.88)**
Other changes:					
- Lease liabilities recognised during the year	-	-	8,013.99	-	**8,013.99**
- Lease liabilities derecognised during the year	-	-	-	-	**-**
- Interest expenses	-	-	1,451.79	76.41	**1,528.20**
- Interest paid	-	-	(1,451.79)	(76.41)	**(1,528.20)**
Closing balance as at 31 March 2022	**-**	**235.98**	**17,425.77**	**-**	**17,661.75**

17 Other liabilities

	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Unearned revenue	47.47	86.44
	47.47	**86.44**
(b) Current		
Advance from customers	88.81	84.28
Unearned revenue	142.13	32.72
Statutory dues (GST, provident fund, tax deducted at source, etc.)	2,682.10	2,175.80
	2,913.04	**2,292.80**

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18 Trade payables

	As at	
	31 March 2023	**31 March 2022**
Total outstanding dues of micro enterprises and small enterprises (herein referred to as 'MSME')	199.59	125.82
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,467.95	4,281.98
	4,667.54	**4,407.80**

The Company's exposure to liquidity risks related to trade payables is disclosed in Note 30(ii).
Refer note 28(c) for information about payables to related parties.

(a) **Trade payables ageing schedule:**

As at 31 March 2023:

Particulars	**Not due**	**Outstanding for following periods from due date of payment**				**Total**
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed - MSME	-	192.48	6.14	0.91	0.06	199.59
Undisputed - Others	3,307.38	1,058.15	62.41	22.70	17.31	4,467.95
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	3,307.38	**1,250.63**	**68.55**	**23.60**	**17.37**	**4,667.54**

As at 31 March 2022:

Particulars	**Not due**	**Outstanding for following periods from due date of payment**				**Total**
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	
Undisputed - MSME	-	122.10	3.66	0.06	-	125.82
Undisputed - Others	3,398.38	842.27	24.02	6.52	10.79	4,281.98
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	3,398.38	**964.37**	**27.68**	**6.58**	**10.79**	**4,407.80**

(b) **Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006**

The information as required under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at	
	31 March 2023	**31 March 2022**
(i) The principal amount remaining unpaid to any supplier as at the end of each accounting year;	199.59	125.82
(ii) The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	9.17	1.17
(iii) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iv) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act not paid);	24.21	22.29
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year;	33.38	23.46
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006.	56.84	-

19 Other financial liabilities

	As at	
	31 March 2023	**31 March 2022**
Security deposits	175.58	176.58
Creditors for capital goods	195.81	904.39
Employee benefits payable	12,490.31	10,875.68
Other payables	239.68	-
	13,101.38	**11,956.65**

20 Provisions

	As at	
	31 March 2023	**31 March 2022**
Provisions for employee benefits		
- Provision for compensated absences	640.99	649.08
- Provision for gratuity [refer note 32(A)]	1,421.65	1,488.67
Other provisions		
Provision for contingencies*	521.95	424.17
	2,584.59	**2,561.92**

* Provision for contingencies represents provision towards probable liability against ongoing provident fund and electricity dispute cases. During the year ended 31 March 2023, Rs. 97.78 has been recommended towards electricity dispute case.

21 Revenue from operations

	For the year ended	
	31 March 2023	**31 March 2022**
Revenue from contracts with customers		
Sale of services	142,607.23	114,015.13
	142,607.23	**114,015.13**

(i) Reconciliation of revenue from services recognised with the contracted price is as follows:

	For the year ended	
	31 March 2023	**31 March 2022**
Contract price	139,817.43	112,315.12
Adjustments for:		
Unearned income	(70.44)	(3.68)
Unbilled revenue	2,860.24	1,703.69
	142,607.23	**114,015.13**

(ii) Disaggregation of revenue from contracts with customers:

The table below presents disaggregated revenues from contracts with customers for the year ended 31 March 2023 and 31 March 2022 by geography. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

	For the year ended	
	31 March 2023	**31 March 2022**
Revenues by geography		
- Within India	136,616.22	108,188.84
- Outside India	5,991.01	5,826.29
	142,607.23	**114,015.13**

(iii) Contract balances

The following table provides information about contract assets and contract liabilities from contracts with customers.

	As at	
	31 March 2023	**31 March 2022**
Trade receivables - Billed, net (refer note 11(a))	15,006.00	11,730.85
Trade receivables - Unbilled, net (refer note 11(b))	12,243.30	9,505.85
Contract liabilities (Unearned revenue and advance received from customers) (refer note 17)	278.41	203.44

The following table discloses the movement in Trade receivables - Unbilled balances for the year ended 31 March 2023 and 31 March 2022:

	As at	
	31 March 2023	**31 March 2022**
Balance at the beginning of the year	9,505.85	7,770.04
Add: Revenue recognised during the year	12,352.97	9,443.89
Less: Invoiced during the year	(9,492.73)	(7,770.04)
Less: Loss allowance recognised during the year	(122.79)	61.96
Balance at the end of the year	**12,243.30**	**9,505.85**

The contract liabilities primarily relate to the advance consideration received from customer and unearned revenue for which revenue is recognised on completion of contract terms.

The following table discloses the movement in contract liabilities balances for the year ended 31 March 2023 and 31 March 2022:

	As at	
	31 March 2023	**31 March 2022**
Balance at the beginning of the year	203.44	179.87
Add: Invoiced during the year but not recognised as revenue during the year	190.64	84.28
Less: Revenue recognised during the year	(115.67)	(60.71)
Balance at the end of the year	**278.41**	**203.44**

(iv) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognised as at the end of the reporting year and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for:
(i) contracts with an original expected duration of one year or less and
(ii) contracts for which the Company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

Note: Revenue from operations doesn't include incentives received from the customers. The same is passed on to the employees working on the specific projects.

22 Other income

	For the year ended	
	31 March 2023	**31 March 2022**
Interest income on:		
- margin money deposit	7.50	21.82
- Income tax refund	-	163.79
- inter-corporate loan [refer note 28(b)]	0.47	-
- financial assets carried at amortised cost	146.10	119.83
Rental income [refer note 28(b)]	46.11	66.20
Dividend from subsidiary [refer note 28(b)]	2,236.58	6,709.75
Net gain on foreign currency transactions	143.29	19.90
Profit on sale of property, plant and equipment, net	59.26	23.20
Gain on de-recognition of right-of-use assets, net (refer note 36)	69.68	-
Miscellaneous income	9.43	4.33
	2,718.42	**7,128.82**

23 Employee benefits expense

	For the year ended	
	31 March 2023	**31 March 2022**
Salaries, wages and bonus	92,291.33	69,702.09
Contribution to provident and other funds [refer note 32(A)]	7,799.18	6,309.19
Employee shared based payment [refer note 32(B)]	422.51	-
Staff welfare expenses	3,273.17	2,776.17
	103,786.19	**78,787.45**

24 Finance costs

	For the year ended	
	31 March 2023	**31 March 2022**
Interest expense on:		
- vehicle loans from banks	17.58	26.88
- credit facilities from banks	211.15	1.61
- others	101.68	47.92
- lease liabilities (refer note 36)	2,750.22	1,451.79
	3,080.63	**1,528.20**

25 Other expenses

	For the year ended	
	31 March 2023	**31 March 2022**
Outsourcing services and other contractual costs	2,427.03	5,234.72
Collection charges	35.40	9.69
Power and fuel	1,702.56	1,306.56
Rent [refer note 36(b)]	599.12	438.77
Repairs and maintenance		
- Buildings	538.67	526.14
- Machineries	1,254.74	1,116.63
- Others	158.04	164.40
Legal and professional fees (refer note (i) below)	1,788.63	1,214.79
Rates and taxes	516.47	396.03
Insurance	79.44	113.46
Communication	108.78	110.29
Travelling and conveyance	2,237.35	1,497.35
Printing and stationery	75.42	22.93
Business promotion	184.94	194.64
Recruitment and training	1,334.56	1,191.30
Bad debts written off	10.21	180.66
Allowance for expected credit loss, net (refer note 11)	609.55	(455.80)
Connectivity expenses	797.41	867.70
Security charges	761.35	647.46
Housekeeping charges	609.16	485.06
Technology helpdesk	212.75	369.74
Expenditure on corporate social responsibility (Refer note (ii) below)	156.18	119.31
Miscellaneous expenses	42.06	31.87
	16,239.82	**15,783.70**

25 Other expenses (continued)

(i) **Details of payments to auditors (included in legal and professional fees, excluding tax)**

	For the year ended	
	31 March 2023	**31 March 2022**
As auditor		
Statutory audit fee	29.00	24.00
Tax audit fee	2.50	2.50
For other services		
Limited reviews	15.00	11.00
Certifications	-	7.00
For reimbursement of expenses	2.00	0.16
	48.50	**44.66**

(ii) **Details of expenditure on corporate social responsibility**

	For the year ended	
	31 March 2023	**31 March 2022**
1. Amount required to be spent by the Company during the year	156.18	119.51
2. Amount spent during the year on:		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	78.42	30.46
3. Shortfall at the end of the year (refer note below)	77.76	89.05
4. Total of previous years shortfall	89.05	-
5. Reason for shortfall	Refer note below	Refer note below
6. Nature of CSR activities	Promoting Education	Promoting Education
7. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	1.70
8. Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	Not applicable	Not applicable

Note: Details of unspent obligations for ongoing project

	31 March 2023	**31 March 2022**
Opening balance		
- with the Company	-	-
- in separate CSR unspent account	89.05	-
	89.05	**-**
Amount required to be spent during the year	**156.18**	**119.51**
Amount spent during the year		
- from Company's bank account	78.42	30.46
- from separate CSR unspent account	-	-
	78.42	**30.46**
Closing balance		
- with the Company	-	-
- in separate CSR unspent account	166.81	89.05

Note: The unspent amount is towards an ongoing project which is expected to be completed within six months from the end of 31 March 2023. The Company has transferred the unspent amount to a special bank accounts in compliance of guidelines given in Section 135 of Companies Act, 2013.

26 Income-tax

(a) Amount recognized in Statement of profit and loss

	For the year ended	
	31 March 2023	**31 March 2022**
Current tax	2,852.35	2,754.81
Deferred tax benefit	(51.83)	(627.32)
	2,800.52	**2,127.49**

(b) Amount recognized in Other comprehensive income

	For the year ended	
	31 March 2023	**31 March 2022**
Current tax	66.10	(30.76)
	66.10	**(30.76)**

(c) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

	For the year ended	
	31 March 2023	**31 March 2022**
Profit before tax (including Other comprehensive income)	11,974.52	17,071.34
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expense	3,013.75	4,296.51
Reconciling items:		
Donation paid (including CSR)	39.31	30.03
Dividend income	(507.83)	(1,688.71)
Tax incentives under Section 80JJAA of the Income-tax Act, 1961	-	224.82
Employee shared based expense	106.34	-
Non-deductible expenses and others	148.95	(735.16)
Income tax expense	**2,800.52**	**2,127.49**

27 Deferred tax assets (net)

Recognized deferred tax assets and liabilities

The following is the movement of deferred tax assets / liabilities presented in the balance sheet:

	As at 1 April 2022	**Recognized in Statement of profit and loss**	**Recognized in OCI**	**As at 31 March 2023**
Deferred tax assets				
Property, plant and equipment	118.97	39.78	-	79.19
Employee benefits, net	808.91	(66.70)	66.10	809.51
Provision for doubtful debts and doubtful loans	172.68	(122.62)	-	295.30
Provision - Others	20.88	20.88	-	-
Tax incentives under Section 80JJAA of the Income-tax Act, 1961	449.64	224.82	-	224.82
Disallowance of expenses for short deduction/ non-deduction of TDS	206.38	54.01	-	152.37
Lease liability, net of right-of-use assets	392.14	(202.00)	-	594.14
Net deferred tax assets	**2,169.60**	**(51.83)**	**66.10**	**2,155.33**

	As at 1 April 2021	**Recognized in Statement of profit and loss**	**Recognized in OCI**	**As at 31 March 2022**
Deferred tax assets				
Property, plant and equipment	87.76	(31.21)	-	118.97
Employee benefits, net	544.33	(233.82)	(30.76)	808.91
Provision for doubtful debts and doubtful loans	287.37	114.69	-	172.68
Provision - Others	20.88	-	-	20.88
Tax incentives under Section 80JJAA of the Income-tax Act, 1961	-	(449.64)	-	449.64
Disallowance of expenses for short deduction/ non-deduction of TDS	150.48	(55.90)	-	206.38
Lease liability, net of right-of-use assets	420.69	28.55	-	392.14
Net deferred tax assets	**1,511.51**	**(627.32)**	**(30.76)**	**2,169.60**

28 Related party disclosures

(a) Name of the related parties and nature of relationship

Name of the Party	Nature of relationship
Quess Corp Limited	Holding Company
Allsec Technologies Limited	Subsidiary Company
Simpliance Technologies Private Limited	Fellow subsidiary
Quesscorp Manpower Supply Services LLC	
Monster.com India Private Limited	
MFX Infotech Private Limited	
Terrier Security Services India Private Limited	
Vedang Cellular Services Private Limited	
Qdigi Services Limited	
Heptagon Technologies Private Limited	
Infiniti Retail Limited	Subsidiary of the entity exercising significant influence over the Company (till 16 April 2021)
Tata AIG General Insurance Company Limited	
A Capital Financial Services Limited	
Sector 113 Gatevida Developers Private Limited	
Promont Hilltop Private Limited	
Smart Value Homes (Peenya Project) Private Limited	
Smart Value Homes (Boisar) Private Limited	
Princeton Infrastructure Private Limited	
HL Promotors Private Limited	
Ardent Properties Pvt Ltd	
Tata Teleservices (Maharashtra) Limited	
Tata Communications Payment Solutions Limited	
Land kart Builders Private Limited	
Tata Realty and Infrastructure Limited	
Mr. Arjun Ramaraju	Chief Executive Officer
Mr. A. S. Krishnan	Chief Financial Officer
Mr. V. Sampath	Company Secretary

(b) Transactions with related parties

The details of related parties transactions entered into by the Company for the year ended 31 March 2023 and 31 March 2022 are as follows:

Name of the Related Party	Nature of Transaction	For the year ended	
		31 March 2023	31 March 2022
Quess Corp Limited	Sale of services	1,041.99	789.91
	Services received	2,076.96	4,891.95
	Rental income	7.61	14.63
	Dividend paid	2,017.76	8,713.74
	Redemption of convertible debentures	-	8,200.00
	Reimbursement of expenses - received	93.58	174.69
	Reimbursement of expenses - paid	25.59	-
Terrier Security Service India Private Limited	Sale of services	32.27	63.11
	Services received	738.87	639.63
	Inter-corporate loan given	1,700.00	-
	Inter-corporate loan recovered	(1,700.00)	-
	Interest income on Inter-corporate loan	0.47	-
Heptagon Technologies Private Limited	Services received	5.75	5.74
Allsec Technologies Limited	Sale of services	126.34	247.80
	Services received	41.61	31.85
	Dividend received	2,236.58	6,709.75
	Reimbursement of expenses - received	105.18	0.09
Quesscorp Manpower Supply Services LLC	Services received	1,191.58	908.26
	Reimbursement of expenses - paid	391.94	-
MFX Infotech Private Limited	Rental income	49.70	51.57
	Sale of services	30.42	-
	Reimbursement of expenses - received	-	34.88
Monster.com India Private Limited	Sale of services	59.22	63.76
	Services received	60.85	99.30
MFXchange US Inc	Sale of services	139.37	-
Vedang Cellular Services Private Limited	Sale of services	29.99	-
Qdigi Services Limited	Sale of services	27.27	-
Infiniti Retail Limited	Sale of services	-	0.08
Tata AIG General Insurance Company Limited	Services received	-	4.81

28 Related party disclosures (continued)

(b) Transactions with related parties (continued)

Name of the Related Party	Nature of Transaction	For the year ended	
		31 March 2023	31 March 2022
A Capital Financial Services Limited	Lease rentals paid	-	14.24
Sector 113 Gatevida Developers Private Limited	Sale of services	-	1.39
Promont Hilltop Private Limited	Sale of services	-	0.78
Smart Value Homes (Peenya Project) Private Limited	Sale of services	-	1.73
Smart Value Homes (Boisar) Private Limited	Sale of services	-	0.96
Princeton Infrastructure Private Limited	Sale of services	-	0.30
HL Promotors Private Limited	Sale of services	-	0.57
Ardent Properties Pvt Ltd	Sale of services	-	1.73
Tata Teleservices (Maharashtra) Limited	Sale of services	-	1.96
Tata Communications Payment Solutions Limited	Sale of services	-	0.37
Land kart Builders Private Limited	Sale of services	-	2.40
Tata Realty and Infrastructure Limited	Sale of services	-	0.87
Key Management Personnel			
(i) Mr. Arjun Ramaraju	Remuneration*	190.41	129.80
(ii) Mr. A S Krishnan	Remuneration*	66.62	61.13
(iii) Mr. V Sampath	Remuneration*	49.50	48.47

(c) Balance receivable / (payable) to related parties as at the balance sheet date:

Name of the Related Party	Nature of receivable or (payable)	As at	
		31 March 2023	31 March 2022
Quess Corp Limited	Trade receivables	251.99	200.61
	Trade payables	(395.42)	(306.87)
Terrier Security Services India Private Limited	Trade receivables	3.06	10.76
	Trade payables	(169.16)	(155.52)
Heptagon Technologies Pvt Ltd	Trade payables	(3.15)	(2.90)
MFX Infotech Private Limited	Trade receivables	50.52	-
Allsec Technologies Limited	Trade receivables	51.44	74.72
	Trade payables	(12.37)	(26.19)
Quesscorp Manpower Supply Services LLC	Trade payables	(102.48)	-
Monster.com India Private Limited	Trade receivables	62.43	9.41
	Trade payables	(74.72)	(72.05)
MFXchange US Inc.	Trade receivables	38.36	-
Vedang Cellular Services Private Limited	Trade receivables	2.46	-
Key Management Personnel			
(i) Mr. Arjun Ramaraju	Remuneration*	(4.25)	(3.30)
(ii) Mr. A S Krishnan	Remuneration*	(0.54)	(1.34)
(iii) Mr. V Sampath	Remuneration*	(1.37)	(1.44)

* As the future liabilities for gratuity and compensated absences is provided on an actuarial basis and payment of insurance costs are made for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable, therefore, not included above. Further, the key management personnel are granted stock options under QSOP 2020 which shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee) of the holding company. The amount is expensed off based on vesting period for the Company as a whole, the amount pertaining to the key management personnel is not ascertainable, therefore, not included above.

Note: Transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other vendors.

(d) Note on redemption of Convertible Debentures issued to Ques Corp Limited:

The Company had issued fully convertible debentures (“CCD”/”CCDs”) to Quess Corp Limited ('Holding Company') on 1 June 2019 for Rs.7,800, Rs.5,900 on 8 July 2019 and Rs.1,000 on 13 August 2019 with a term of 5 years, carrying an interest coupon of 10% per annum and convertible at fair value on the date of conversion. Based on an amendment to the original agreement during the year, a conversion price of INR 40 per share was fixed for conversion of these CCDs. Hence the CCD’s satisfied the fixed- to fixed criteria as per Ind AS 32. Consequentially, the same were recognized as an equity instrument in the books of accounts.

The second amendment to the “Fully Convertible Debenture Subscription Agreement” between the Company, Holding Company and Tata Sons Private Limited ('Tata Sons'), executed on 19 August 2020, replaced all references to “Fully Convertible Debentures” to “Convertible Debentures”. Further, the said agreement was amended to state that, "Subject to prior written consent of Tata Sons (exercisable at its sole discretion), the Company has the right to redeem any or all of its convertible debentures at any time during the tenure of the convertible debentures, at an issue price of Rs.100/- per convertible debentures.

On 16 April 2021, the Board of Directors of the Company at its meeting, approved the redemption of 3,332,000 Convertible Debentures of Rs. 100/ each, aggregating Rs.3,332, out of balance 8,200,000 Convertible Debentures of Rs.100/- each.

28 Related party disclosures (continued)

(d) Note on redemption of Convertible Debentures issued to Ques Corp Limited (continued)**:**

On 12 August 2021, the Board of Directors of the Company at its meeting, approved the redemption of 2,500,000 Convertible Debentures of Rs. 100/ each, aggregating Rs.2,500, out of balance 4,868,000 Convertible Debentures of Rs.100/- each.

On 24 March 2022, the Board of Directors of the Company at its meeting, approved the redemption of 2,368,000 Convertible Debentures of Rs. 100/ each, aggregating Rs.2,368, out of balance 2,368,000 Convertible Debentures of INR 100/- each.

29 Financial instruments - fair values and risk management

The fair values of financial assets and financial liabilities, together with the carrying amounts are as follows:

	As at	
	31 March 2023	**31 March 2022**
Financial assets measured at amortised cost		
Investments in subsidiary	32,996.08	32,996.08
Trade receivables	27,249.30	21,236.70
Other financial assets (Non-current & Current)	2,583.99	2,353.61
Loans	5.10	1.73
Cash and cash equivalents	13,342.47	9,568.39
Total assets	**76,176.94**	**66,156.51**
Financial liabilities measured at amortised cost		
Borrowings (Non-current & Current)	175.57	235.98
Trade payables	4,667.54	4,407.80
Other financial liabilities	13,101.38	11,956.65
Lease liabilities	28,281.92	17,425.77
Total liabilities	**46,226.41**	**34,026.20**

Note: The Company has not disclosed fair values of financial assets and liabilities such as trade receivables, cash and cash equivalents, other financial assets, trade payables and other financial liabilities since their carrying amounts are reasonable approximates of fair values.

30 Financial risk management

Risk management framework

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

a) Credit risk;

b) Liquidity risk; and

c) Market risk.

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and current asset. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loan represents loans given to employees. The credit risk associated with such loans is relatively low.

Trade receivables and unbilled revenue

The Company's exposure to credit risk is influenced mainly by its customers. However, the management also considers the factors that may influence the credit risk of its customer base.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to two months for customers. The Company does not have trade receivables for which no loss allowance is recognised because of collateral.

30 Financial risk management (continued)

(i) Credit risk (continued)

Expected credit loss assessment for customers as at 31 March 2023 and 31 March 2022 are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivables from customers and unbilled revenue. Based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired) if the payments are more than 730 days past due. Loss rates are based on actual credit loss experience over the last eight quarters.

The movement in the allowance for impairment in respect of trade receivables is as follows:

Particulars	31 March 2023	31 March 2022
Balance as at the beginning of the year	152.61	576.30
Loss allowances (reversed)/ recognised during the year	486.76	(423.69)
Balance as at the end of the year	**639.37**	**152.61**

The movement in the allowance for impairment in respect of unbilled revenue is as follows:

Particulars	31 March 2023	31 March 2022
Balance as at the beginning of the year	30.31	62.43
Loss allowances (reversed)/ recognised during the year	122.79	(32.12)
Balance as at the end of the year	**153.10**	**30.31**

(ii) Liquidity risk

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

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually, the excess of funds is invested in fixed deposits and other financial instruments. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.

The following are the contractual maturities of financial liabilities as at the reporting date:

	As at	
	31 March 2023	31 March 2022
Less than 1 year		
- Borrowings	80.23	124.22
- Trade payables	4,667.54	4,407.80
- Other financial liabilities	13,101.38	11,956.65
1 to 2 years		
- Borrowings	51.55	79.16
2 to 5 years		
- Borrowings	69.04	59.42
More than 5 years		
- Borrowings	-	-

Note: Excludes lease liabilities. Refer note 36 for contractual cashflows relating to leases.

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(A) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company borrowing as at 31 March 2023 and 31 March 2022 comprises only loans at fixed interest rates, which do not expose it to significant interest rate risk.

30 Financial risk management (continued)

(iii) Market risk (continued)

(B) Foreign currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales are denominated and the respective functional currency of the Company.

Exposure to currency risk

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

	Currency	31 March 2023		31 March 2022	
		Amount in foreign currency (in lakhs)	Amount in INR	Amount in foreign currency (in lakhs)	Amount in INR
Financial assets					
Trade receivables	USD	3.24	266.58	3.89	294.57
Trade receivables	GBP	2.69	273.03	3.03	301.84
Trade receivables	AED	15.09	337.58	10.66	219.92
Trade receivables	QAR	0.20	4.52	0.38	7.92
Trade receivables	SAR	4.70	102.82	-	-
Cash and cash equivalents	USD	1.18	97.22	2.64	200.29

The following significant exchange rates have been applied:

Currency	Year end spot rates	
	31 March 2023	31 March 2022
USD/ INR	82.17	75.79
GBP/ INR	101.65	99.46
AED/ INR	22.37	20.64
QAR/ INR	22.48	20.69
SAR/ INR	21.89	-

Sensitivity analysis

The profit or loss is sensitive to foreign exchange gain/ loss as a result of changes in foreign exchange rates.

Change in rate	As at		As at	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	Effect on profit before tax		Effect on equity, net of tax	
Foreign exchange rate - Increases by 5%	54.09	51.23	40.47	38.33
Foreign exchange rate - Decreases by 5%	(54.09)	(51.23)	(40.47)	(38.33)

31 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company's adjusted net debt to equity ratio were as follows:

	As at	
	31 March 2023	31 March 2022
Total borrowings	175.57	235.98
Less: cash and cash equivalents	13,342.47	9,568.39
Adjusted net debt (borrowings net of cash and cash equivalents)	**(13,166.90)**	**(9,332.41)**
Equity share capital	14,946.39	14,946.39
Other equity	48,861.53	41,348.88
Total equity	**63,807.92**	**56,295.27**
Adjusted net debt to total equity ratio	**(0.21)**	**(0.17)**

32(A) Employee benefits

(i) **Defined contribution plans**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and employee state insurance scheme, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to provident fund and employee state insurance for the year is included in "Contribution to Provident and Other funds" (refer note 23).

(ii) **Defined benefit plans**

The Company provides its employees with the benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/exit.

(a) Reconciliation of the net defined benefit asset/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ assets and its components.

Particulars	As at	
	31 March 2023	31 March 2022
Change in defined benefit obligation		
Defined benefit obligation at the beginning of the year	2,574.32	2,460.74
Current service cost	474.35	445.44
Interest cost	172.48	154.04
Benefit paid	(427.99)	(291.30)
Actuarial (gains)/ losses recognized in other comprehensive income		
- experience adjustments	(62.63)	(15.37)
- Changes in demographic assumptions	-	1.96
- Changes in financial assumptions	(231.36)	(181.19)
Defined benefit obligation as at the balance sheet date	**2,499.17**	**2,574.32**
Change in plan assets		
Plan assets at the beginning of the year	1,085.65	940.45
Interest income	72.75	58.87
Re-measurement - actuarial loss	(31.36)	(72.37)
Employers contribution	378.47	450.00
Benefits paid	(427.99)	(291.30)
Plan assets at end of the year	**1,077.52**	**1,085.65**

(b) Reconciliation of present value of the obligation and the fair value of the plan assets

Particulars	As at	
	31 March 2023	31 March 2022
Fair value of plan assets at the end of the year	1,077.52	1,085.65
Present value of the defined benefit obligations at the end of the year	(2,499.17)	(2,574.32)
Net defined benefit liability	**(1,421.65)**	**(1,488.67)**

(c) Statement of Profit and Loss

(i) Net employee benefit expense recognized in the employee cost

Particulars	For the year	
	31 March 2023	31 March 2022
Current service cost	474.35	445.44
Interest on net defined liability/ (asset)	99.73	95.17
Net cost, included in 'employee benefits expense'	**574.08**	**540.61**

(ii) Other comprehensive income ('OCI')

Particulars	For the year ended	
	31 March 2023	31 March 2022
Re-measurement- actuarial (gain)/loss in regard with defined benefit obligation	(293.99)	(194.60)
Re-measurement- actuarial (gain)/loss in regard with plan assets	31.36	72.37
Components of defined benefit costs recognized in OCI	**(262.63)**	**(122.23)**

(d) Plan assets

Plan assets comprise of the following:

Particulars	As at	
	31 March 2023	31 March 2022
Funds managed by Life Insurance Corporation of India	1,077.52	1,085.65

The Company makes annual contribution to the life insurance corporation ('LIC') of an amount advised by LIC. The Company was not informed by LIC of the investments made by them or the breakup of the plan assets in to various type of investments.

32(A) Employee benefits (continued)

(e) Principal actuarial assumptions

Particulars	As at	
	31 March 2023	31 March 2022
Expected return on plan assets	7.30%	6.70%
Discount rate	7.30%	6.70%
Salary escalation rate	8.30%	8.30%
Attrition rate		
- for service period 4 years and below	40.80%	40.80%
- for service period 5 years and above	2.00%	2.00%
Retirement age	58 years	58 years

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Future salary escalation rate: The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in employment market.

Expected rate of return on plan assets: The expected return on plan assets is based on expectation of the average long-term rate of return expected on investments of the fund during the estimated term of the obligations.

(f) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	Increase/	As at	
	(Decrease)	31 March 2023	31 March 2022
Discount rate	1.00%	(329.03)	(355.64)
Discount rate	(1.00%)	402.12	437.38
Salary escalation rate	1.00%	394.00	425.87
Salary escalation rate	(1.00%)	(329.03)	(353.85)
Employee turnover	1.00%	(49.41)	(72.27)
Employee turnover	(1.00%)	55.88	83.06

(g) Maturity analysis of the benefit payments: from the fund

Projected benefits payable in future years from the date of reporting:

Particulars	As at	
	31 March 2023	31 March 2022
Expected benefits for year 1	62.92	43.04
Expected benefits for year 2	50.60	65.14
Expected benefits for year 3	76.32	55.47
Expected benefits for year 4	70.48	104.78
Expected benefits for year 5	85.93	71.09
Expected benefits for year 6 to 10 year	663.67	563.19
Expected benefits for year 11 and above	8,051.78	7,795.45

(The space has been intentionally left blank)

32(B) Employee share based payment plans

The Board of Directors of Quess Corp Limited in its meeting held on 31 March 2020 approved the Quess Stock Ownership Plan – 2020 ("QSOP 2020"), under which stock options are granted to specific employees of the holding Company and its subsidiaries. The maximum number of shares under QSOP 2020 shall not exceed 3,650,000 equity shares. The stock options granted under QSOP 2020 shall vest based on the achievement of defined annual performance parameters as determined by the administrator (Nomination and Remuneration Committee) of the holding Company. These instruments will be equity settled and will generally vest between a minimum of 1 to maximum of 6 years from the grant date.

Pursuant to the Quess Stock Ownership Plan – 2020 ("QSOP 2020"), Quess Corp Limited has awarded (the "Award") to the employees of Conneqt Business Solutions, Restricted Stock units ("RSU") subject to the terms and conditions specified in the Plan. The Plan is administered by Nomination and Remuneration Committee of Quess Corp Limited, which has the power to interpret the plan and adopt rules and guidelines for implementing the terms of the Plan as it may deem appropriate. Pursuant to the plan, holding company has granted stock options to the employees of Conneqt Business Solutions Limited.

The total expense recognized in Statement of Profit and Loss is Rs.422.51 (31 March 2022: Rs.Nil).
The following is the summary of activity under RSU during the year 31 March 2023 and 31 March 2022:

Particulars	Number of RSU's
	31 March 2023
Outstanding at the beginning of the year	198,422
Granted during the year*	-
Exercised during the year	-
Forfeited during the year	-
Outstanding at the end of the year	**198,422**
Options exercisable at the end of the year	-

*Represent stock options granted by the holding Company in the prior years.
The options outstanding as at 31 March 2023 have an exercise price of Rs.10.00 (31 March 2022: Rs.10.00) and a weighted average remaining contractual life of 2.86 years (31 March 2022: 3.86 years)

The Company has adopted the fair value (Black Scholes) method as permitted by the Guidance notes on Accounting for Employees Shared Based Payment issued by the Institute of Chartered Accountants of India in respect of Stock options granted (RSU). The value of underlying shares has been determined by an independent valuer. The following assumption were used for calculation of fair value of grants:

Particulars	31 March 2023
Risk free interest rate	3.58% - 5.49%
Expected life of options (years)	1 - 6 years
Expected volatility	39.54% - 49.42%
Dividend yield	-

33 Segment Reporting

(a) Reportable Segment:

The operating segment of the Company has been identified as "Business Process Outsourcing Services includes Contact Centre Services" as the Chief Operating Decision Maker reviews the business performance at an overall Company level as one segment.

(b) Geographical information:

Geographic segment of the company are services rendered within India and export of services to outside India.

Particulars	For the year ended	
	31 March 2023	31 March 2022
Segment revenue		
- Within India	136,616.22	108,188.84
- Outside India	5,991.01	5,826.29
Total	**142,607.23**	**114,015.13**
Segment assets (Non-current assets)*		
- Within India	68,890.52	58,193.75
- Outside India	-	-
Total	**68,890.52**	**58,193.75**

** Segment assets excludes non-current tax assets (net) and deferred tax assets (net)*

(c) Information about major customer

The Company is not reliant on revenues from transactions with any single customer and does not receive 10% or more of its revenues from transactions with any single customer.

34 Earnings per share (EPS)

	For the year ended	
	31 March 2023	**31 March 2022**
A. Nominal value of equity shares (INR per share)	10.00	10.00
B. Profit attributable to equity shareholders	8,911.37	14,821.62
C. Weighted average number of equity shares (in numbers)	149,463,887	149,463,887
D. Basic earnings per equity share (B/C)	5.96	9.92

	For the year ended	
	31 March 2023	**31 March 2022**
A. Nominal value of equity shares (INR per share)	10.00	10.00
B. Profit attributable to equity shareholders	8,911.37	14,821.62
C. Weighted average number of equity shares (in numbers)	149,463,887	153,009,739
D. Diluted earnings per equity share (B/C)	5.96	9.69

35 Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the domestic and international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence by due date, as required by law. The Management is of the opinion that its domestic and international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

36 Leases

A. The Company leases many assets including buildings, facility assets and IT equipment. For information about leases for which the Company is a lessee refer note 5.

(a) The movement in lease liabilities during the year ended is as follows:

	As at	
	31 March 2023	**31 March 2022**
Balance at the beginning of the year	17,425.77	15,061.66
Add: Additions during the year	15,261.39	8,013.99
Add: Impact of reassessment of lease liabilities during the year	3,100.06	-
Add: Finance cost accrued during the year	2,750.22	1,451.79
Less: Payment of lease liabilities (including interest thereon)	(9,817.16)	(7,101.67)
Less: De-recognized during the year	(438.36)	-
Balance at the end of the year	**28,281.92**	**17,425.77**
Bifurcation of lease liability as:		
Current lease liabilities	7,870.56	5,803.15
Non-current lease liabilities	20,411.36	11,622.62
Total	**28,281.92**	**17,425.77**

(b) Amounts recognised in statement of profit or loss

	For the year ended	
	31 March 2023	**31 March 2022**
Depreciation on right-of-use assets	8,339.55	5,702.98
Interest on lease liabilities	2,750.22	1,451.79
Expenses related to short-term leases	599.12	438.77
Total	**11,688.89**	**7,593.54**

(c) The details of the contractual maturities of lease liabilities as at respective year ended on an undiscounted basis are as follows:

	As at	
	31 March 2023	**31 March 2022**
Less than one year	10,220.13	7,217.61
One to five years	21,681.00	11,207.57
More than five years	2,231.14	3,055.79
Total undiscounted lease liabilities	**34,132.27**	**21,480.97**

36 Leases (continued)

(d) The movement of right-of-use assets during the year ended is as follows:

	As at	
	31 March 2023	**31 March 2022**
Balance at the beginning of the year	16,055.83	13,744.82
Add: Additions during the year	15,473.57	8,013.99
Add: Impact of reassessment of lease liabilities during the year	3,100.06	-
Less: Depreciation expense for the year	(8,339.55)	(5,702.98)
Less: De-recognized during the year	(368.69)	-
Balance at the end of the year	**25,921.22**	**16,055.83**

B. **As a lessor**

Sub-letting income in respect of cancellable leases recognised in the statement of profit and loss for the year ended 31 March 2023 is Rs.46.11 (31 March 2022: Rs.66.20) included in 'Other Income'.

37 Contingent liabilities

	As at	
	31 March 2023	**31 March 2022**
Claims against the Company not acknowledged as debt		
i. Service tax *	4,433.35	4,465.67
ii. Goods and Service Tax	490.65	412.68
iii. Income tax matters	928.60	211.87
iv. Provident Fund matter#	287.48	-
v. Other claims	189.54	309.24
	6,329.62	**5,399.46**

* The Company has received show cause notice from Directorate General of Central Excise Intelligence dated 19 April 2017 for an amount of Rs.4,433.35 plus interest and penalty regarding availment of ineligible cenvat credit on services provided to the Company by the dealers of automobile companies. The Company has filed a response on 11 October 2017. The matter is pending before Central Excise and Service Tax Appellate Tribunal, Hyderabad.

The Management basis legal opinion from its external attorney is of the view that the above claims are being contested by the Company and no provision is required to be made at this stage including consequential interest and penalties, if any, pending outcome of the matter.

During the financial year 2022-23, the Company has received a show cause notice ('notice') dated 26 December 2022 under Section 14B and Section 7Q respectively of the Employees' Provident Fund and Miscellaneous Provisions Act,1952 ("EPF Act"), Act for belated remittances made during the period from 14 April 2018 to 26 December 2022 show causing why damages and interest should not be levied amounting to Rs.287.48 (including damages of Rs.188.56 and interest of Rs.98.92). The Company had time and again submitted letters/ responses to the EPFO highlighting the difficulties being faced by them as regards the non-generation of the UAN/ non-seeding of UAN with Aadhaar during onboarding process of the new employees which caused the delay in the timely payment of the necessary Provident Fund dues for the period 14 April 2018 to 26 December 2022.

The Management basis legal opinion from its external attorney is of the view that the above claims shall be contested by the Company and no provision is required to be made at this stage, pending outcome of the matter.

i) The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business including litigation before various tax authorities. The amounts included above represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The Company engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions against such dispute. The Company's Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial conditions. The Company has accrued appropriate provision wherever required.

ii) Pursuant to the Supreme Court Judgement dated 28 February 2019, the Company has been legally advised that there are interpretative challenges on the application of the judgement retrospectively. Based on the legal advice and in the absence of reliable measurement of the provision for the earlier periods, the Company has made a provision for provident fund contribution pursuant to the judgement only from the date of Supreme Court Order.

38 The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that there are no material foreseeable losses on such long term contracts which needs to be provided for in the books of account.

39 Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs.274.65 (31 March 2022: Rs. 321.05) [Net of Capital advances of Rs. Nil (31 March 2022: Rs.7.76).

40 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

41 Scheme of Amalgamation

The Board of Directors of the Company at its meeting held on 7 July 2021 had approved the scheme of Amalgamation of the Company with Quess Corp Limited subject to the requisite approval of Shareholders/creditors and the sanction of the National Company Law Tribunal, Bengaluru bench. On 21 January 2022, the Holding Company has filed an application before the Hon'ble National Company Law Tribunal, Bengaluru Bench (NCLT) in the matter of Scheme of Amalgamation of Conneqt Business Solutions Limited.

The Company has received first level application approval from the Tribunal subject to further clearance from various authorities.

Further, subsequent to the year end, there was an NCLT hearing scheduled on 13 April 2023 on the aforesaid matter, however the matter was adjourned to 13 June 2023.

42 Other statutory requirements

(a) There are no proceeding initiated or pending against the Company as at 31 March 2023 and 31 March 2022, under Benami Property Transactions Act, 1988 (as amended in 2016).

(b) The Company is not declared a willful defaulter by any bank or financial Institution or other lender during the year ended 31 March 2023 and 31 March 2022.

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

(d) The Company has not entered into any transaction with the companies struck off as per Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

(e) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(f) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended 31 March 2023 and 31 March 2022.

(g) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(i) a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(h) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(i) The loan has been utlised for the purpose for which it was obtained and no short term funds have been used for long term purpose.

(j) All quarterly returns or statements of current assets are filed by the Company with banks or financial institutions and are in agreement with the books of accounts.

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

43 Ratios

(i) Current Ratio = Current Assets divided by Current Liabilities

Particulars	31 March 2023	31 March 2022
Total current assets	42,802.44	33,714.63
Total current liabilities	31,212.92	27,149.33
Ratio	**1.37**	**1.24**
% Change from previous period	**10.43%**	

(ii) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of borrowings and lease liabilities

Particulars	31 March 2023	31 March 2022
Total debt	28,457.49	17,661.75
Total equity	63,807.92	56,295.27
Ratio	**0.45**	**0.31**
% Change from previous period	**42.15%**	

Reason for change of more than 25%: Movement is on account of increase in leases taken by the Company during the year.

(iii) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	31 March 2023	31 March 2022
Earnings available for debt services (Net profit after taxes+Non-cash operating expenses and finance cost	22,499.12	24,445.31
Total Interest and principal repayments	10,199.72	7,270.21
Ratio	**2.21**	**3.36**
% Change from previous period	**(34.40%)**	

Reason for change of more than 25%: Movement is on account of increase in leases taken by the Company during the year

43 Ratios (continued):

(iv) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by average shareholder's Equity

Particulars	31 March 2023	31 March 2022
Net profit after taxes	8,911.37	14,821.62
Average Shareholder's Equity	60,051.60	57,264.84
Ratio	**14.84%**	**25.88%**
% Change from previous period	**(42.67%)**	

Reason for change of more than 25%: Movement is on account of decrease in dividend income during the year from the subsidiary company

(v) Inventory Turnover Ratio = Cost of goods sold divided by closing inventory

The Company is engaged in the business of providing Business Outsourcing services. Accordingly, it does not hold any physical inventories.

(vi) Trade Receivables turnover ratio = Revenue from operations divided by Average trade receivables

Particulars	31 March 2023	31 March 2022
Revenue from operations	142,607.23	114,015.13
Average Trade receivables	24,243.00	19,254.92
Ratio	**5.88**	**5.92**
% Change from previous period	**(0.66%)**	

(vii) Trade payables turnover ratio = Credit purchases divided by closing trade payables

Particulars	31 March 2023	31 March 2022
Other expenses	15,463.88	15,939.53
Average Trade payables	4,537.67	4,294.43
Ratio	**3.41**	**3.71**
% Change from previous period	**(8.18%)**	

(viii) Net capital Turnover Ratio = Revenue from operations divided by working capital whereas working capital= current assets - current liabilities

Particulars	31 March 2023	31 March 2022
Revenue from operations	142,607.23	114,015.13
Average working capital	9,077.41	7,143.58
Ratio	**15.71**	**15.96**
% Change from previous period	**(1.57%)**	

(ix) Net profit ratio = Net profit after tax divided by Revenue from operations

Particulars	31 March 2023	31 March 2022
Net profit after taxes	8,911.37	14,821.62
Revenue from operations	142,607.23	114,015.13
Ratio	**6.25%**	**13.00%**
% Change from previous period	**(51.93%)**	

Reason for change of more than 25%: Movement is on account of decrease in dividend income during the year from the subsidiary company

(x) Return on Capital employed (pre cash) =Earnings before interest and taxes (EBIT) divided by Capital Employed (pre cash)

Particulars	31 March 2023	31 March 2022
Profit before tax (A)	11,711.89	16,949.11
Finance costs (B)	3,080.63	1,528.20
PBIT (C) = (A)+(B)	**14,792.52**	**18,477.31**
Capital Employed (Pre Cash) (D)=(E)-(F)	**74,622.94**	**56,722.79**
Tangible Net worth (E)	46,165.45	39,061.04
Borrowings (F)*	28,457.49	17,661.75
Ratio (C)/(D)	19.82%	32.57%
% Change from previous period	**(39.15%)**	

*Borrowings includes lease liabilities as at the reporting date.

Reason for change of more than 25%: Movement is on account of decrease in dividend income during the year from the subsidiary company and increase in leases taken by the Company during the year.

43 Ratios (continued):

(xi) Return on investment = Dividend & interest on investment divided by Total investment

Particulars	31 March 2023	31 March 2022
Dividend income	2,236.58	6,709.75
Average investment	32,996.08	32,996.08
Ratio	**6.78%**	**20.33%**
% Change from previous period	**(66.67%)**	

Reason for change of more than 25%: Movement is on account of decrease in dividend income during the year from the subsidiary company

The accompanying notes form an integral part of the financials statements.
As per our Report of even date attached.

For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number.: 116231W/W-100024

Jhahanwijha Shyamsukha
Partner
Membership No: 064550

Place: Hyderabad
Date: 9 May 2023

For and on behalf of the Board of Directors of
Conneqt Business Solutions Limited
CIN No.: U64200KA1995PLC148924

Srinivasan Guruprasad
Chairman
DIN: 07596207

Place: Bengaluru
Date: 9 May 2023

Kamal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 9 May 2023

Arjun Ramaraju
Chief Executive Officer

Place: Bengaluru
Date: 9 May 2023

A.S. Krishnan
Chief Financial Officer

Place: Hyderabad
Date: 9 May 2023

V. Sampath
Company Secretary

Place: Hyderabad
Date: 9 May 2023

MSKA & Associates
Chartered Accountants

1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Telangana State, Hyderabad 500072, INDIA
Tel: +91 40 6814 2999

INDEPENDENT AUDITOR'S REPORT

To the Members of Excelus Learning Solutions Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Excelus Learning Solutions Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and loss other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Materiality Uncertainty related to Going Concern

We draw reference to note 36 which states that the company has reported loss of Rs. 633.39 Lakhs in the current year (loss in the previous year Rs.1,559.52 Lakhs) and has accumulated losses of Rs. 2,616.96 Lakhs as at March 31, 2023 which has an impact on the net-worth of the Company and there are delays in collection of dues against the PMKVY contracts. During the year, the Company has received an amount of Rs. 574.33 Lakhs from the parent company to meet its operational expenses. These conditions or events, along with other matters as set forth in note 36 indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Further, the holding Company has also confirmed to provide necessary financial support to enable the company to continue as a going concern. In view of the above, based on the company being able to meet the liability requirements and promised support from the parent company, the financial statements of the Company have been prepared on a going concern basis."

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report etc but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow 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.

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv)

(1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

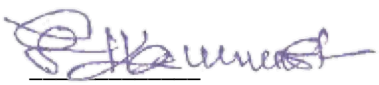
(3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

(v) The Company has neither declared nor paid any dividend during the year.

(vi) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDVB2164

Place: Hyderabad
Date: May 03rd ,2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF EXCELUS LEARNING SOLUTIONS PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

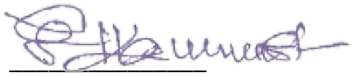
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDVB2164

Place: Hyderabad
Date: May 03rd,2023

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EXCELUS LEARNING SOLUTIONS PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a)

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

B. The Company has no intangible assets. Accordingly, the provisions stated in paragraph 3(i)(a)(B) of the Order are not applicable to the Company.

(b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) (a) of the Order are not applicable to the Company.

(a) The Company has not been sanctioned any working capital limits during the year. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.

iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

(a) According to the information and explanations given to us, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have been regularly deposited by the Company with the appropriate authorities in all cases during the year, except Professional Tax. In respect of Professional Tax, during the year, the Company is irregular in depositing the sum due for 12 months and the amount involved is Rs. 68,599/-.

Statutory dues which were outstanding, as at March 31, 2023 for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount Rs.	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
Professional Tax						
Andhra Pradesh	Statutory Due	200	April'22-Se'22	10th of Subsequent month	Not paid	Pending Registration
Kerala	Statutory Due	20,200	April'22-Sept'22	31st August of respective year	Not paid	Pending Registration
Madhya Pradesh	Statutory Due	53	April'22-Sept'22	10th of Subsequent month	Not paid	Pending Registration
Maharashtra	Statutory Due	4,200	April'22-Sept'22	Every month on last day	Not paid	Pending Registration
Tamil Nadu	Statutory Due	11,385	April'22-Sept'22	01st October if respective year	Not paid	Pending Registration
Punjab	Statutory Due	200	April'22-Sept'22	30th April of subsequent year	Not paid	Pending Registration
Labour welfare Fund						
Delhi	Statutory Due	6	April'22-Sept'22	15th January & 15th July of respective year	Not paid	Pending Registration
Kerala	Statutory Due	4,340	April'22-Sept'22	5th of subsequent month	Not paid	Pending Registration
Madhya Pradesh	Statutory Due	560	April'22-Sept'22	15th January & 15th July of	Not paid	Pending Registration

				respective year		
Maharashtra	Statutory Due	1,296	April'22-Sept'22	15th January & 15th July of respective year	Not paid	Pending Registration
West Bengal	Statutory Due	36	April'22-Sept'22	15th January & 15th July of respective year	Not paid	Pending Registration

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues relating to Sales Tax, Value Added Tax, Service Tax, Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise, cess or other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix.

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanation provided to us, there are no funds raised on short term basis. Accordingly, the provision stated in paragraph 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, reporting under the Clause 3(ix)(f) of the order is not applicable to the Company.

x.

(a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi.

(a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv.

(a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act.

(b) The Company did not have an internal audit system for the period under audit. However, the entity has conducted IFC Audit by Kumar Jain & Associates for the financial year 22-23.

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.

xvi.

(a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Group does not have any CIC as part of its group. Hence the provisions stated in paragraph 3 (xvi) (d) of the order are not applicable to the Company.

xvii. Based on the overall review of financial statements, the Company has incurred cash losses in the current financial year and in the immediately preceding financial year. The details of the same are as follows:

Amount in Lakhs

Particulars	March 31, 2023 (Current year)	March 31, 2022 (Previous Year)
Cash Losses (PAT + depreciation + Impairment Loss Allowance on financial assets)	367.81	895.28

xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that a material uncertainty exists as on the date of audit report. However, the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Further, the Holding Company has provided necessary financial support to enable the Company to continue as a going concern. In view of the above, the standalone financial statements of the Company have been prepared on a going concern basis

xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are not applicable to the Company. Hence, reporting under paragraph (xx)(a) to (b) of the Order is not applicable to the Company.

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates

Chartered Accountants
ICAI Firm Registration No. 105047W

_____
Ananthakrishnan Govindan
Partner

Membership No. 205226

UDIN: 23205226BGWDVB2164

Place: Hyderabad
Date: May 03rd, 2023

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EXCELUS LEARNING SOLUTIONS PRIVATE LIMITED

[Referred to in paragraph (2) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Excelus Learning Solutions Private Limited on the Financial Statements for the year ended March 31, 2023]

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

Opinion

We have audited the internal financial controls with reference to financial statements of Excelus Learning Solutions Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

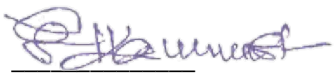
Meaning of Internal Financial Controls With reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDVB2164

Place: Hyderabad
Date: May 03rd, 2023

Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Balance Sheet as at 31 March 2023
(Amounts in INR Lakhs)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	0.78	216.72
Financial assets			
(i) Other non-current financial assets	4	419.77	736.98
Deferred tax assets (net)	5	464.63	433.91
Income tax assets (net)	6	7.38	-
Total non-current assets		**892.56**	**1,387.60**
Current assets			
Financial assets			
(ii) Trade receivables	7	3,096.03	2,407.90
(iii) Cash and cash equivalents	8	80.31	419.47
(iv) Bank balances other than cash and cash equivalents above	9	-	211.27
(v) Current loans	10	4.19	1.86
(vi) Other current financial assets	11	19.99	5.87
Other current assets	12	16.67	37.19
Total current assets		**3,217.19**	**3,083.55**
Total assets		**4,109.75**	**4,471.16**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	1.00	1.00
Instruments entirely equity in nature	14	4,025.00	4,025.00
Other equity	15	(2,579.84)	(1,954.37)
Total equity attributable to equity holders of the Company		**1,446.16**	**2,071.63**
Total equity		**1,446.16**	**2,071.63**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Non-current borrowings	16	-	280.78
Non-current provisions	17	18.30	31.60
Total non current liabilities		**18.30**	**312.38**
Current liabilities			
Financial liabilities			
(ii) Borrowings	18	1,230.15	1,406.48
(iii) Lease Liabilities	31	-	-
(iv) Trade payables	19	2.85	4.23
(v) Other current financial liabilities	20	654.87	596.25
Income tax liabilities (net)	21	-	3.90
Current provisions	22	9.22	10.74
Other current liabilities	23	748.20	65.48
Total current liabilities		**2,645.29**	**2,087.09**
Total Liabilities		**2,663.59**	**2,399.47**
Total Equity and Liabilities		**4,109.75**	**4,471.16**

See accompanying notes to the financial statements 1-52

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

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm's Registration No.: 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad
Date: 03 May 2023

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For and on behalf of Board of Directors
Excelus Learning Solutions Private Limited
CIN: U74999KA2016PTC097984

Lohit Bhatia
Director
DIN : 07980280

Place: Bengaluru
Date: 03 May 2023

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 03 May 2023

Excelus Learning Solutions Private Limited

Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Statement of Profit and Loss for the year ended 31 March 2023
(Amounts in INR Lakhs)

	Notes	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Revenue from operations	24	1,334.43	1,202.94
Other income	25	67.13	75.42
Total income		**1,401.56**	**1,278.36**
Expenses			
Employee benefit expenses	26	733.64	879.85
Finance costs	27	121.13	105.49
Depreciation and amortisation expense	28	83.80	259.58
Other expenses	29	1,129.74	1,620.59
Total expenses		**2,068.31**	**2,865.51**
Loss before exceptional items and tax		**(666.75)**	**(1,587.15)**
Share of profit of equity accounted investees (net of income tax)		-	-
Loss before tax		**(666.75)**	**(1,587.15)**
Tax expense			
Current tax		-	-
Deferred tax	38	(33.36)	(27.63)
Total income tax expense		**(33.36)**	**(27.63)**
Profit for the year		**(633.39)**	**(1,559.52)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains on defined benefit plans	34	10.49	11.46
Income tax relating to items that will not be reclassified to profit or loss		(2.64)	(2.18)
Total comprehensive income for the year		**(625.54)**	**(1,550.24)**
Other comprehensive income attributable to			
Owners of the Company		7.85	9.29
Non-controlling interests		-	-
Total other comprehensive income attributable to		**7.85**	**9.29**
Total comprehensive income attributable to :			
Equity holders of the parent		(625.54)	(1,550.24)
Non-controlling interests		-	-
Earnings / (Loss) per share	32		
Basic earnings /(loss) per share (INR)		(0.06)	(0.16)
Diluted earnings /(loss) per share (INR)		(0.05)	(0.13)

See accompanying notes to the financial statements 1-52

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

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm's Registration No.: 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad
Date: 03 May 2023

For and on behalf of Board of Directors
Excelus Learning Solutions Private Limited
CIN: U74999KA2016PTC097984

Lohit Bhatia
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Director
DIN : 07990452

Place: Bengaluru
Date: 03 May 2023

Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Statement of Changes in Equity for the year ended 31 March 2023
(Amounts in INR Lakhs)

a) Equity share Capital

Particulars	31 March 2023	31 March 2022
Opening Balance	1.00	1.00
changes in equity share capital	-	-
Closing balance	1.00	1.00

b) Other Equity

Particulars	Retained Earnings	Other Reserves	Total
Balance as of 01 April 2020	484.25	17.48	501.73
Add: Increase in Share Capital	-	-	-
Less: Buyback of share capital	-	-	-
Add: Premium received on issue of Equity Shares	-	-	-
Less: Amount utilized for issue of Equity Shares	-	-	-
Add: Financial value of Corporate guarantee received	-	-	-
Add: Profit for the year	(915.57)	-	(915.57)
Add: Other comprehensive income	9.71	-	9.71
Balance as of 31 March 2021	(421.61)	17.48	(404.13)

Particulars	Retained Earnings	Other Reserves	Total
Balance as of 01 April 2021	(421.61)	17.48	(404.13)
Add: Increase in Share Capital	-	-	-
Less: Buyback of share capital	-	-	-
Add: Premium received on issue of Equity Shares	-	-	-
Less: Amount utilized for issue of Equity Shares	-	-	-
Add: Financial value of Corporate guarantee received	-	-	-
Add: Profit for the year	(1,559.52)	-	(1,559.52)
Add: Other comprehensive income	9.29	-	9.29
Balance as of 31 March 2022	(1,971.84)	17.48	(1,954.36)

Particulars	Retained Earnings	Other Reserves	Total
Balance as of 01 April 2022	(1,971.84)	17.48	(1,954.36)
Add: Increase in Share Capital	-	-	-
Less: Buyback of share capital	-	-	-
Add: Premium received on issue of Equity Shares	-	-	-
Less: Amount utilized for issue of Equity Shares	-	-	-
Add: Financial value of Corporate guarantee received	-	-	-
Add: Profit for the year	(633.39)	-	(633.39)
Add: Other comprehensive income	7.91	-	7.91
Balance as of 31 March 2023	(2,597.32)	17.48	(2,579.84)

c) Instruments entirely equity in nature

Compulsorily Convertible debentures

Balance as of 01 April 2022	Changes in compulsorily convertible debentures during the period	Balance as of 31 March 2023
4,025.00	-	4,025.00

Total equity attributable to equity holders of the Company as of 31 March 2023 (a+b+c)	1,446.16

See accompanying notes to the financial statements 1-52

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

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm's Registration No.: 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad
Date: 03 May 2023

For and on behalf of Board of Directors
Excelus Learning Solutions Private Limited
CIN: U74999KA2016PTC097984

Lohit Bhatia
Director
DIN : 07980280

Place: Bengaluru
Date: 03 May 2023

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 03 May 2023

Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Statement of cash flows for the year ended 31 March 2023
(Amounts in INR Lakhs)

	Year ended 31 March 2023	Year ended 31 March 2022
Cash flows from operating activities		
Profit/ Loss before tax	(658.90)	(1,577.87)
Adjustments for:		
Depreciation and amortisation	83.80	259.58
Loss on sale of property, plant and equipment, net	-	32.91
Provision for bad and doubtful debts, net	181.78	404.66
Interest income on term deposits	(49.48)	(69.20)
Interest on tax refunds due	(1.26)	(5.65)
Operating cash flows before working capital changes	(444.06)	(955.57)
Changes in inventories, trade receivables and unbilled revenue	(869.91)	133.30
Changes in loans, other financial assets and other assets	341.28	187.34
Changes in trade payables and other financial liabilities	57.23	290.46
Changes in other liabilities and provisions	656.61	30.42
Cash generated from operations	(258.85)	(314.05)
Income taxes paid, net of refund	-	-
Net cash used in operating activities (A)	(258.85)	(314.05)
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles, net of sale proceeds	132.12	18.74
Bank deposits (having original maturity of more than three months)	211.27	(138.18)
Liabilities and provisions reversed		
Interest income on term deposits	29.49	63.33
Interest on IT Refund	1.26	5.65
Deferred tax assets (net)	2.64	2.17
Net cash used in investing activities (B)	376.78	(48.29)
Cash flows from financing activities		
Proceeds from borrowings	(690.83)	(227.43)
Loans from related parties	233.74	854.99
Proceeds from working capital loan		
Principal payments under finance lease		
Interest paid	0.00	16.33
Expenses incurred in relation to issue of shares		
Finance cost	-	-
Net cash provided by financing activities (C)	(457.08)	643.89
Net increase in cash and cash equivalents (A+B+C)	(339.15)	281.61
Cash and cash equivalents at the beginning of the period	419.47	137.85
Cash and cash equivalents acquired on amalgamation		
Effect of exchange rate fluctuations on cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year (refer note 9)	80.31	419.46

See accompanying notes to the financial statements 1-52

The accompanying notes are an integral part of the financial statements

As per our report of even date
For M S K A & Associates
Chartered Accountants

Firm's Registration No.: 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Bengaluru
Date: 03 May 2023

For and on behalf of Board of Directors
Excelus Learning Solutions Private Limited

CIN: U74899KA2016PTC097984

Lohit Bhatia
Director
DIN : 07980280

Place: Bengaluru
Date: 03 May 2023

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 03 May 2023

(Amounts in INR Lakhs)

3 Property, plant and equipment

Particulars	Leasehold improvements	Furniture and fixtures	Office equipment	Computer equipment	ROU Building	Total
Gross Block						
As at 1 April 2019	277.70	399.05	634.13	642.65	502.03	2,455.56
Additions during the year	12.62	17.72	4.64	2.18	-	37.16
Deletions during the year	-	-	-	-	(6.31)	(6.31)
As at 31 Mar 2020	**290.32**	**416.77**	**638.77**	**644.83**	**495.72**	**2,486.41**
As at 1 April 2021	290.32	416.77	638.77	644.83	495.72	2,486.41
Additions during the year	1.17	-	-	-	-	1.17
Deletions during the year	(32.77)	(74.58)	(66.67)	(90.07)	-	(264.09)
As at 31 Mar 2022	**258.72**	**342.19**	**572.10**	**554.74**	**495.72**	**2,223.49**
As at 1 April 2022	258.72	342.19	572.10	554.74	495.72	2,223.48
Additions during the year	-	-	-	-	-	-
Deletions during the year	(230.92)	(313.28)	(538.16)	(519.07)	-	(1,601.43)
As at 31 Mar 2023	**27.81**	**28.91**	**33.94**	**35.65**	**495.72**	**622.05**
Accumulated Depreciation						-
As at 1 April 2020	165.42	159.35	260.10	452.80	282.09	1,319.76
Additions during the year	72.91	82.71	127.63	153.10	206.22	642.57
Deletions during the year	-	-	-	-	(3.87)	(3.87)
As at 31 Mar 2021	**238.33**	**242.06**	**387.73**	**605.90**	**484.44**	**1,958.46**
As at 1 April 2021	238.33	242.06	387.73	605.90	484.44	1,958.46
Additions during the year	31.61	74.13	119.57	22.98	11.28	259.58
Deletions during the year	(31.75)	(48.25)	(43.25)	(88.02)		(211.27)
As at 31 Mar 2022	**238.19**	**267.94**	**464.05**	**540.86**	**495.72**	**2,006.77**
As at 1 April 2022	238.19	267.94	464.05	540.86	495.72	2,006.76
Additions during the year	5.97	29.12	45.76	2.95	-	83.80
Deletions during the year	(216.35)	(268.49)	(476.34)	(508.12)	-	(1,469.30)
As at 31 Mar 2023	**27.81**	**28.57**	**33.46**	**35.70**	**495.72**	**621.26**
Net Block :						
As at 31 Mar 2023	**0.01**	**0.34**	**0.48**	**(0.04)**	**(0.00)**	**0.78**
As at 31 Mar 2022	**20.54**	**74.25**	**108.06**	**13.88**	**(0.00)**	**216.72**
As at 31 Mar 2021	**51.99**	**174.71**	**251.04**	**38.93**	**11.28**	**527.95**

3.1 The Company has not revalued its Property, Plant and Equipment (including Right-of Use Assets), intangible assets and investment property as at the balance sheet date.

3.2 The Company doesn't have title deeds which are held other than in the company's name as at the balance sheet date.

3.3 The Company has no Capital Work in Progress and Intangibles under Development.

3.4 The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

Excelus Learning Solutions Private Limited

4 Other non-current financial assets

Particulars	31 March 2023	31 March 2022
Security deposits	39.24	166.45
Bank deposits (due to mature after 12 months from the reporting date)*	380.53	570.53
	419.77	**736.98**

5 Deferred tax assets (net)

Particulars	31 March 2023	31 March 2022
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset on liabilities:		
Impairment loss allowance on financial assets	147.60	101.84
Provision on employee benefits- Gratuity	5.29	5.59
Provision on employee benefits- Compensated absences	1.64	2.18
Deffered Tax on Bonus	-	-
Provision for disputed Claims	-	-
Interest on Service Tax	-	-
Business loss current year and carried forward	153.88	156.53
Present Valuation of Financial Instruments	-	0.07
Customer relationship	-	-
Goodwill	-	-
80JJAA	-	10.16
Deferred Tax others	-	-
Deferred tax asset on assets:	-	-
Minimum alternate tax credit entitlement	-	-
Deffered tax on fixed assets	156.22	157.53
Net deferred tax assets	**464.63**	**433.91**

6 Income tax assets (net)

Particulars	31 March 2023	31 March 2022
Advance income tax	**7.38**	-
	7.38	-

7 Trade receivables

Particulars	31 March 2023	31 March 2022
Unsecured		
Undisputed Trade receivables		
Considered good*	705.54	173.98
Significant increase in credit risk	-	-
Credit impaired	-	-
Less: Allowance for expected credit loss (considered good)	-	-
Less: Allowance for expected credit loss (considered doubtful)	-	-
	705.54	**173.98**
Disputed Trade receivables		
Considered good*	-	-
Significant increase in credit risk	-	-
Credit impaired	-	-
Less: Allowance for expected credit loss (considered good)	-	-
Less: Allowance for expected credit loss (considered doubtful)	-	-
	-	-
Net trade receivables	**705.54**	**173.98**

All trade receivables are current.

Excelus Learning Solutions Private Limited

ii) Trade receivables - unbilled

Particulars	31 March 2023	31 March 2022
Unbilled revenue (refer note 30 (i))	2,976.93	2,638.57
Less: Provision for impairment of unbilled revenue	(586.44)	(404.66)
	2,390.49	2,233.91
	3,096.03	2,407.90

Of the above , trade receivables from related party are as below:

Particulars	31 March 2023	31 March 2022
Trade receivables from related parties	-	-
Less: Loss allowance	-	-
Net trade receivables	-	-

7.1 The Company's exposure to credit risk and loss allowances related to trade receivables are disclosed in Note 39

7.2 Refer Ageing schedule of Trade receivables in note 51 (i)

8 Cash and cash equivalents

Particulars	31 March 2023	31 March 2022
Cash and cash equivalents		
Cash in hand	-	-
Cheque in hand	-	-
Balances with banks		
In current accounts	80.31	419.47
Cash and cash equivalents in balance sheet	**80.31**	**419.47**
Cash and cash equivalent in the statement of cash flow	**80.31**	**419.47**

9 Other bank balances

Particulars	31 March 2023	31 March 2022
In deposit accounts (mature within 12 months from the reporting date)	-	211.27
	-	211.27

10 Current loans

Particulars	31 March 2023	31 March 2022
Unsecured, considered good		
Loans to employees	4.19	1.86
	4.19	1.86

There is no loss allowance required to be created for loans to employees as these are in the nature of advance given to employees for operating purpose.

11 Other financial assets

Particulars	31 March 2023	31 March 2022
Interest accrued but not due	19.99	5.87
	19.99	5.87

12 Other current assets

Particulars	31 March 2023	31 March 2022
Advances other than capital advances		
Advances to suppliers	2.09	5.51
Prepaid expenses	14.58	31.68
	16.67	37.19

Excelus Learning Solutions Private Limited

13 Share capital

Particulars	31 March 2023	31 March 2022
Authorised		
10,000 equity shares of par value of Rs 10 each	1.00	1.00
	1.00	1.00
Issued, subscribed and paid-up		
10,000 equity shares of par value of Rs 10 each, fully paid up	1.00	1.00
	1.00	1.00

13.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

	31 March 2023		31 March 2022	
Particulars	Number of shares	Amount in INR Lakhs	Number of shares	Amount in INR Lakhs
Equity shares				
At the commencement of the year	10,000	1.00	10,000	1.00
Add : Issued during the year	-	-	-	-
At the end of the year	10,000	1.00	10,000	1.00

13.2 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets.

The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, after distribution of all preferential amounts (if any) in proportion to the number of equity shares held.

13.3 Shares held by Holding Company

	31 March 2023		31 March 2022	
Particulars	Number of shares	Amount in INR Lakhs	Number of shares	Amount in INR Lakhs
Equity shares				
Equity shares of par value Rs 10 each				
Quess Corp Limited	9,999.00	1.00	9,999.00	1.00
Ajit Abraham Isaac	1.00	0.00	1.00	0.00
	10,000.00	1.00	10,000.00	1.00

13.4 Details of shareholders holding more than 5% shares in the Company

	31 March 2023		31 March 2022	
Particulars	Number of shares	Amount in INR Lakhs	Number of shares	Amount in INR Lakhs
Equity shares				
Equity shares of par value Rs 10 each				
Quess Corp Limited	9,999.00	1.00	9,999.00	1.00
	9,999.00	1.00	9,999.00	1.00

13.5 There are no shares held by promoters at the end of the year i.e., 31 March 2023

14 Instruments entirely equity in nature

Particulars	31 March 2023	31 March 2022
Compulsorily Convertible Debentures		
4,025 (31 March 2022: 4,025) compulsorily convertible debentures of par value of Rs 1,00,000 each	4,025.00	4,025.00
	4,025.00	4,025.00

The Company in its Board of Director meeting held on 26 September 2019 passed a resolution to issue 4,025 (Four Thousand Twenty Five) 10% unsecured compulsorily convertible debentures of the face value of Rs 1,00,000 (Rs. one lakh only) each, on preferential allotment basis, aggregating to Rs 40,25,00,000 (Forty Crore Twenty Five Lakhs) only to Quess Corp Limited by way of conversion of outstanding loans and advances (including accrued interest) payable by the Company to Quess Corp Limited based on a valuation report issued by a registered valuer. The Debenture Holders shall have the right to convert any or all of the CCDs any time during the tenure of CCD, at a conversion price of INR 1,84,238/-.

Excelus Learning Solutions Private Limited

14.1 **a) Reconciliation of number of compulsorily convertible debentures outstanding at the beginning and at the end of reporting period**

Particulars	31 March 2023		31 March 2022	
	No.	Amount in INR Lakhs	No.	Amount in INR Lakhs
Number of compulsorily convertible debentures (CCDs) outstanding at the beginning and end of the year	4,025.00	4,025.00	4,025.00	4,025
	4,025.00	**4,025.00**	**4,025.00**	**4,025.00**

b) The rights, preferences and restrictions attaching to compulsorily convertible debentures issued to Quess Corp Limited, holding company including restrictions if any :

The Company has one class of compulsorily convertible debentures of Rs 1,00,000 per CCD. These CCDs are unsecured and carry a discretionary coupon of 10% per annum. The CCDs shall have a tenure of 10 years from the date of issue. The holder of these CCDs shall have the right to convert any or all of the CCDs, any time during the tenure of CCDs. CCDs outstanding at the end of the tenure shall be automatically be converted into Equity shares of the Company. These CCDs shall be converted into 2,185 equity shares at an issue price INR 1,84,238 each having a face value of INR 10 each.

Particulars	31 March 2023		31 March 2022	
	No.	Amount in INR Lakhs	No.	Amount in INR Lakhs
Quess Corp Limited , holding company	4,025.00	4,025.00	4,025.00	4,025.00

(d) CCD holders holding more than 5% of compulsorily convertible debentures along with the total number of CCDs held at the beginning and at the end of the reporting period is as given below:

Particulars	31 March 2023		31 March 2022	
	% of holding	No	% of holding	No
Quess Corp Limited , holding company	100%	4,025	100%	4,025.00

15 **Other equity**

Particulars	31 March 2023	31 March 2022
Other comprehensive income (refer note 15.1)	19.64	9.15
Other Equity- Corporate Guarantee (refer note 15.2)	17.48	17.48
Retained earnings	(2,616.96)	(1,981.00)
	(2,579.84)	**(1,954.37)**

15.1 Other comprehensive income consists of actuarial gain and losses and return on plan assets (excluding interest income) on remeasurement of net defined benefit liability/(asset).

15.2 A corporate guarantee was issued by holding company Quess Corp Limited against the loan secured from NSDC.

16 **Non-current borrowings**

Particulars	31 March 2023	31 March 2022
Secured		
Term loan (refer note 20 & 42)	-	280.78
Total borrowing	-	**280.78**

16.1 Note : During the FY 21-22, the company had an outstanding balance of loan amounting to Rs. 690.86 Lakhs taken from NSDC. However during FY 2022-23 , the company had repaid the entire loan by February'2023.

17 **Non-current provisions**

Particulars	31 March 2023	31 March 2022
Provision for employee benefits		
Provision for gratuity (refer note 34)	14.65	26.57
Provision for compensated absences (refer note 34)	3.65	5.03
	18.30	**31.60**

Excelus Learning Solutions Private Limited

18 Current borrowings

Particulars	31 March 2023	31 March 2022
Current maturities of long-term borrowings (refer note 16 & 42)	-	410.08
Loan from related parties, unsecured		
Unsecured		
- Quess Corp Limited (refer note 33 (iii))	1,230.15	996.40
	1,230.15	1,406.48

Information about the Company exposure to interest rate and liquidity risk is included in note 43.

18.1 The Company has taken working capital loan from its holding Company (Quess Corp Limited). The loan carries an interest rate as that of 10 year Indian Government Bond.

18.2 The company has not taken any borrowings from Bank/Financial Institutions during the financial year 2022-23

19 Trade payables

Particulars	31 March 2023	31 March 2022
Undiputed dues		
Trade payables to related parties	-	-
Dues to micro, small and medium enterprises (refer note 35)	-	-
Other trade payables	2.85	4.23
Disputed dues		
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties		
	2.85	4.23

20 Other current financial liabilities

Particulars	31 March 2023	31 March 2022
Interest accrued and not due	0.00	16.33
Amount payable to related parties (refer note 33 (iii))	382.91	222.54
Accrued salaries and benefits	87.84	74.17
Provision for expenses	184.12	283.21
	654.87	596.25

21 Current income tax liabilities

Particulars	31 March 2023	31 March 2022
Provision for tax (net of advance tax)	-	3.90
	-	3.90

22 Current provisions

Particulars	31 March 2023	31 March 2022
Provision for employee benefits		
Provision for gratuity (refer note 34)	6.37	7.10
Provision for compensated absences (refer note 34)	2.85	3.64
	9.22	10.74

23 Other current liabilities

Particulars	31 March 2023	31 March 2022
Advance received from customers	675.13	-
Balances payable to government authorities	73.07	65.48
	748.20	65.48

Excelus Learning Solutions Private Limited

24 Revenue from operations

Particulars	31 March 2023	31 March 2022
Sale of services		
Training services	1,334.43	1,202.94
Total sale of services	**1,334.43**	**1,202.94**

25 Other income

Particulars	31 March 2023	31 March 2022
Interest income under the effective interest method on:		
Cash and cash equivalents	49.48	69.20
Interest income on present valuation of financial instruments	-	0.15
Interest on tax refunds due	1.26	5.65
Gain on sale/disposal of property, plant and equipment (net)	0.05	-
Miscellaneous income	16.34	0.42
	67.13	**75.42**

26 Employee benefits expense

Particulars	31 March 2023	31 March 2022
Salaries and wages	591.10	769.04
Contribution to provident and other funds	35.02	53.50
Expenses related to post-employment defined benefit plan (refer note 34)	7.15	10.61
Expenses related to compensated absences (refer note 34)	(2.17)	(2.37)
Staff welfare expenses	102.54	49.07
	733.64	**879.85**

27 Finance costs

Particulars	31 March 2023	31 March 2022
Interest on Borrowings	115.48	99.36
Other borrowing costs	5.65	6.13
	121.13	**105.49**

28 Depreciation and amortisation expense

Particulars	31 March 2023	31 March 2022
Depreciation of property, plant and equipment (refer note 3)	83.80	259.58
	83.80	**259.58**

29 Other expenses

Particulars	31 March 2023	31 March 2022
Recruitment and training expenses	55.92	166.73
Rent (refer note 31)	611.21	775.05
Power and Fuel	19.11	22.45
Repairs & maintenance		
- buildings	137.43	166.69
- plant and machinery	3.78	0.08
- others	0.14	0.11
Legal and professional fees (refer note 41)	20.57	21.07
Rates and taxes	-	1.67
Printing and stationery	24.65	4.60
Travelling and conveyance	22.99	16.66
Communication expenses	3.36	6.65
Impairment loss on financial assets (refer note 2.2.7)	181.78	404.66
Equipment hire charges	1.20	0.57
Database access charges	44.77	-
Bank charges	0.42	0.05
Business promotion and advertisement expenses	2.16	0.10
Loss on sale of fixed assets, net	-	32.91
Miscellaneous expenses	0.25	0.44
	1,129.74	**1,620.59**

Excelus Learning Solutions Private Limited

Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Notes forming part of the Financial Statements for the year ended 31 March 2023

1. Company overview

Excelus Learning Solutions Private Limited ('the Company') , is a Company incorporated under the provisions of the Companies Act, 2013('the Act') on November 23, 2016. The company has its registered office in Bengaluru, India. The Company is engaged in the business of skill development and training services.

2.1 Significant accounting policies

2.1.1 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (IndAS), the provisions of the Companies Act, 2013 ('Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

2.1.2 Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following assets and liabilities which have been measured at fair value:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instrume

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of Defined benefit Obligation ("DBO").

2.1.3 Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

i) *Income taxes:* Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. The ultimate realization of deferred income tax assets, including Minimum Alternate Tax (MAT), is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities and the projected future taxable income in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

ii) *Measurement of Defined Benefit Obligation* :The cost of defined benefit obligations are based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. All assumptions are reviewed on a periodic basis.

iii) *Property, Plant & Equipment* - The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically.

iv) *Other estimates:* The impairment of non-financial assets involves key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets.

2.1.4 Current - non current classification

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle for the purpose of classification of assets and liabilities as current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is expected to be realized within twelve months after the reporting date; or
d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets.
All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:
a) it is expected to be settled in the Company's normal operating cycle;
b) it is held primarily for the purpose of being traded;
c) it is due to be settled within twelve months after the reporting date; or
d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.
All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

2.2 Summary of significant accounting policies

2.2.1 Foreign currency transactions and balances

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

2.2.2 Financial instruments

a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the company becomes a party to the contractual provisions of the instrument.

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Regular way purchase and sale of financial assets are accounted for at trade date.

b) Financial assets

Notes forming part of the Financial Statements for the year ended 31 March 2023

(i) Classification and subsequent measurement

For the purpose of subsequent measurement, a financial asset is classified and measured at
- amortized cost;
- fair value through other comprehensive income (FVTOCI) - debt investment;
- fair value through other comprehensive income (FVTOCI) - equity investment; or
- fair value through profit and loss (FVTPL)

1. A financial asset is measured at amortized cost if both the following conditions are met:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

2. A debt investment is measured at FVTOCI if both of the following conditions are met:
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets ; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

3. On initial recognition of an equity investment that is not held for trading, the company irrevocably elects to present subsequent changes in the fair value in OCI (designated as FVTOCI-equity investment). This election is made on an investment-to-investment basis.

4. All financial assets not classified as amortized cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in the Statement of profit and loss.
Financial assets at amortized cost These assets are subsequently measured at amortized cost using the effective interest reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is recognized in the Statement of Profit and Loss.
Debt investments at FVOCI These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in the Statement of Profit and Loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the Statement of Profit and Loss.

(ii) Derecognition of financial assets

A financial asset is derecognized only when the company:
- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

c) Financial liabilities

(i) Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortized cost or FVTPL. Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(ii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because the specified party fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts are initially recognized at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative amortization.

(iii) Derecognition

A financial liability is derecognized when the company's obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.2.3 Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to other issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

2.2.4 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The Company depreciates property, plant and equipment on straight line basis over the useful lives of assets estimated by the Management. Depreciation for assets purchased/sold during the period is proportionately charged. The useful lives are as below:

Category	Useful life
Plant and machinery¤	3 years
Computer equipment	3 years
Furniture and fixtures	5 years
Office equipment	5 years
Vehicles	3 years
Leasehold improvements	3 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in progress'.

Since the leasehold improvements form part of training centres and NSDC has funded the project for at least 3 years, the estimated life is taken as 3 years even if lease term is less than 3 years in few cases.

2.2.5 Intangible assets

Application software purchased, which is not an integral part of the related hardware, is shown as intangible assets and amortized on a straight line basis over its useful life, not exceeding three years, as determined by management.

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The estimated useful lives of intangibles are as follows:

Category	Useful life
Software	3 years

2.2.6 Leases

Ind AS 116 replaced Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. The company has adopted Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The company's lease asset classes primarily consist of Land and Building. The company assesses whether a contract is a lease or not at the inception of each contract. A contract or a part of a contract is a lease if conveys the right to control the use of an asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimated of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use-asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate as the discount rate (As at 1 April 2019 - 9.5%).

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is change in future lease payments arising from a change in an index or rate, if there is change in the Company estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use-asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize right-of-use assets and liabilities for short-term leases of INR 100,000 that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Practical expedients adopted on initial recognition:

1. The agreements maturing within 12 months from the initial application of Ind AS 116, are not considered.
2. Single discount rate is applied to a portfolio of leases with reasonably similar characteristics on the date of initial application.
3. Value of initial direct costs (such as Stamp Duty, registration costs etc. already paid) excluded from the measurement of ROUA.

2.2.7 Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit or loss.

b. Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. The higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating asset to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.2.8 Employee benefit

(a) Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in other comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognized as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognizes related restructuring costs or termination benefits.

The retirement benefit obligations recognized in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

Ind AS 19 'Employee Benefits' amendment in connection with accounting for plan amendments, curtailments and settlements requires an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

(b) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(c) Compensated absences

The employees of the company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods. The company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit Method as at the reporting date.

2.2.9 Provisions and Contingencies

Provisions are recognized when the Company has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.
A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When 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.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

2.2.10 Revenue

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018 using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange for those services.

At contract inception, the Company assesses its promise to transfer services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.

Revenue from fixed-price, fixed time frame contracts are recognized as per the terms of the arrangement with the customer where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. In fixed rate contracts, the performance obligation and control are being satisfied and transferred over time and revenue is being recognized by measuring progress towards completion of the performance obligation.

The Company accounts for variable considerations as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

The Company may enter into arrangements with third party suppliers to provide services. In such cases, the Company evaluates whether it is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether it controls the service before it is transferred to the customer. If the Company control the service before it is transferred to the customer, it is the principal; if not, it is the agent.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

2.2.11 Other income

Other income is comprised primarily of interest income and exchange gain/loss on translation of other assets and liabilities. Interest income is recognized using the effective interest method.

2.2.12 Cost recognition

Costs and expenses are recognized when incurred and have been classified according to their primary nature.

2.2.13 Finance costs

Interest expense consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss using the effective interest method.

2.2.14 Income tax

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. The Deferred tax assets are also recognized for unabsorbed depreciation, current year and carried forward business losses under tax laws. The recognition is supported by management's estimation of availability of sufficient future taxable income, against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum alternative tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax in future years. Ind AS 12 defines deferred tax to include carry forward of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement is grouped with deferred tax assets (net) in the balance sheet.

2.2.15 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.2.16 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.2.17 Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

30 Revenue from Contracts with customers

(i) Trade Receivables and Contract Balances

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

Particulars	31 March 2023	31 March 2022
Receivables, which are included in 'Trade receivables'	705.54	173.98
Contract assets	2,390.49	2,233.91
Contract liabilities	-	-

The contract assets (unbilled revenue) primarily relate to the company's rights to consideration for work completed but not billed at the reporting date.

The contract liabilities primarily relate to the advance consideration received from customer, for which revenue is recognized on completion of contract terms.

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2023

Particulars	For the year ended 31 March 2023
Balance as at 1 April 2022	2,233.91
Add : Revenue recognized during the year	1,334.43
Less : Invoiced during the year	1,177.85
Less : Impairment / (reversal) during the year	-
Add : Translation gain/(Loss)	-
Balance as at 31 March 2023	**2,390.49**

(ii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for
(i) contracts with an original expected duration of one year or less and
(ii) contracts for which the Company recognizes revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2023, other than those meeting the exclusion criteria mentioned above, is **Nil**. Out of this, the entity expects to recognize revenue of around 100% within the next one year.

31 Lease liability

Particulars	31 March 2023	31 March 2022
Current lease liability	-	-
Non-current lease liability	-	-
Total	-	-

The following is the movement in lease liabilities

Particulars	31 March 2023	31 March 2022
Operating lease recognised on adoption of Ind AS 116	-	9.56
Reclassification on adoption of Ind AS 116 - Fin lease obligation	-	-
Add: Additions	-	-
Add: Additions through business combination		
Less: Deletion	-	(9.56)
Add: Finance cost accrued during the period	-	-
Less: Payment of lease obligation	-	-
Translation loss / (gain)	-	-
Carrying amount as at 31 March 2023	-	-

Amount recognised in PL *(Amount in INR lakhs)*

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense (included in finance cost)	-	-
Expenses relating to short-term lease (included in other expenses)	-	-
(included in other expenses)	-	-
	-	-

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2023 on an undiscounted basi

Particulars	31 March 2023	31 March 2022
Less than one year	-	-
One to five years	-	-
More than five years	-	-

32 Earnings per share

(Amount in Reporting Currency except number of shares and per share data)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Nominal value of equity shares (Rs.10 per share)	1,00,000	1,00,000
Net profit after tax / (loss) for the purpose of earnings per share	(633.39)	(1,559.52)
Weighted average number of shares used in computing basic earnings per share	10,000	10,000
Basic earnings per share (INR)	(0.06)	(0.16)
Weighted average number of shares used in computing diluted earnings per share	12,185.00	12,185.00
Diluted earnings per share (INR)	(0.05)	(0.13)

Computation of weighted average number of shares

(Amount in numbers)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Number of equity shares outstanding at beginning of the year	10,000	10,000
Add: Weighted average number of equity shares issued during the year	-	-
	-	-
Weighted average number of shares outstanding at the end of year for computing basic earnings per share	10,000	10,000
Add: Impact of potentially dilutive equity shares	2,185	2,185
	-	-
Weighted average number of shares outstanding at the end of the year for computing diluted earnings per share	12,185	12,185

33 Related party disclosures

(i) Name of related parties and description of relationship:

- Holding Company	Quess Corp Limited
- Entity having significant influence	Fairfax Financial Holdings Limited Fairfax (US) Inc. HWIC Asia Fund Fairbridge Capital (Mauritius) Limited (w.e.f 6 December 2019) Thomas Cook (India) Limited (upto 6 December 2019) Fairfax (US) Inc. National Collateral Management Services Limited
- Fellow subsidiaries	Brainhunter Systems Ltd. Mindwire Systems Limited MFX Infotech Private Limited Quess (Philippines) Corp. Quess Corp (USA) Inc. Quess Corp Holdings Pte. Ltd. Quessglobal (Malaysia) Sdn. Bhd. MFXchange Holdings, Inc. MFXchange US, Inc. Quess Corp Lanka (Private) Limited Quesscorp Singapore Pte Ltd (formerly known as Comtel Solutions Pte. Limited) Quess East Bengal FC Private Limited Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited) Vedang Cellular Services Private Limited Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Lir Quess Selection & Services Pte Ltd (formerly known as Comtelpro Pte. Ltd.) Comtelink Sdn. Bhd. Monster.com.SG PTE Limited Monster.com.HK Limited Agensi Pekerjaan Monster Malaysia Sdn. Bhd (formerly known as Monster Malaysia Sdn Bhd) Monster.com (India) Private Limited Quess Corp Vietnam LLC Simpliance Technologies Private Limited (till 20 October 2022) Qdigi Services Limited (formerly known as: HCL Computing Products Limited) Greenpiece Landscapes India Private Limited Quesscorp Management Consultancies (formerly known as Styracorp Management Services) Quesscorp Manpower Supply Services LLC [formerly known as S M S Manpower Supply Services (LLC)] Allsec Technologies Limited Allsectech Inc., USA Allsectech Manila Inc., Philippines Quess Services Limited Trimax Smart Infraprojects Private Limited Terrier Security Services (India) Private Limited Heptagon Technologies Private Limited Billion Careers Private Limited Quess Corp NA LLC (w.e.f 17 May 2022) Stellarslog Technovation Private Limited

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- Associates of Holding Company	Quess Recruit, Inc Agency Pekerjaan Quess Recruit Sdn. Bhd.
- Entity having common directors	Quess corp Limited Allsec Technologies Limited Conneqt Business Solution Limited Monster.com (India) Private Limited Terrier Security Services (India) Private Limited Greenpiece Landscapes India Private Limited MFX Infotech Private Limited Trimax Smart Infraprojects Private Limited
- Entities in which key managerial personnel have significant influence	Careworks foundation

Key executive management personnel

Lohit Bhatia	Director
Vijay Sivaram	Director

(ii) Related party transactions

(Amount in INR Lakhs)

Particulars		31 March 2023	31 March 2022
Finance costs			
- Interest expense	Quess Corp Limited	85.12	43.71
Payment made by related parties on behalf of the Company			
	Quess Corp Limited		-
Loans received from related parties			
	Quess Corp Limited	574.33	910.50
Repayments/adjustments of loans received from related parties			
	Quess Corp Limited	(425.00)	(99.00)

(iii) Balance receivable from and payable to related parties as at the balance sheet date:

(Amount in INR Lakhs)

Particulars		31 March 2023	31 March 2022
Other current liabilities	Quess Corp Limited	382.91	222.54
Current borrowings			
	Quess Corp Limited	1,230.15	996.40
Corporate Guarantee			
	Quess Corp Limited	-	835.19

Corporate Guarantee has been provided by Quess Corp towards NSDC Loan (Refer Note 45)

(iv) Compensation of key managerial personnel

(Amount in INR Lakhs)

Particulars	31 March 2023	31 March 2022
Salaries and other employee benefits to whole-time directors and executive officers	-	-
Others if any, specify nature	-	-
	-	-

*Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences and employee share-based payment since, provision for these are based on an actuarial valuation carried out for the Company as a whole.

Terms and conditions

All transactions with these related parties are priced at arm's length basis and resulting outstanding balances are to be settled in cash within six months to one year of reporting date. None of the balances are secured.

Excelus Learning Solutions Private Limited

34 Assets and liabilities relating to employee benefits

(Amount in INR Lakhs)

Particulars	31 March 2023	31 March 2022
Net defined benefit liability, gratuity plan	21.01	33.67
Liability for compensated absences	6.50	8.67
Total employee benefit liability	27.51	42.34
Current	9.22	10.74
Non-current	18.30	31.60
	27.51	42.34

A Funding

B Reconciliation of net defined benefit liability/ asset

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ asset and its components:

(Amount in INR Lakhs)

Particulars	31 March 2023	31 March 2022
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	33.67	40.11
Additions through business combination	-	-
Current service cost	5.28	9.04
Interest cost	1.87	1.92
Past service cost		
Benefit settled	(9.32)	(5.94)
Actuarial (gains)/ losses recognized in other comprehensive income		
- Changes in experience adjustments	(9.30)	(9.90)
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	(1.19)	(1.57)
Obligation at the end of the year	21.01	33.67
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	-	-
Additions through business combination	-	-
Interest income on plan assets	-	-
Remeasurement- actuarial gain/(loss)	-	-
Return on plan assets recognized in other comprehensive income	-	-
Contributions	-	-
Benefits settled	-	-
Plan assets as at the end of the year	-	-
Net defined benefit liability	21.01	33.67

C i) Expense recognized in statement of profit or loss

(Amount in INR Lakhs)

Particulars	31 March 2023	31 March 2022
Current service cost	5.28	9.04
Interest cost	1.87	1.92
Past service cost	-	
Interest income	-	-
Net gratuity cost	7.15	10.96

ii) Re-measurement recognized in other comprehensive income

(Amount in INR Lakhs)

Particulars	31 March 2023	31 March 2022
Remeasurement of the net defined benefit liability	10.49	11.47
Remeasurement of the net defined benefit asset	-	-
	10.49	11.47

D Defined benefit obligation - Actuarial Assumptions

Particulars	31 March 2023	31 March 2022
Discount rate	7.20%	5.55%
Future salary growth	7.00%	7.00%
Attrition rate	30.00%	30.00%
Rate of return on planned asset		-
Average duration of defined benefit obligation (in years)	3	3

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E Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation

Core employees

(Amount in INR Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	18.96	20.16	32.14	34.57
Future salary growth (1% movement)	20.16	18.96	34.54	32.14
Attrition rate (1% movement)	18.90	20.29	30.00	38.25

Associate employees

(Amount in INR Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	1.39	1.56	0.33	0.37
Future salary growth (1% movement)	1.56	1.39	0.38	0.33
Attrition rate (1% movement)	2.60	0.75	0.15	0.74

35 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. However, the Company does not have any amounts payable to such enterprises as at 31 March 2023 based on the information received and available with the Company. Also the Company has not received any claim for interest from any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

36 The Company has accumulated losses of Rs.2,616.96 Lakhs as at March 31, 2023. The said condition indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the holding Company has agreed to provide continuing financial support, if necessary, to the company to meet its current obligations as and when they become due. Based on the above, the financial statements have been prepared on going concern basis and no adjustments are made to the carrying value of assets and liabilities.

37 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

Excelus Learning Solutions Private Limited

38 Taxes

A Amount recognized in profit or loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax:		
In respect of the current period	-	-
Excess provision related to prior years	-	-
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	(30.71)	(27.63)
Increase/ reduction of tax rate	-	-
Income tax expense reported in the Statement of Profit and Loss	**(30.71)**	**(27.63)**

B Income tax recognized in other comprehensive income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Remeasurement of the net defined benefit liability/ asset		
Before tax	10.49	11.46
Tax (expense)/ benefit	(2.64)	(2.18)
Net of tax	**7.85**	**9.28**

C Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Rate	Amount	Rate	Amount
Profit before tax		(666.75)		(1,587.15)
Tax using the Company's domestic tax rate	25.17%	-	25.17%	-
Effect of:				
Tax Expense as per MAT	0.00%	-	0.00%	-
Deferred tax	4.61%	(30.71)	1.74%	(27.63)
MAT Credit	0.00%	-	0.00%	-
Non-deductible expenses	0.00%	-	0.00%	-
Difference in enacted tax rate	0.00%	-	-	-
Depreciation	0.00%	-	-	-
Others	0.00%	-	-	-
Effective tax rate	**4.61%**	**(30.71)**	**1.74%**	**(27.63)**
Excess provisions relating to earlier years	-	-	-	-
Income tax credit/(expense) reported in the Statement of Profit and Loss	4.61%	(30.71)	1.74%	(27.63)

D The following tables provides the details of income tax assets and income tax liabilities as of 31 March 2023 and 31 March 2022

Non-current tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax assets	-	-
Income tax liabilities	-	-
Net income tax assets at the end of the year	-	-

Current tax liabilities (net)*

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax assets	7.38	-
Income tax liabilities	-	3.90
Net income tax liabilities at the end of the year	**7.38**	**(3.90)**

*For current tax liabilities above, there is no legally enforceable right to set off against the non-current tax assets and accordingly disclosed separately.

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Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Notes forming part of the Financial Statements for the year ended 31 March 2023
(Amount in INR Lakhs)

E Deferred tax assets, net

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax assets:		
Impairment loss allowance on financial assets	147.60	101.84
Provision on employee benefits- Gratuity	5.29	5.59
Provision on employee benefits- Compensated absences	1.64	2.18
Present valuation of financial instruments	-	0.07
80JJAA	-	10.16
Business loss current year and carried forward	153.88	156.53
Deferred tax on fixed assets	156.22	157.53
Deferred Tax others	-	-
Deferred tax assets	**464.63**	**433.91**
Deferred tax liabilities:		
Customer relationships	-	-
Goodwill on merger	-	-
	-	-
Net deferred tax assets	**464.63**	**433.91**
Deferred income tax liabilities:		
Deferred income tax liabilities	-	-
	464.63	**433.91**

F Recognized deferred tax assets and liabilities

Movement of deferred tax assets / liabilities presented in the balance sheet

For the year ended 31 March 2023	Opening balance	Additions through business combinations	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax assets:					
Impairment loss allowance on financial assets	101.84	-	45.76	-	147.60
Provision for employee benefits	5.59	-	(0.30)	-	5.29
Provision on employee benefits- Compensated absences	2.18	-	(0.54)	-	1.64
Present valuation of financial instruments	0.07	-	(0.07)	-	-
Business loss current year and carried forward	156.53		-		156.53
Unabsorbed Depreciation current year & carried forward	-		-		-
Provision for interest on service tax	-	-	-	-	-
80JJAA	10.16	-	(10.16)	-	(0.00)
Fixed assets	157.53	-	(1.32)	-	156.21
Deferred tax others			-		
MAT credit entitlement	-	-	-	-	-
Others	-	-	(2.64)	-	(2.64)
	433.91	-	30.72	-	464.63
Deferred tax liabilities:					
Customer relationships	-	-	-	-	-
Goodwill on merger	-	-	-	-	-
	-	-	-	-	-
Net deferred tax assets	**433.91**	-	**30.72**	-	**464.63**
Deferred income tax liabilities:					
Deferred income tax liabilities	-	-	-	-	-
Deferred tax assets/(liabilities)	**433.91**	-	**30.72**	-	**464.63**

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Notes forming part of the Financial Statements for the year ended 31 March 2023
(Amount in INR Lakhs)

For the year ended 31 March 2022	Opening balance	Additions through business combinations	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax assets:					
Impairment loss allowance on financial assets	-	-	101.84	-	101.84
Provision for employee benefits	6.83	-	0.94	(2.18)	5.59
Provision on employee benefits- Compensated absences	3.17	-	(0.99)	-	2.18
Present valuation of financial instruments	0.93	-	(0.86)	-	0.07
Business loss current year and carried forward	259.23		(102.70)		156.53
Unabsorbed Depreciation current year & carried forward	-		-		-
Provision for interest on service tax	-	-	-	-	-
80JJAA	10.16	-	(0.00)	-	10.16
Fixed assets	126.88	-	30.66	-	157.54
MAT credit entitlement	-	-	-	-	-
Others	1.25	-	(1.25)	-	-
	408.46	**-**	**27.65**	**(2.18)**	**433.93**
Deferred tax liabilities:					
Customer relationships	-	-	-	-	-
Goodwill on merger	-	-	-	-	-
	-	-	-	-	-
Net deferred tax assets	**408.46**	**-**	**27.65**	**(2.18)**	**433.93**
Deferred income tax liabilities:					
Deferred income tax liabilities	-	-	-	-	-
Deferred tax assets/(liabilities)	**408.46**	**-**	**27.65**	**(2.18)**	**433.93**

G Unrecognized deferred tax assets/ (liabilities)

The Company does not have unrecognized deferred tax liabilities.
Unrecognized deferred tax assets related primarily to business losses. These unexpired business losses will expire based on the year of origination as follows:

31 March 2022	Unabsorbed business losses
2022	-
2023	-
2024	-
2025	-
Thereafter	-
	-

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39 Financial instruments - fair value and risk management

Financial instruments by category

Particulars	Note	31 March 2023			31 March 2022	
		FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Financial Assets:						
Non-current investments		-			-	
Loans	11	4.19			1.86	
Current investments		-			-	
Trade receivables	8	705.54			173.98	
Cash and cash equivalents including other bank balances	9	80.31			419.47	
Unbilled revenue	8	2,390.49			2,233.91	
Other financial assets	4,10 & 12	439.77			954.13	
Total financial assets		**3,620.30**	-	-	**3,783.34**	
Financial Liabilities:						
Non-convertible debentures		-			-	
Lease liability	20	-			-	
Borrowings other than above*	17 & 19	1,230.15			1,687.26	
Trade payables	21	2.85			4.23	
Other financial liabilities	22	654.89			596.25	
Total financial liabilities		**1,887.88**	-	-	**2,287.74**	-

*Current maturities of long-term borrowings forms part of other financial liabilities

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

Fair value of financial instruments as at 31 March 2023

(Amount in INR Lakhs)

Particulars	Note	Carrying amount	Fair value		
		31 March 2023	Level 1	Level 2	Level 3
Financial assets not measured at fair value (measured at amortized cost)					
Loans	11	4.19	-	-	-
Trade receivables	8	705.54	-	-	-
Cash and cash equivalents including other bank bala	9	80.31	-	-	-
Other financial assets	4,10 & 12	439.77	-	-	-
Unbilled revenue	8	2,390.49	-	-	-
Financial assets measured at fair value					
Other non-current investments		-	-	-	-
Current investments		-	-	-	-
Total financial assets		**3,620.30**	-	-	-

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Financial liabilities not measured at fair value (measured at amortized cost)						
Non-convertible debentures			-	-	-	-
Finance lease obligations			-	-	-	-
Borrowings other than above			-	-	-	-
Term Loan	17 & 19		-	-	-	-
Bank overdraft			-	-	-	-
Loans and borrowings			-	-	-	-
Loan from related party - Quess Corp Limited		19	1,230.15	-	-	-
Contingent consideration			-	-	-	-
Trade payables		21	2.85	-	-	-
Other financial liabilities*		22	654.89	-	-	-
Financial liabilities measured at fair value						
Contingent consideration			-	-	-	-
Non-controlling interests put option			-	-	-	-
Financial liabilities			-	-	-	-
Total financial liabilities			**1,887.88**	-	-	-

*Current maturities of long-term borrowings forms part of other financial liabilities

Fair value of financial instruments as at 31 March 2022

(Amount in INR Lakhs)

Particulars	Note		Carrying amount	Fair value		
			31 March 2022	Level 1	Level 2	Level 3
Financial assets not measured at fair value (measured at amortized cost)						
Loans		11	1.86	-	-	-
Trade receivables		8	173.98	-	-	-
Cash and cash equivalents including other bank bala		9	419.47	-	-	-
Unbilled revenue	4,10 & 12		2,233.91	-	-	-
Other financial assets		8	954.13	-	-	-
Financial assets measured at fair value						
Other non-current investments			-	-	-	-
Current investments			-	-	-	-
Total financial assets			**3,783.35**	-	-	-
Financial liabilities not measured at fair value (measured at amortized cost)						
Non-convertible debentures			-	-	-	-
Finance lease obligations		20	-	-	-	-
Borrowings other than above			-	-	-	-
Term Loan	17 & 19		690.86	-	-	-
Loan from related party - Quess Corp Limited		19	-	-	-	-
Bank overdraft			-	-	-	-
Loans and borrowings			996.40	-	-	-
Contingent consideration			-	-	-	-
Bank overdraft			4.23	-	-	-
Trade payables		21	596.25	-	-	-
Other financial liabilities*		22	-	-	-	-
Financial liabilities measured at fair value						
Contingent consideration			-	-	-	-
Non-controlling interests put option			-	-	-	-
Financial liabilities			-	-	-	-
Total financial liabilities			**2,287.74**	-	-	-

*Current maturities of long-term borrowings forms part of other financial liabilities

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Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

A Financial Assets:

1) Fair value of all these financial assets are measured at balance sheet date value, as most of them are settled within a short period and so their fair value are assumed to be almost equal to the balance sheet date value.

B Financial Liabilities:

1) **Borrowings:** It includes working capital loan and payments on behalf of the entity from Quess Corp Ltd . for mandatory contribution in line with NSDC guidelines for Center set up under PMKVY Projects. These borrowings are measured at balance sheet value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the balance sheet values.

2) **Finance lease obligations:** The fair value of obligations under finance leases is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

3) **Trade payables and other liabilities:** Fair values of trade and other liabilities are measured at balance sheet value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the balance sheet values.

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40 Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk

Risk management framework

The Board of Directors of Excelus Learning Solutions Private Limited has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and current asset. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loan represents security deposits given to suppliers, employees and others. The credit risk associated with such deposits is relatively low.

Trade receivables

The Company's exposure to credit risk is influenced mainly by its customers. However, the management also considers the factors that may influence the credit risk of its customer base.

The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to three months for customers. The Company does not have trade receivables for which no loss allowance is recognized because of collateral.

Expected credit loss assessment for corporate customers as at 31 March 2023 and 31 March 2022 are as follows:

Based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired) if the payments are due for more than specific number of days. Loss rates are based on actual credit loss experience over the last six quarters.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from customers and unbilled revenue:

As at 31 March 2023

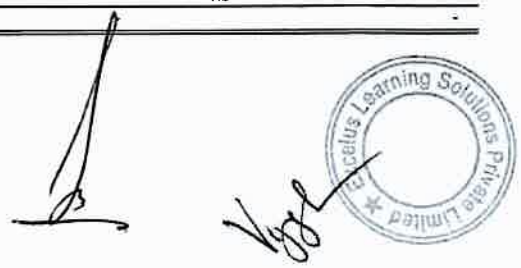
(Amount in INR Lakhs)

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether trade receivable is credit impaired	Carrying amount of trade receivables
Not due	-	0.00%	-	No	-
Past due 1-90 days	-	0.00%	-	No	-
Past due 91-180 days	-	0.00%	-	No	-
Past due 181-270 days	-	0.00%	-	No	-
Above 270 days	-	0.00%	-	No	-
	-		-		-

As at 31 March 2022

(Amount in INR Lakhs)

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether trade receivable is credit impaired	Carrying amount of trade receivables
Not due	-	0.00%	-	No	-
Past due 1-90 days	-	0.00%	-	No	-
Past due 91-180 days	-	0.00%	-	No	-
Past due 181-270 days	-	0.00%	-	No	-
Above 270 days	-	0.00%	-	No	-
	-				-



ii) Liquidity risk

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

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually the excess of funds is invested in fixed deposit. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.

i) Financing arrangement

(i) The Company has taken term loan from Quess Corp Limited for Working Capital Expenditure management.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023 and 31 March 2022. The amounts are gross and undiscounted contractual cash flows and includes contractual interest payment and exclude netting arrangements:

As at 31 March 2023

(Amount in INR Lakhs)

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	1,230.15	1,230.15	-	-	-
Non-convertible	-	-	-	-	-
Unsecured loans from banks	-	-	-	-	-
Trade payables	2.85	2.85	-	-	-
Other financial	654.89	654.89		-	-

As at 31 March 2022

(Amount in INR Lakhs)

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	1,687.26	410.08	280.78	-	-
Non-convertible debentures	-	-	-	-	-
Unsecured bank loans	-	-	-	-	-
Trade payables	4.23	4.23	-	-	-
liabilities	596.25	596.25	-	-	-

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long-term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The borrowings includes loans from related parties which carries variable rate of interest.

Excelus Learning Solutions Private Limited

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in INR Lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	1,230.15	-
Fixed rate borrowings	-	1,687.26
Total borrowings	**1,230.15**	**1,687.26**

Total borrowings considered above includes current maturities of long-term borrowings.

(b) Sensitivity

(Amount in INR Lakhs)

Particulars	Profit and loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
31 March 2023				
Variable rate borrowings	-	-	-	-
31 March 2022	-	-	-	-
Variable rate borrowings	-	-	-	-

Excelus Learning Solutions Private Limited

41 Payment to auditors (included in legal and professional fees)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Statutory audit fees	3.50	3.00
Others	2.25	2.25
Reimbursement of expenses	-	-
	5.75	5.25

42 Non-current borrowings

Terms and conditions of outstanding borrowings are as follows:

(Amount in INR Lakhs)

Particulars	Currency	Coupon/ Interest rate	Carrying amount as at 31 March 2023	Carrying amount as at 31 March 2022
Secured NSDC loan	INR	6.00%	-	671.31
Secured NSDC loan	INR	0.00%	-	19.55
Total borrowings			-	690.86

Secured by way of :
Corporate Guarantee from Quess Corp and Bank Guarantee
First charge on assets of the project

43 Head Count details

Particulars	31 March 2023		31 March 2022	
	Core	Associate	Core	Associate
Opening	131	161	318	-
Addition	7	-	17	172.00
Deletions	98	86	204	11.00
Closing	40	75	131	161

44 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,
The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

45 Registration of charges or satisfaction with Registrar of Companies
The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

46 Details of Crypto Currency or Virtual Currency
The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

47 Utilisation of Borrowed funds and share premium:

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a)directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b)provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii)The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a)directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b)provide any guarantee, security or the like on behalf of the Ultimate Beneficiari

48 Undisclosed income
The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

49 The Code on Social Security 2020
The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.
The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Excelus Learning Solutions Private Limited

50 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, compulsory covertible debentures and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of borrowings from NSDC (Non-current & Current) and loan from Ultimate holding company Quess Corp. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31-Mar-23	31-Mar-22
Total Equity	(i)	1,446	2,072
Borrowings		1,230	1,687
Less: cash and cash equivalents		(80)	(419)
Total debt	(ii)	1,150	1,268
Overall financing	(iii) = (i) + (ii)	2,676	3,759
Gearing ratio	(ii)/ (iii)	43%	34%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023, 31 March 2022.

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm's Registration No.: 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad
Date: 03 May 2023

For and on behalf of Board of Directors
Excelus Learning Solutions Private Limited
CIN: U74999KA2016PTC097984

Lohit Bhatia
Director
DIN : 07980280

Place: Bengaluru
Date: 03 May 2023

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 03 May 2023

MSKA & ASSOCIATES Hyderabad Chartered Accountants

Excelus Learning Solutions Private Limited

Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Notes forming part of the Financial Statements for the year ended 31 March 2023

51 Ageing Schedule

(i) Trade Receivables

Trade receivable ageing schedule as on 31 March 2023:

(Amounts in INR Lakhs)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	2,390.49		261.53	395.89	45.58	2.53	-	3,096.03
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

Trade receivable ageing schedule as on 31 March 2022:

(Amounts in INR Lakhs)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	2,233.91	92.34	78.77	0.26	0.55	2.06	-	2,407.90
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

(ii) Trade Payables

Trade payable ageing schedule as on 31 March 2023:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	(6.27)	(6.74)	(2.81)	18.67	2.85
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-

Trade payable ageing schedule as on 31 March 2022:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	4.04	0.06	0.13	-	4.23
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm's Registration No.: 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad
Date: 03 May 2023

For and on behalf of Board of Directors
Excelus Learning Solutions Private Limited
CIN: U74999KA2016PTC097984

Lalit Bhatia
Director
DIN : 07980280

Place: Bengaluru
Date: 03 May 2023

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 03 May 2023

MSKA & ASSOCIATES Hyderabad Chartered Accountants

Excelus Learning Solutions Private Limited

Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Notes forming part of the Financial Statements for the year ended 31 March 2023
(Amount in INR Lakhs)

52 Ratios

Ratios	Numerator	Denominator	Ratio 22-23	Numerator	Denominator	Ratio 21-22	%variance	Reason for variance (greater than 25%)
Current ratio	3,217.19	2,645.29	122%	3,083.55	2,087.09	148%	26%	Major Borrowings -Quess Corp & Some part of the loan has been repaid due to which YoY there is decrease.
Debt-equity ratio	1,230.15	1,446.16	85%	1,687.26	2,071.63	81%	-4%	There is no major variance. Some part of the loan has been repaid to Quess Corp and NSDC loan has been closed.
Debt service coverage ratio	(428.50)	1,230.15	-35%	(1,161.53)	1,422.81	-82%	-47%	Comparatively less loss reported for the current year.
Return on equity ratio	(625.54)	1,446.16	-43%	(1,550.24)	2,071.63	-75%	-32%	Comparatively less loss reported for the current year.
Inventory turnover ratio	-	-	-	-	-	-	-	Company does not hold inventory , hence not applicable
Trade receivables turnover ratio	1,334.43	2,751.96	48%	1,475.25	2,774.73	53%	5%	No major variance noted
Trade payables turnover ratio	1,047.02	3.54	29562%	988.43	5.85	16906%	-12656%	There is a decrease in trade payables during the year.
Net capital turnover ratio	1,334.43	571.89	233%	1,202.94	996.47	121%	-113%	There is a increase in turnover and decrease in average capital.
Net profit ratio	(636.04)	1,334.43	-48%	(1,559.52)	1,202.94	-130%	-82%	Comparatively there is a decrease in loss .
Return on capital employed	(551.27)	1,466.57	-38%	(1,454.02)	2,384.07	-61%	-23%	Comparatively there is a decrease in loss when compared to previous year due to which there is a improvement in return on Capital employed.
Return on investment	(636.04)	1,446.16	-44%	(1,559.52)	2,071.63	-75%	-31%	Comparatively there is a decrease in loss when compared to previous year

A. Current Ratio = Current Assets divided by Current Liabilities

B. Debt-equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings and lease liabilities

C. Debt Service Coverage Ratio (DSCR) = Earnings available for debt services (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc) divided by Total interest and lease payments and principal repayments

D. Return on equity ratio : Net profit after tax less preference dividend divided by Average Shareholder Equity

E. Inventory turnover ratio : Cost of materials consumed divided by Average Inventory (Opening + Closing balance / 2)

F. Trade Receivables turnover ratio = Credit Sales (Total revenue from operations +Opening Unbilled- Closing Unbilled-Opening unearned revenue+ Closing Unearned revenue) divided by Average trade receivables ((Opening + Closing balance / 2)

G. Trade payables turnover ratio = Credit purchases (Cost of goods sold+ other expenses+ Opening provision for expenses- Closing Provision for expenses- Impairment loss allowance on financial asset- Loss on sale of fixed asset- forex gain loss-Expenditure on CSR-Bad debt/Deposits written off) divided by average trade payables

H. Net capital turnover ratio = Net Sales divided by Working Capital

I. Net profit ratio = Net profit after tax divided by Revenue from operations

J . Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes(EBIT) divided by Average Capital Employed- pre cash (Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax

K. Return on investment: PAT divided by Total Equity

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm's Registration No.: 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad
Date: 03 May 2023

For and on behalf of Board of Directors
Excelus Learning Solutions Private Limited
CIN: U74999KA2016PTC097984

Lohit Bhatia
Director
DIN : 07980280

Place: Bengaluru
Date: 03 May 2023

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 03 May 2023

MSKA & ASSOCIATES Hyderabad Chartered Accountants

Excelus Learning Solutions Private Limited

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GREENPIECE LANDSCAPES INDIA PRIVATE LIMITED

I. Report on the Audit of the Financial Statements

1. Opinion

A. We have audited the accompanying Financial Statements of Greenpiece Landscape India Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters (KAM)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

4. Other Information - Board of Directors' Report

A. The Company's Board of Directors is responsible for the preparation and presentation of its report (hereinafter called as "Board Report") which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the financial statements and our auditor's report thereon.

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

B. In connection with our audit of the financial statements, our responsibility is to read the Board Report and in doing so, consider whether the Board Report is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement in this Board Report, we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Financial Statements

A. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

B. 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 responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Financial Statements

A. 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.

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

i) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

II. Report on Other Legal and Regulatory Requirements

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

A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of accounts.

D. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

E. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

G. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

H. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 Statements.

ii) The Company did not have long term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

iv) (a).The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

(b).The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c).Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v) The Company has not declared or paid any dividend during the year ended 31 March 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For N S Shastri & Co.
Chartered Accountants
Firm's Registration No.: 015093S

N.S. SHASTRI & CO. ★ CHARTERED ACCOUNTANTS ★ BANGALORE

N S Shastri
Partner
Membership No. 037676

Place: Bangalore
Date: 03 may 2023
UDIN: 23037676BGYJTE9683

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of Greenpiece Landscapes India Private Limited ("the Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, 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.

For N S Shastri & Co.
Chartered Accountants
Firm's Registration No.: 015093S

N S Shastri
Partner
Membership No. 037676

Place: Bangalore
Date: 03 may 2023
UDIN: 23037676BGYJTE9683

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report on Companies (Auditor's Report) Order, 2020 ("the Order") under Sub-section 11 of Section 143 of the Companies Act, 2013 ("the Act")

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not hold any immovable property (in the nature of 'fixed assets'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The management has conducted the physical verification of inventory at reasonable intervals and the coverage and procedure applied by the management during the verification is appropriate. The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from Bank of Baroda and Yes Bank on the basis of security of inventory and book debts of the Company and the quarterly returns or statements filed by the company with the above mentioned banks are in agreement with the books of account of the Company.

(iii) The Company has not made investments in, has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable.

(iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

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

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) Undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) The Company has not defaulted in repayment of loans or borrowings or interest thereon to any lender or any dues to debenture-holders during the year. The Company has no loans or borrowings payable to government.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans on the pledge of securities held in its subsidiaries, joint ventures or associate companies during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) The Company has not received any whistle blower complaints during the year (and upto the date of this report), and hence reporting on clause 3(xi)(c) of the Order is not applicable

(xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) In our opinion provisions of section 138 of the Act is not applicable to the Company. Accordingly, provisions of clause 3(xiv) of the Order is not applicable.

(xv) In our opinion, the Company has not entered into any non-cash transactions with directors or persons connected with them, covered under Section 192 of the Act.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses of Rs.29,68,554 /- during the financial year covered by our audit and Rs.6,04,64,788/- during the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion Provisions of section 135 of the Act is not applicable to the Company. Accordingly, provisions of clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable.

For N S Shastri & Co.
Chartered Accountants
Firm's Registration No.: 015093S

N S Shastri
Partner
Membership No. 037676

Place: Bangalore
Date: 03 May 2023
UDIN: 23037676BGYJTE9683

Greenpiece Landscapes India Private Limited
CIN: U01403KA2008PTC044865

(Amount in INR Thousands)

Balance Sheet	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	461.33	322.66
Other intangible assets	4	-	20.76
Financial assets			
(i) Non-current investments		-	-
(ii) Non-current loans		-	-
(iii) Other non-current financial assets	5	-	-
Deferred tax assets (net)		-	-
Income tax assets (net)	6	1,627.17	2,463.85
Total non-current assets		**2,088.50**	**2,807.26**
Current assets			
Inventories	7	1,389.09	1,596.50
Financial assets			
(i) Trade receivables	8	43,577.58	47,803.80
(ii) Cash and cash equivalents	9	8,972.32	-
(iii) Bank balances other than cash and cash equivalents above	10	14,228.06	12,643.58
(iv) Current loans	11	-	-
(v) Unbilled revenue	12	9,397.69	24,141.82
(vi) Other current financial assets	13	485.23	268.00
Other current assets	14	1,731.73	2,290.32
Total current assets		**79,781.70**	**88,744.02**
Total Assets		**81,870.20**	**91,551.28**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	8,000.00	8,000.00
Instrument Equity in Nature	16	84,431.00	84,431.00
Other equity	17	(2,69,806.95)	(2,25,852.32)
Total equity attributable to equity holders of the Company		**(1,77,375.95)**	**(1,33,421.32)**
Non-controlling interests		-	-
Total equity		**(1,77,375.95)**	**(1,33,421.32)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Non-current provisions	18	3,027.30	2,530.91
Total non-current liabilities		**3,027.30**	**2,530.91**
Current liabilities			
Financial liabilities			
(i) Current borrowings	19	2,24,481.78	1,88,507.40
(ii) Trade payables	20	7,737.37	4,696.27
(iii) Other current financial liabilities	21	11,025.47	16,538.84
Income tax liabilities (net)		-	-
Current provisions	22	482.92	448.25
Other current liabilities	23	12,491.31	12,250.95
Total current liabilities		**2,56,218.85**	**2,22,441.70**
Total Liabilities		**2,59,246.14**	**2,24,972.60**
Total Equity and Liabilities		**81,870.20**	**91,551.28**

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
for N S Shastri & Co.,
Chartered Accountants
Firm's Registration No.: 015093S

N S Shastri
Partner
Membership No.: 037676

Place: Bengaluru
Date: 03 May 2023

for and on behalf of the Board of Directors of
Greenpiece Landscapes India Private Limited

Kamal Pal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 03 May 2023

Vijay Sivaram
Director
DIN:07990452

Place: Bengaluru
Date: 03 May 2023

Greenpiece Landscapes India Private Limited
CIN: U01403KA2008PTC044865

(Amount in INR Thousands)

Statement of profit and loss	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	24	95,353.72	58,712.55
Other income	25	288.12	1,270.76
Total income		**95,641.84**	**59,983.30**
Expenses			
Cost of material and stores and spare parts consumed	26	29,741.19	67,264.13
Employee benefit expenses	27	36,448.42	29,806.95
Finance costs	28	16,709.63	14,878.94
Depreciation and amortisation expenses	29	282.90	586.71
Other expenses	30	56,735.18	9,286.60
Total expenses		**1,39,917.33**	**1,21,823.32**
Profit before share of profit of equity accounted investees and income tax		**(44,275.49)**	**(61,840.02)**
Share of profit of equity accounted investees (net of income tax)		-	-
Profit before tax		**(44,275.49)**	**(61,840.02)**
Tax credit/ (expense)			
Current tax: Minimum Alternative Tax ('MAT') for the year		-	-
Excess provision of tax relating to earlier years		-	-
Deferred tax (including MAT credit entitlement)		-	-
Total tax credit/ (expense)		-	-
Profit for the year		**(44,275.49)**	**(61,840.02)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement Income on defined benefit plans	37	320.86	451.27
Share of other comprehensive income of equity accounted investees (net of income tax)		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income for the year, net of income tax		**320.86**	**451.27**
Total comprehensive income for the year		**(43,954.62)**	**(61,388.75)**
Profit attributable to			
Owners of the Company		(44,275.49)	(61,840.02)
Non-controlling interests		-	-
Total profit for the year		**(44,275.49)**	**(61,840.02)**
Other comprehensive income attributable to			
Owners of the Company		320.86	451.27
Non-controlling interests		-	-
Total other comprehensive income for the year		**320.86**	**451.27**
Total comprehensive income attributable to :			
Owners of the Company		(43,954.62)	(61,388.75)
Non-controlling interests		-	-
Total comprehensive income for the year		**(43,954.62)**	**(61,388.75)**
Earnings per equity share (face value of INR 10.00 each)			
Basic (in INR)	34	(55.34)	(77.30)
Diluted (in INR)	34	(43.64)	(60.95)

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
for N S Shastri & Co.,
Chartered Accountants
Firm's Registration No.: 015093S

N S Shastri
Partner
Membership No.: 037676

Place: Bengaluru
Date: 03 May 2023

for and on behalf of the Board of Directors of
Greenpiece Landscapes India Private Limited

Kamal Pal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 03 May 2023

Vijay Sivaram
Director
DIN: 07990452

Place: Bengaluru
Date: 03 May 2023

Greenpiece Landscapes India Private Limited
Statement of Cash Flows

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flows from operating activities		
Profit before tax	(44,275.49)	(61,840.02)
Adjustments for:		
Interest income on term deposits	(288.12)	(332.24)
(Profit)/ Loss on sale of property, plant and equipment, net	-	(390.10)
Liabilities no longer required written back	-	(548.38)
Finance costs	16,709.63	14,878.94
Depreciation and amortisation expense	282.90	586.71
Impairment loss allowance on financial assets	41,024.03	788.52
Bad debts written off	0.48	1,090.07
Operating cash flows before working capital changes	**13,453.44**	**(45,766.49)**
Changes in operating assets and liabilities		
(Increase)/Decrease in inventories	207.40	62,154.51
(Increase)/ decrease in trade receivables	(36,798.30)	5,080.94
(Increase) in unbilled revenue	14,744.13	6,413.54
(Increase) in current loans	-	(2.00)
Decrease in other current financial assets	(217.23)	498.70
(Increase) in other current assets	558.59	(1,445.76)
(Decrease) in trade payables	3,041.10	(16,481.63)
(Decrease) in other current financial liabilities	(5,513.36)	110.57
(Decrease) in non-current and current provisions	851.92	(19.88)
Increase in other current liabilities	240.36	8,953.91
Cash generated from operations	**(9,431.93)**	**19,496.41**
Income taxes paid, net of refund	836.68	(591.28)
Net cash provided by operating activities (A)	**(8,595.25)**	**18,905.13**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles, net of sale proceeds	(400.82)	(50.55)
Proceeds from sale of fixed assets	-	450.00
Bank deposits (having original maturity of more than three months)	(1,584.48)	(2,653.60)
Interest income on term deposits	288.12	22.94
Net cash used in investing activities (B)	**(1,697.18)**	**(2,231.20)**
Cash flows from financing activities		
Proceeds from/ (repayment of) vehicle loan, net		
Proceeds from short term borrowings, net	(59,764.86)	(47,801.31)
Loans received from/ (repayment to) related parties	95,739.24	41,681.77
Interest paid	(16,709.63)	(10,567.82)
Net cash provided by financing activities (C)	**19,264.75**	**(16,687.35)**
Net increase in cash and cash equivalents (A+B+C)	8,972.32	(13.43)
Cash and cash equivalents at the beginning of the year	0.00	13.43
Cash and cash equivalents at the end of the year* (refer note 10)	**8,972.32**	**0.00**
Components of cash and cash equivalents (refer note 10)		
Cash and cash equivalents		
Cash in hand	-	-
Cheque in hand		
Balances with banks		
In current accounts	-	-
In deposit accounts (with original maturity of less than 3 months)	-	-
Cash and cash equivalents in consolidated balance sheet	-	-
Bank overdraft used for cash management purpose	8,972.32	-
Cash and cash equivalent in the consolidated statement of cash flow	**8,972.32**	-

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
for N S Shastri & Co.,
Chartered Accountants
Firm's Registration No.: 015093S

N S Shastri
Partner
Membership No.: 037676

Place: Bengaluru
Date: 03 May 2023

for and on behalf of the Board of Directors of
Greenpiece Landscapes India Private Limited

Kamal Pal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 03 May 2023

Vijay Sivaram
Director
DIN:07990452

Place: Bengaluru
Date: 03 May 2023

Greenpiece Landscapes India Private Limited
Statement of Changes in Equity for the year ended 31 March 2023

(A) Equity share capital

(Amount in INR Thousands)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Opening balance	15	8,000.00	8,000.00
Changes in equity share capital	15	-	-
Closing balance		**8,000.00**	**8,000.00**

(B) Other equity

(Amount in INR Thousands)

Particulars	Reserves & Surplus				Other Comprehensive Income	Total attributable to equity holders of the Company
	Retained earnings	General reserve	Capital Reserve	Other reserves	Remeasurement of the net defined benefit	
Balance as of 1 April 2021	**(1,76,768.28)**	**1,926.31**	**6,704.05**	**800.00**	**2,874.34**	**(1,64,463.57)**
Total comprehensive income for the year ended 31 March 2022						-
Profit for the year	(61,840.02)	-		-	-	(61,840.02)
Other comprehensive income (net of tax)	-	-			451.27	451.27
Add: Fair value of financial guarantee received				-		-
Total comprehensive income	**(61,840.02)**	-	-	-	**451.27**	**(61,388.75)**
Balance as at 31 March 2022	**(2,38,608.30)**	**1,926.31**	**6,704.05**	**800.00**	**3,325.61**	**(2,25,852.32)**

Particulars	Note	Reserves & Surplus				Other Comprehensive Income	Total attributable to equity holders of the Company
		Retained earnings	General reserve	Capital Reserve	Other reserves	Remeasurement of the net defined benefit liability/asset	
Balance as of 1 April 2022		**(2,38,608.30)**	**1,926.31**	**6,704.05**	**800.00**	**3,325.61**	**(2,25,852.32)**
Total comprehensive income for the year ended 31 March 2023							
Profit for the year		(44,275.49)	-		-		(44,275.49)
Other comprehensive income (net of tax)		-	-			320.86	320.86
Total comprehensive income		**(44,275.49)**	-	-	-	**320.86**	**(43,954.62)**
Balance as of 31 March 2023		**(2,82,883.79)**	**1,926.31**	**6,704.05**	**800.00**	**3,646.48**	**(2,69,806.95)**

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
for ***N S Shastri & Co.,***
Chartered Accountants
Firm's Registration No.: 015093S

N S Shastri
Partner
Membership No.: 037676

Place: Bengaluru
Date: 03 May 2023

for and on behalf of the Board of Directors of
Greenpiece Landscapes India Private Limited

Kamal Pal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 03 May 2023

Vijay Sivaram
Director
DIN:07990452

Place: Bengaluru
Date: 03 May 2023

1 Company Overview

Greenpiece Landscapes India Private Limited is a Private Limited incorporated on 04 January 2008 (CIN: U01403KA2008PTC044865) and domiciled in India. The registered office of the company is located in Bengaluru, Karnataka, India. The Company is engaged in the business of providing services in landscaping solutions.

The Company has incurred a net loss of ₹ 4,42,76,192/- during the year ended 31 March 2023 and, Further, as at that date the Company's accumulated losses amounted to ₹ 28,28,84,490/- which have resulted in significant erosion of the net worth of the Company. The accompanying financial statements have been prepared on a going concern basis as the management of the Company is of the opinion that the Company has the ability to meet their day-to-day cash flow requirements from a combination of the working capital generated from operations and the receipt of additional funding from the current/ potential investors. Accordingly, the assets and liabilities have been recorded in the financial statements on the basis that the Company will be able to realize its assets and discharge its liabilities in the normal course of the business

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone Ind AS financial statements. Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

2.1 Basis of preparation

Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The standalone Ind AS financial statements are presented in Indian Rupees (`) which is also the Company's functional currency, unless otherwise stated.

Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments);
ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations ("DBO").

2.2 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

i. **Contingent liabilities:** Contingent liabilities are not recognised in the financial statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs (except in the extremely rare circumstances where no reliable estimate can be made).

ii. **Income taxes:** Significant judgements are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

iii. **Measurement of defined benefit obligations**: Key actuarial assumptions used for actuarial valuation.

iv. **Impairment of financial assets:** The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments.

v. **Other estimates:** The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer creditworthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

2.3 Measurement of fair values

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible

2.4 Property, plant and equipment

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

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method Basis ('SLM') over estimated useful life of the fixed assets estimated by the Management. Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets which coincides with the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/ sold during the year is proportionately charged. The Company estimated the useful lives for fixed assets as follows:

Category	Useful Life
Furniture & Fixtures	5 Years
Computer	3 Years
Office Equipment's	5 years
Plant & Machinery	3 years
Vehicles	3 Years

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/losses.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of the assets not put to use before such date are disclosed under 'Capital work-in-progress'

2.5 Goodwill and Other Intangible Assets

i. Other Intangible Assets

Acquired intangible assets and assets acquired on business combinations are measured initially at cost. Other intangible assets are subsequently measured at cost less any accumulated depreciation and any accumulated impairment losses.

ii. Subsequent Expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including on internally generated software is recognised in profit and loss as and when incurred.

The Company amortizes intangible assets with a finite useful life using the straight-line method.

The estimated useful lives of intangibles are as follows:

Category	Useful Life
Software	5 Years

2.6 Impairment of intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.7 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

2.8 Inventories

Inventories (raw materials and stores and spares) which comprise of food consumables and operating consumables are valued at the lower of cost and net realizable value. Cost of inventories comprises purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs to sell. The comparison of cost and net realizable value is made on an item-by-item basis.

2.9 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the entity and revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The entity has concluded that it is the principal in all of its revenue arrangements since it is exposed to the significant risks and rewards associated with rendering of services.

When the outcome of the contract cannot be measured reliably, revenue is recognised only to the extent that expenses incurred are eligible to be recovered. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration.

When services are performed by an indeterminate number of acts over a specified period of time, revenue is recognised on a straight-line basis over the specified period unless there is evidence that some other method better represents the stage of completion.

Revenue from Landscaping and Softscaping

Revenue from Landscaping and Softscaping services are at a fixed rate and are recognised as per the terms of the arrangement with the customers.

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2.10 Other Income

Interest income or expenses is recognised using effective interest method.

2.11 Investments

The Company has elected to account its investment at cost.

2.12 Financial Instruments

a) **Recognition and initial measurement**

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) **Classification and subsequent measurement**

Financial Assets

On initial recognition, a financial asset is classified and measured at:

- Amortised cost
- Fair Value through other comprehensive income (FVOCI) - debt investment;
- Fair Value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit and loss (FVTPL)

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

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

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

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

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

All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses	
Financial assets, at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

c) **Impairment of financial assets**

The Company assess on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 33 details how the Company determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

d) **Derecognition of financial assets**

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial Liabilities

e) **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

f) **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.13 Employee benefits

a) **Defined benefit plans**

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of remeasurements of the net defined liability or asset through other comprehensive income.

Remeasurement of the net defined liability or asset (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods. The Company's gratuity scheme is administered through a holding companay and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

b) **Short-term employee benefits**

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g. short term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the amount of obligation can be estimated reliably.

c) **Defined contribution plan**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

d) **Termination benefits**

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

2.14 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in profit and loss.

2.15 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in net profit in the statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted as on the balance sheet date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except for the cases mentioned below.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax is not recognised for :

- temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction.
- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profits may not be available. Therefore, in case of history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realized. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized

2.16 Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre -tax rate that reflects current market assessments of the time value of money and the risk specific to the liability.

2.17 Contingent liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

2.18 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.19 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.20 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increase loss per share are included.

2.21 Segment Reporting

The company has only one operating segment.

2.22 Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.23 Finance Costs

Finance Costs Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are charged to the Statement of Profit and loss for the period for which they are incurred.

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3 Property, plant and equipment (Amount in INR Thousands)

Particulars	Furniture & Fixtures	Computer	Office Equipments	Plant & Machinery	Vehicles	TOTAL
Gross Value as at 01 April 2021	**1,093.70**	**1,135.67**	**481.81**	**2,208.42**	**774.23**	**5,693.83**
Additions during the Year	-	-	-	50.55	-	50.55
Disposals for the Year	-	-	-	-	(774.23)	(774.23)
Balance as at 31 March 2022	**1,093.70**	**1,135.67**	**481.81**	**2,258.97**	**-**	**4,970.15**
Additions during the Year	-	-	-	400.82	-	400.82
Disposals for the Year	-	-	-	-		-
Balance as at 31 March 2023	**1,093.70**	**1,135.67**	**481.81**	**2,659.79**	**-**	**5,370.97**
Accumulated depreciation as at 01 April 2021	803.95	1,069.19	365.84	2,108.57	474.71	4,822.27
Depreciation for the year	107.92	55.53	63.30	73.19	239.61	539.55
Accumulated depreciation on deletions				-	(714.32)	(714.32)
Balance as at 31 March 2022	**911.87**	**1,124.72**	**429.14**	**2,181.76**	**-**	**4,647.50**
Depreciation for the year	108.17	10.96	30.63	112.38		262.14
Accumulated depreciation on deletions	-	-	-	-		-
Balance as at 31 March 2023	**1,020.05**	**1,135.67**	**459.77**	**2,294.14**	**-**	**4,909.64**
Net Carrying Amount						-
As at 31 March 2023	**73.65**	**-**	**22.03**	**365.65**	**-**	**461.33**
As at 31 March 2022	**181.83**	**10.96**	**52.66**	**77.21**	**-**	**322.66**

There has been No Impairment losses recognised during the year or previous year

4 Intangible assets

Particulars	Intangible Asset	TOTAL
Balance as at 31 March 2021	808.00	808.00
Additions during the Year	-	-
Disposals for the Year	-	-
Balance as at 31 March 2022	**808.00**	**808.00**
Additions during the Year	-	-
Disposals for the Year	-	-
Balance as at 31 March 2023	**808.00**	**808.00**
Accumulated Amortisation	740.04	740.04
Amortisation for the Year	47.20	47.20
Accumulated Amortisation on deletions	-	-
Balance as at 31 March 2022	**787.24**	**787.24**
Amortisation for the Year	20.76	20.76
Accumulated Amortisation on deletions	-	-
Balance as at 31 March 2023	**808.00**	**808.00**
Net Carrying Amount		
As at 31 March 2023	-	-
As at 31 March 2022	**20.76**	**20.76**

There has been No Impairment losses recognised during the year or previous year

The Company has not revalued its Property, Plant and Equipment(including Right-ofUse Assets) ,intangible assets and investment property as at the balance sheet date.

The Company doesn't have title deeds which are held other than in the company's name as at the balance sheet date.

5 Other non-current financial assets

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	-	-
Loans to employees		-
	-	-

A Amount recognised in profit or loss

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax:		
In respect of the current period	-	-
Excess provision related to prior years	-	-
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	-	-
Increase/ reduction of tax rate	-	-
Income tax expense reported in the Statement of Profit and Loss	-	-

B Income tax recognised in other comprehensive income

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Remeasurement of the net defined benefit liability/ asset		
Before tax	320.86	451.27
Tax (expense)/ benefit	-	-
Net of tax	**320.86**	**451.27**

C Reconciliation of effective tax rate

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Rate	Amount	Rate	Amount
Profit before tax		(44,275.49)		(61,840.02)
Tax using the Company's domestic tax rate	27.82%	(12,317.44)	27.82%	(17,203.89)
Effect of:				
Non-deductible expenses	0%	-	0.0%	
Difference in enacted tax rate	0.00%	-	0.0%	
Others	0.00%	-	0.0%	-
Effective tax rate	**27.82%**	**(12,317.44)**	**27.82%**	**(17,203.89)**
Excess provisions relating to earlier years	-	(12,317.44)	-	(17,203.89)
Income tax credit/(expense) reported in the Statement of Profit and Loss	**0.00%**	-	**0.00%**	-

6 Non-current tax assets (net)

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income tax assets	1,627.17	2,463.85
Income tax liabilities	-	-
Net income tax assets at the end of the year	**1,627.17**	**2,463.85**

7 Inventories

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Valued at lower of cost and net realizable value		
Raw material and consumables	1,389.09	1,596.50
	1,389.09	**1,596.50**

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8 Trade receivables

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured		
Undisputed Trade receivables		
Considered good	66,200.09	47,945.75
Considered doubtful	59,605.63	53,955.40
	1,25,805.71	**1,01,901.15**
Disputed Trade receivables		
Considered good	-	-
Considered doubtful	-	7,751.56
	-	**7,751.56**
TOTAL	**1,25,805.71**	**1,09,652.70**
Loss allowance [refer note 32]		
Undisputed Trade receivables		
Unsecured considered good	(22,622.51)	(7,893.51)
Doubtful	(59,605.63)	(46,203.85)
	(82,228.13)	**(54,097.35)**
Disputed Trade receivables		
Unsecured considered good	-	-
Doubtful	-	(7,751.56)
	-	**(7,751.56)**
TOTAL	**(82,228.13)**	**(61,848.91)**
Net trade receivables	**43,577.58**	**47,803.80**

All trade receivables are current.

The Company exposure to credit risk and loss allowances related to trade receivables are disclosed in Note 32.

Trade receivable ageing schedule as on 31 March 2023:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables						
- Considered good and Doubtful	55,545.66	10,654.43				**66,200.09**
- Significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	(12,157.61)	(10,464.89)	-	-	-	**(22,622.51)**
Disputed trade receivables						
- Considered good and Doubtful	-	-	-			-
- Significant increase in credit risk	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-

Trade receivable ageing schedule as on 31 March 2022:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables						
- Considered good	54,086.15	2,965.66				**57,051.81**
- Significant increase in credit risk						-
- Credit impaired	(6,470.28)	(2,777.73)	-	-	-	**(9,248.02)**
Disputed trade receivables						
- Considered good			-			-
- Significant increase in credit risk						-
- Credit impaired			-	-	-	-

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9 Cash and cash equivalents

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents		
Cash in hand	-	-
Balances with banks	-	
In current accounts		
Cash and cash equivalents in balance sheet	-	-
Bank overdraft used for cash management purpose	8,972.32	-
Cash and cash equivalent in the statement of cash flow	**8,972.32**	-

10 Bank balances other than cash and cash equivalents

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
In deposit accounts (mature within 12 months from the reporting date)	14,228.06	12,643.58
	14,228.06	**12,643.58**

11 Current loans

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured Considered good		
Security deposits		
	-	-

12 Unbilled revenue

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Unbilled revenue	30,042.50	24,141.82
Loss allowance [refer note 32]		
Doubtful	20,644.81	-
	9,397.69	**24,141.82**

13 Other current financial assets

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	485.23	268.00
	485.23	**268.00**

14 Other current assets

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Advances other than capital advances		
Travel advances to employees	67.40	36.25
Prepaid expenses	2.88	27.91
Balances with government authorities	1,661.45	2,226.16
	1,731.73	**2,290.32**

15 Equity share capital

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
8,50,000 (31 March 2022: 8,50,000) equity shares of par value of Rs 10 each	8,500.00	8,500.00
	8,500.00	**8,500.00**
Issued, subscribed and paid-up		
8,00,000 (31 March 2022: 8,50,000) equity shares of par value of Rs 10 each, fully paid up	8,000.00	8,000.00
Share Application money	-	-
	8,000.00	**8,000.00**
Details of shareholding of promoters:	**NIL**	**NIL**

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15.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount in INR Thousands	Number of shares	Amount in INR Thousands
Equity shares				
At the commencement of the year	8,00,000	8,000.00	8,00,000	8,000.00
Add: Shares issued during the year	-	-	-	-
At the end of the year	**8,00,000**	**80,00,000**	**8,00,000**	**80,00,000**

15.2 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, after distribution of all preferential amounts (if any) in proportion to the number of equity shares held.

15.3 Shares held by Holding Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount in INR Thousands	Number of shares	Amount in INR Thousands
Equity shares				
Equity shares of par value Rs 10 each				
Quess Corp Limited	8,00,000	8,000.00	8,00,000	8,000.00
	8,00,000	**80,00,000**	**8,00,000**	**80,00,000**

15.4 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% held	Number of shares	% held
Equity shares				
Quess Corp Limited	7,99,990	100%	7,99,990	100%
Ajit Isaac	10	0%	10	0%
	8,00,000	**100%**	**8,00,000**	**100%**

16 Instruments entirely equity in nature

Particulars	As at 31 March 2023	As at 31 March 2022
Compulsorily Convertible Debentures		
84,431 (31 March 2022: 84,431) compulsorily convertible debentures of par value of Rs 1,000	84,431.00	84,431.00
	84,431.00	**84,431.00**

During the year ended 31 March 2020, the Company in its Board of Director Meeting held on 10 September 2019 passed a resolution to issue 84,431 redeemable Convertible debentures at a face value of Rs 1,000 aggregating to Rs 8,44,31,000. The Debenture Holders shall have thee right to convert any or all of the CCDs any time during the tenure of CCD, at a conversion price of INR 393.45/-.

The CCDs shall during the tenure or until conversion, whichever is earlier, entitle Debenture Holder to receive a coupon on an annual basis in INR at the rate of 10% (Ten percent) per annum from the date of issue and allotment of CCDs ("Coupon"), subject to prior approval of the Board of Directors and deduction of any applicable taxes on payment of Coupon, including withholding tax. The Coupon shall be payable on a quarterly basis and be paid within 15 calendar days from commencement of each subsequent quarter in which the interest became due unless otherwise agreed between the parties to this agreement.

16.1 (a) Reconciliation of the number of compulsorily convertible debentures outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of CCDs	Amount in INR Thousands	Number of CCDs	Amount in INR Thousands
outstanding at the beginning and end of the year	84,431	84,431.00	84,431	84,431.00
	84,431	**84,431.00**	**84,431**	**84,431.00**

(b) The rights, preferences and restrictions attaching to compulsorily convertible debentures issued to Quess Corp Limited, holding company

The Company has one class of compulsorily convertible debentures of Rs 1,000 per CCD. These CCDs are unsecured and carry a discretionary coupon of 10% per annum. The CCDs shall have a tenure of 10 years from the date of issue. The holder of these CCDs shall have the right to convert any or all of the CCDs, at any time during the tenure of CCDs. CCDs outstanding at the end of the tenure shall be automatically converted into Equity shares of the Company.

(c) Particulars of compulsorily convertible debentures

Particulars	As at 31 March 2023	As at 31 March 2022
	Number of CCDs	
Quess Corp Limited, holding company	84,431	84,431
	84,431	**84,431**

(d) CCD holders holding more than 5% of compulsorily convertible debentures along with the total number of CCDs held at the beginning and at the end of the reporting period is as given below

Particulars	Number of CCDs			
	Nos held	% held	Nos held	% held
Quess Corp Limited, holding company	84,431	100%	84,431	100%
	84,431	**100%**	**84,431**	**100%**

17 Other equity*

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
General reserve account	1,926.31	1,926.31
Other comprehensive income (refer note 17.1)	3,646.48	3,325.61
Other Equity- Corporate Guarantee	800.00	800.00
Retained earnings	(2,82,883.79)	(2,38,608.30)
Capital Reserve	6,704.05	6,704.05
	(2,69,806.95)	**(2,25,852.32)**

* For detailed movement of reserves refer Statement of Changes in Equity.

17.1 Other comprehensive income

Remeasurement of the net defined benefit liability/(asset) comprises actuarial gain and losses and return on plan assets (excluding interest income).

18 Non-current provisions

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for gratuity (refer note 37)	3,027.30	2,530.91
	3,027.30	**2,530.91**

19 Current borrowings

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Loans from bank repayable on demand		
Secured		
Cash credit and overdraft facilities (refer note 19.1 & 19.2)	-	59,764.86
Loan from related parties, unsecured		
- Quess Corp Limited (refer note 19.3)	2,24,481.78	1,28,742.54
	2,24,481.78	**1,88,507.40**

Information about the Company exposure to interest rate and liquidity risk is included in note 33.

Quarter	Name of Bank	Particulars of security provided	Amount as per books of accounts	Amount as reported in quartely statement	Amount of difference	Reason for material discrepancies
Quarter-1 FY 22-23	Bank Of Baroda	Net Stock Value	-	-	-	- NA -
		Net Debtors	46,317.55	46,317.55	-	- NA -
	Yes Bank	Net Stock Value	-		-	- NA -
		Net Debtors	-		-	- NA -
Quarter-2 FY 22-23	Bank Of Baroda	Net Stock Value	(5,774.47)	(5,774.47)	-	- NA -
		Net Debtors	45,266.42	45,266.42	-	- NA -
	Yes Bank	Net Stock Value			-	- NA -
		Net Debtors			-	- NA -
Quarter-3 FY 22-23	Bank Of Baroda	Net Stock Value			-	- NA -
		Net Debtors			-	- NA -
	Yes Bank	Net Stock Value			-	- NA -
		Net Debtors			-	- NA -

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19.1 The Company has taken Overdraft facilities having interest rates ranging from MCLR+ strategic premium (0.25%) i.e., 10.25% p.a at present with monthly rest. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on cash margin on bank gurantee of BOB and collateral security that are presently charged with BOB and entire machinery, equipments , electrical installations, furniture & fixtures , office equipments , Raw Material, stores and spares , packing material , book debts both present and future ,other movable property of the company and Corporate Gurantee by Holding Company(Quess Corp limited).

19.2 The Company has taken bill Cash credit from YES BANK having interest rate of 3 months MCLR and Working capital demand loan from YES BANK having interest rate of 6 month CD Rate + 3.84% and Bank Gurantee facilities from YES Bank having pricing 0.70% p.a. payable upfront. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the certain current and movable fixed assets of the Company on both present and future and Corporate Gurantee by Holding Company(Quess Corp limited).

19.3 Loan taken from Quess Corp Limited is carrying an interest rate of 10 year India Government Bond Rate.

20 Trade payables

(Amount in INR Thousands)

Trade Payables - billed dues

Particulars	As at 31 March 2023	As at 31 March 2022
Undisputed		
Dues to micro, small and medium enterprises (refer note 40)	3,937.90	894.03
Trade payables to related parties (refer note 38)	-	-
Other trade payables	3,799.47	3,802.24
	-	-
Total	**7,737.37**	**4,696.27**

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2023:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	3,019.71	557.32	360.87	-	-	3,937.90
- Others	46.41	492.90	-	1,575.55	1,684.61	3,799.47
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2022:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	289.04	604.99	-	-	-	894.03
- Others	896.24	1,138.70	804.66	962.65	-	3,802.24
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-

The Company exposure to liquidity risk related to trade payables is disclosed in note 33.

21 Other current financial liabilities

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued and not due	430.47	198.86
Amount payable to related parties	-	8,292.90
Other Payables		
Accrued salaries and benefits	3,912.11	3,060.00
Provision for bonus and incentive	2,099.60	2,322.59
Provision for expenses and Other paybles	4,583.29	2,664.49
	11,025.47	**16,538.84**

(i) The Company exposure to liquidity risk related to other current financial liabilities is disclosed in note 32.

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22 Current provisions

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for gratuity (refer note 37)	482.92	448.25
	482.92	**448.25**

23 Other current liabilities

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance received from customers	11,586.88	11,586.88
Balances payable to government authorities	904.43	664.07
	12,491.31	**12,250.95**

24 Revenue from operations

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from Projects		
- Landscape & Softscape Income	39,641.71	21,493.61
Total revenue from Projects	**39,641.71**	**21,493.61**
Revenue from Service		
- Maintenance Income	55,712.02	37,218.94
- Consultancy Income	-	-
Total revenue from Service	**55,712.02**	**37,218.94**
	95,353.72	**58,712.55**

25 Other income

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income under the effective interest method on:		
Cash and cash equivalents	288.12	332.24
Interest income on present valuation of financial instruments	-	-
Profit on sale of property, plant and equipment and intangible assets	-	390.10
Reversal of Gratuity provision in excess to Liability	-	279.98
Liabilities no longer required written back	-	268.44
	288.12	**1,270.76**

26 Cost of material and stores and spare parts consumed

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory at the beginning of the year	1,596.50	63,751.01
Add: Purchases	29,533.79	5,109.61
Less: Inventory at the end of the year	1,389.09	1,596.50
Cost of materials and stores and spare parts consumed	**29,741.19**	**67,264.13**

27 Employee benefits expense

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages	31,258.85	26,424.57
Contribution to provident and other funds	4,124.56	2,316.06
Expenses related to post-employment defined benefit plan	1,054.53	908.64
Staff welfare expenses	10.49	157.68
	36,448.42	**29,806.95**

28 Finance costs

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on financial liabilites measured at amortised cost	16,709.63	14,364.50
Other borrowing costs	-	514.44
	16,709.63	**14,878.94**

* MSME Interest provided 2,31,602/- as at 31 March 2023 and 1,42,355/- as at 31 March 2022

29 Depreciation and amortisation expense

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment (refer note 3)	262.14	539.55
Amortisation of intangible assets (refer note 4)	20.76	47.16
	282.90	**586.71**

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30 Other expenses

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sub-contractor charges	7,996.66	1,404.74
Rent (refer note 30.1)	597.75	582.64
Power and Fuel	0.09	-
Repairs & maintenance		
- buildings	-	-
- plant and machinery	1,043.46	633.15
- others	34.55	84.86
Legal and professional fees (refer note 30.2)	848.12	1,637.82
Rates and taxes	318.16	1,195.26
Printing and stationery	39.82	63.90
Travelling and conveyance	192.17	265.91
Communication expenses	23.37	3.74
Transportation Charges	175.14	83.83
Loss allowance on financial assets, net [refer note 32]	41,024.03	788.52
Equipment hire charges	4,085.04	1,159.62
Insurance	146.62	75.66
Office expenses	2.75	41.61
Bank charges	151.88	175.23
Bad debts written off	0.48	1,090.07
Brokerage expenses	15.30	-
Miscellaneous expenses	39.81	0.04
	56,735.18	**9,286.60**

30.1 Rent

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Rent-Project	252.00	266.70
Rent-Office	-	315.94
	252.00	**582.64**

30.2 Payment to auditors (net of GST; included in legal and professional fees)

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Statutory audit fees	253.00	225.00
Other fees	-	25.00
	253.00	**250.00**

30.3 Details of CSR expenditure

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
	NIL	NIL

30.4 Undisclosed income

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
	NIL	NIL

30.5 Exceptional items

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
	NIL	NIL

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31 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in INR Thousands)

Particulars	Note	31 March 2023			31 March 2022		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets:							
Non-current investments		-	-	-	-	-	-
Loans	5 & 11	-	-	-	-	-	268.00
Trade receivables	8	-	-	43,577.58	-	-	47,803.80
Cash and cash equivalents including other bank balances	9 & 10	-	-	23,200.38	-	-	12,225.20
Unbilled revenue	12	-	-	9,397.69	-	-	24,141.82
Other financial assets	13	-	-	485.23	-	-	418.38
Total financial assets		-	-	**76,660.88**	-	-	**84,857.20**
Financial liabilities:							
Borrowings	19	-	-	2,24,481.78	-	-	1,88,507.40
Trade payables	20	-	-	7,737.37	-	-	7,360.76
Other current financial liabilities	21	-	-	11,025.47	-	-	13,874.34
Total financial liabilities		-	-	**2,43,244.62**	-	-	**2,09,742.50**

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

(Amount in INR Thousands)

Particulars	Note	Carrying Amount 31 March 2023	Fair Value Level 1	Level 2	Level 3
Financial assets measured at amortised cost					
Non-current investments		-			
Loans	5 & 11	-	-	-	-
Trade receivables	8	43,577.58	-	-	-
Cash and cash equivalent including other bank balances	9 & 10	23,200.38	-	-	-
Unbilled revenue	12	9,397.69			
Other financial assets	13	485.23			
Total financial assets		**76,660.88**	-	-	-
Financial liabilities measured at amortised cost					
Borrowings	19	2,24,481.78	-	-	-
Trade payables	20	7,737.37	-	-	-
Other current financial liabilities	21	11,025.47	-	-	-
Total financial liabilities		**2,43,244.62**	-	-	-

Financial instruments - fair value and risk management

(Amount in INR Thousands)

Particulars	Note	Carrying Amount 31 March 2022	Fair Value Level 1	Level 2	Level 3
Financial assets measured at amortised cost					
Non-current investments		-			
Loans	5 & 11	268.00	-	-	-
Trade receivables	8	47,803.80	-	-	-
Cash and cash equivalent including other bank balances	9 & 10	12,225.20	-	-	-
Unbilled revenue	12	24,141.82	-	-	-
Other financial assets	13	418.38			
Total financial assets		**84,857.20**	-	-	-
Financial liabilities measured at amortised cost					
Borrowings	19	1,88,507.40	-	-	-
Trade payables	20	7,360.76	-	-	-
Other current financial liabilities	21	13,874.34	-	-	-
Total financial liabilities		**2,09,742.50**	-	-	-

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference securities, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in unquoted preference securities and non-convertible debentures included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

A Financial Assets:

1 The Company has not disclosed the fair values of non current investments, loans, trade receivables, cash and cash equivalents including other bank balances and unbilled revenue because their carrying values are a reasonable approximation of their fair value.

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B Financial Liabilities

1 **Borrowings**: It includes cash credit and overdraft facilities. These short-term borrowings are classified and subsequently measured in the financial statements at amortized cost. Considering that the interest rate on the overdraft is reset on a monthly/quarterly basis, the carrying amount of the overdraft would be a reasonable approximation of its fair value.

2 **Trade payables and other financial liabilities**: Fair values of trade payables and other liabilities are measured at carrying value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to their carrying values.

32 Financial risk management

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

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

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The management is assisted in its oversight role by internal auditors. Internal Audit function includes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the management.

i) **Credit Risk**

Credit risk is the risk of financial loss to the Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and current assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by its customers. However, the management also considers the factors that may influence the credit risk of its customer base.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to three Months for customers. The Company does not have trade receivables for which no loss allowance is recognised.

Expected credit loss assessment for corporate customers as at 31 March 2022 and 31 March 2023 are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivables from customers. Based on industry practices and the business environment which the entity operates, the management considers that trade receivables are in default (Credit impaired), if the payments are more than 270 days past due. Loss rates are based on actual credit loss experience over last eight quarters.

These rates have been adjusted to reflect the management's view of economic conditions over the expected lives of the receivables

The following table provides information about the credit risk and expected credit loss for trade receivables from customers

As at 31 March 2023 - Trade Receivables *(Amount in INR Thousands)*

Particulars	Gross Carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	amount of trade receivables
Not Due	43,151.79	8.46%	3,651.86	No	39,499.93
Past due 1-90 days	9,070.32	63.30%	5,741.84	No	3,328.49
Past due 91-180 days	3,323.55	83.16%	2,763.92	No	559.63
Past due 181-270 days	10,654.43	98.22%	10,464.89	No	189.54
Past due 271-365 days	3,506.43	100.00%	3,506.43	Yes	-
Above 365 days	56,099.20	100.00%	56,099.20	Yes	-
	1,25,805.71		**82,228.13**		**43,577.58**

As at 31 March 2023 - Unbilled Revenue *(Amount in INR Thousands)*

Particulars	Gross Carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	amount of trade receivables
Not Due	-	0.00%	-	No	-
Past due 1-90 days	9,397.69	0.00%	-	No	9,397.69
Past due 91-180 days	1,011.00	100.00%	1,011.00	No	-
Past due 181-365 days	-	0.00%	-	No	-
Above 365 days	19,633.81	100.00%	19,633.81	Yes	-
	30,042.50		**20,644.81**		**9,397.69**

As at 31 March 2022 - Trade Receivables *(Amount in INR Thousands)*

Particulars	Gross Carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	amount of trade receivables
Not Due	46,797.87	3.87%	1,811.23	No	44,986.63
Past due 1-90 days	1,411.38	43.45%	613.18	No	798.20
Past due 91-180 days	5,876.90	68.84%	4,045.87	No	1,831.03
Past due 181-270 days	1,611.15	88.34%	1,423.23	No	187.93
Past due 271-365 days	1,354.51	100.00%	1,354.51	Yes	-
Above 365 days	52,600.89	100.00%	52,600.89	Yes	-
	1,09,652.70		**61,848.91**		**47,803.80**

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Financial risk management

Movement in allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade and other receivables during the year is as follows

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	**61,848.91**	**61,060.38**
Impairment loss recalculated after adopting Ind AS 115	-	-
Impairment loss allowance recognised	41,024.03	788.52
Balance as at the end of the year	**82,228.13**	**61,848.91**

ii) Liquidity risk

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

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually, the excess of funds is invested in fixed deposits. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.

a) Financing arrangement

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023 and 31 March 2022. The amounts are gross and undiscounted contractual cash flows and includes contractual interest payment and exclude netting arrangements:

As at 31 March 2023

(Amount in INR Thousands)

Particulars	Carrying amount	Contractual cash flows 0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	2,24,481.78	2,24,481.78			
Trade payables	7,737.37	7,737.37	-	-	-
Other financial liabilities	11,025.47	11,025.47	-	-	-

As at 31 March 2022

(Amount in INR Thousands)

Particulars	Carrying amount	Contractual cash flows 0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	1,88,507.40	1,88,507.40			
Trade payables	7,360.76	7,360.76	-	-	-
Other financial liabilities	13,874.34	13,874.34	-	-	-

The Company maintains the following line of credit:

(i) Bank of Baroda -

The Company has taken Overdraft facilities having interest rates ranging from MCLR+ strategic premium (0.25%) i.e., 10.25% p.a at present with monthly rest. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on cash margin on bank gurantee of BOB and collateral security that are presently charged with BOB and entire machinery, equipments , electrical installations, furniture & fixtures , office equipments , Raw Material, stores and spares , packing material , book debts both present and future ,other movable property of the company and Corporate Gurantee by Holding Company(Quess Corp limited).

(ii) Yes Bank -

The Company has taken bill Cash credit from YES BANK having interest rate of 3 months MCLR and Working capital demand loan from YES BANK having interest rate of 6 month CD Rate + 3.84% and Bank Gurantee facilities from YES Bank having pricing 0.70% p.a. payable upfront. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the certain current and movable fixed assets of the Company on both present and future and Corporate Gurantee by Holding Company(Quess Corp limited).

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the respective functional currency of the Company. The Company is not exposed to significant currency risk as majority of the transactions are primarily denominated in Indian Rupees (""), which is the national currency of India.

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowing comprises of cash credit facilities & working capital loan which carries fixed rate of interest and unsecured loan from holding company Quess Corp Limited , which do not expose it to interest rate risk.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	-	-
Fixed rate borrowings	2,24,481.78	1,88,507.40
Total borrowings	**2,24,481.78**	**1,88,507.40**

Greenpiece Landscapes India Pvt. Ltd. Bangalore

33 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of non-current borrowing, current borrowing, current maturities of long-term borrowings and current maturities of finance lease obligations less cash and cash equivalents.

The Company's policy is to keep the ratio below 2.50. The Company's adjusted net debt to equity ratio is as follows:

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Gross debt	2,24,481.78	1,88,507.40
Less: Cash and cash equivalents	23,200.38	12,225.20
Adjusted net debt	**2,01,281.40**	**1,76,282.20**
Total equity	(1,77,375.95)	(1,33,421.32)
Less: Effective portion of cash flow hedges and cost of hedging		
Equity	**(1,77,375.95)**	**(1,33,421.32)**
Net debt to equity ratio	**(1.13)**	**(1.32)**

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34 Earnings per share

(Amount in INR Thousand except number of shares and per share data)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Nominal value of equity shares (amount per share)	10	10
Net profit after tax for the purpose of earnings per share	(44,275.49)	(61,840.02)
Weighted average number of shares used in computing basic earnings per share	8,00,000	8,00,000
Basic earnings per share	**(55.34)**	**(77.30)**
Weighted average number of shares used in computing diluted earnings per share	10,14,591	10,14,591
Diluted earnings per share	**(43.64)**	**(60.95)**

Computation of weighted average number of shares

(Amount in numbers)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Number of equity shares outstanding at beginning of the year	**8,00,000**	**8,00,000**
Add: Weighted average number of equity shares issued during the year	-	-
Weighted average number of shares outstanding at the end of year for computing basic earnings per share	**8,00,000**	**8,00,000**
Add: Impact of potentially dilutive equity shares	2,14,591	2,14,591
Weighted average number of shares outstanding at the end of the year for computing diluted earnings per share	**10,14,591**	**10,14,591**

35 Related party disclosures

(i) Name of related parties and description of relationship: (Please select the entities from the list shared herewith)

- Holding Company	Quess Corp Limited
- Fellow subsidiaries, associates and joint venture	Refer note (ii)
- Directors	Vijay Sivaram Kamal Hoda Rajesh Kharidehal
- Entities having common directors	Golden Star Facilities And Services Private Limited Terrier Security Services (India) Private Limited Monster.com (India) Private Limited Excelus Learning Solutions Private Limited MFX Infotech Private Limited Trimax Smart Infraprojects Private Limited

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(ii) List of subsidiaries (including step-subsidiaries), fellow subsidiaries, associates and joint venture

Name of the entity	Nature of relation	Country of domicile
MFX Infotech Private Limited	Fellow subsidiary	India
Brainhunter Systems Ltd	Fellow subsidiary	Canada
Mindwire Systems Ltd	Fellow subsidiary	Canada
Quess (Philippines) Corp	Fellow subsidiary	Philippines
Quess Corp (USA) Inc	Fellow subsidiary	USA
Quesscorp Holdings Pte Ltd	Fellow subsidiary	Singapore
Quess Corp Vietnam LLC	Fellow subsidiary	Vietnam
Quessglobal (Malaysia) SDN. BHD.	Fellow subsidiary	Malaysia
Quess Corp Lanka (Private) Limited	Fellow subsidiary	Sri Lanka
Comtel Solutions Pte Ltd	Fellow subsidiary	Singapore
MFXchange Holdings Inc	Fellow subsidiary	Canada
MFXchange US, Inc	Fellow subsidiary	USA
MFX Chile SpA	Fellow subsidiary	Chile
Dependo Logistics Solutions Private Limited	Fellow subsidiary	India
Excelus Learning Solutions Private Limited	Fellow subsidiary	India
Conneqt Business Solution Limited	Fellow subsidiary	India
Vedang Cellular Services Private Limited	Fellow subsidiary	India
Golden Star Facilities and Services Private Limited	Fellow subsidiary	India
Comtelpro Pte. Limited	Fellow subsidiary	Singapore
Comtelink Sdn. Bhd	Fellow subsidiary	Malaysia
Monster.com (India) Private Limited	Fellow subsidiary	India
Monster.com.SG PTE Limited	Fellow subsidiary	Singapore
Monster.com.HK Limited	Fellow subsidiary	Hong Kong
Agensi Pekerjaan Monster Malaysia SDN. BHD.	Fellow subsidiary	Malaysia
Quesscorp Management Consultancies	Fellow subsidiary	Dubai, UAE
Quesscorp Manpower Supply Services LLC	Fellow subsidiary	Dubai, UAE
Qdigi Services Limited	Fellow subsidiary	India
Simpliance Technologies Private Limited	Fellow subsidiary	India
Allsec Technologies Limited	Fellow subsidiary	India
Allsectech Inc., USA	Fellow subsidiary	USA
Allsectech Manila Inc , Philippiness	Fellow subsidiary	Philippines
Retreat Capital Management Inc , USA	Fellow subsidiary	USA
Trimax Smart Infraprojects Private Limited	Fellow subsidiary	India
Quess Corp Services Limited	Fellow subsidiary	Bangladesh
Terrier Security Services (India) Private Limited	Fellow subsidiary	India
Quess East Bengal FC Private Limited	Fellow subsidiary	India
Heptagon Technologies Private Limited	Associate of holding company	India
Quess Recruit, Inc	Associate of holding company	Philippines
Agency Pekerjaan Quess Recruit SDN. BHD.	Associate of holding company	Malaysia
Stellars Log Technovation Private Limited	Associate of holding company	India
Himmer Industrial Services (M) SDN. BHD.	Joint venture of holding company	Malaysia

(iii) Related party transactions

(Amount in INR Thousands)

Particulars		For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	Quess Corp Limited	2,910.07	23,818.75
Finance costs			
- Interest expense	Quess Corp Limited	13,382.88	8,334.57
Loans taken from related parties	Quess Corp Limited	86,424.04	39,816.97
Loans repaid to related parties	Quess Corp Limited	4,000.00	-
Advance received from customer	Quess Corp Limited	-	887.88
Rental Expenses	Quess Corp Limited	21.00	36.00

Greenpiece Landscapes India Pvt. Ltd. Bangalore

(iv) Balance receivable from and payable to related parties as at the balance sheet date:

(Amount in INR Thousands)

Particulars		As at 31 March 2023	As at 31 March 2022
Current borrowings	Quess Corp Limited	2,24,481.78	1,28,742.54
Trade receivables	Quess Corp Limited	1,341.75	-
Unbilled Revenue	Quess Corp Limited	2,500.76	26.46
Other financials liabilities			
- Interest payable	Quess Corp Limited	-	8,292.90
- Provision for expenses	Quess Corp Limited	-	360.00
Other current liabilities			
- Advance received from customers	Quess Corp Limited	-	887.88
- Rent Payable	Quess Corp Limited	144.00	123.00

Terms and conditions

All transactions with these related parties are priced at arm's length basis and resulting outstanding balances are to be settled in cash within six months to one year of reporting date. None of the balances are secured.

36 Leases

Operating Leases

The Company has taken on lease offices and residential premises under operating leases. The leases typically run for a period of one to ten years, with an option to renew the lease after that period. Lease payments are renegotiated at the time of renewal.

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Total rental expense relating to operating lease	252.00	582.64
- Non-cancellable	-	-
- Cancellable	252.00	582.64

37 Assets and liabilities relating to employee benefits

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Net defined benefit liability, gratuity plan	3,510.21	2,979.16
Total employee benefit liability	**3,510.21**	**2,979.16**
Current [refer note 22]	482.92	448.25
Non-current [refer note 18]	3,027.30	2,530.91
	3,510.21	**2,979.16**

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For details about employee benefit expenses, see note 27

The Company operates the following post-employment defined benefit plans
The Company has a defined benefit gratuity plan in India (Plan A), governed by the Payment of Gratuity Act, 1972. Plan A entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of 15 days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

The Company also provides certain post-employment medical cost benefits to employees of some of the Related party entities outside India (Plan B). Plan B reimburses certain medical costs for retired employees.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A Funding

The Company's gratuity scheme for core employees is administered through Holding Company. The funding requirements are based on the gratuity funds actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purpose for which assumptions are same as set out below. Employees do not contribute to the plan.

The Company has determined that, in accordance with the terms and conditions of gratuity plan, and in accordance with statutory requirements (including minimum funding requirements) of the plan, the present value of refund or reduction in future contributions is not lower than the balance of the total fair value of the plan assets less the total present value of obligations.

B Reconciliation of net defined benefit liability/ asset

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ asset and its components:

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	2,979.16	2,521.78
Current service cost	849.11	747.36
Interest cost	205.42	161.28
Past service cost		
Benefit settled	(202.61)	-
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	(194.09)	(326.98)
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	(126.78)	(124.29)
Obligation at the end of the year	**3,510.21**	**2,979.16**
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	-	138.92
Additions through business combination		
Interest income on plan assets	-	-
Remeasurement- actuarial gain/(loss)	-	(138.92)
Return on plan assets recognised in other comprehensive income	-	-
Contributions		
Benefits settled	-	-
Plan assets as at the end of the year	-	-
Net defined benefit liability	**3,510.21**	**2,979.16**

C i) Expense recognised in statement of profit or loss

(Amount in INR Thousands)

Particulars	ended 31 March 2023	For the year ended 31 March 2022
Current service cost	849.11	747.36
Interest cost	205.42	161.28
Past service cost	-	-
Interest income	-	-
Net gratuity cost	**1,054.53**	**908.64**

ii) Re-measurement recognised in other comprehensive income

(Amount in INR Thousands)

Particulars	ended 31 March 2023	For the year ended 31 March 2022
Remeasurement of the net defined benefit liability	(320.86)	(451.27)
Remeasurement of the net defined benefit asset	-	-
	(320.86)	**(451.27)**

D Plan assets

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Funds managed by insurer	-	-
	-	-

E Defined benefit obligation - Actuarial Assumptions

Particulars	ended 31 March 2023	For the year ended 31 March 2022
Discount rate	7.35%	6.90%
Future salary growth	6.00%	6.00%
Attrition rate	7.00%	7.00%
Rate of return on planned asset	0.00%	0.00%
Average duration of defined benefit obligation (in years)	8	9 -10

F Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

Associate employees

(Amount in INR Thousands)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	-7.30%	8.30%	-7.50%	8.60%
Future salary growth (1% movement)	8.30%	-7.40%	8.60%	-7.60%
Attrition rate (1% movement)	-0.30%	-0.60%	-0.70%	0.10%

Note: Core employees of Greenpiece Landscapes India Private Limited has been transferred to Quess Corp Limited during the previous financial year

38 Revenue from Contracts with customers

(i) Disaggregation of revenue

The Company provides Landscaping and Softscaping services across India to various customers

(ii) Trade Receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
Receivables, which are included in 'Trade and other receivables'	43,577.58	47,803.80
Contract assets	9,397.69	24,141.82

The unbilled revenue (contract assets) primarily relate to the company's rights to consideration for work completed but not billed at the reporting date The contract assets are transferred to receivables when the rights become unconditional

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2023

(Amount in INR Thousands)

Particulars	For the year ended 31 March 2023
Balance at the beginning of the reporting period	24,141.82
Add : Revenue recognized during the reporting period	95,353.72
Less : Loss allowance [refer note 32]	20,644.81
Less : Invoiced during the reporting period	89,453.05
Balance at the end of the reporting period	**9,397.69**

Greenpiece Landscapes India Pvt. Ltd. Bangalore

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for (i) contracts with an original expected duration of one year or less and (ii) contracts for which the Company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

39 Ratios

Ratios	Ratio 22-23	Ratio 21-22
Current ratio	0.31	0.40
Debt-equity ratio	(1.27)	(1.41)
Inventory	13.60	2.01
Trade receivables	0.46	0.83
Trade payables	7.00	11.12
Net profit ratio	(0.46)	(1.05)
Return on	0.25	0.46

40 Utilisation of borrowed funds and share premium

(i) Details of loans and advances given to intermidiary companies which is further lent/ invested directly or indirectly or given guarantee/ security in other beneficiary company in compliance with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999), Companies Act and the Prevention of Money-Laundering act, 2002

As on 31 March 2023:	As on 31 March 2022:
NIL	NIL

(ii) Details of loans and advances received by the Company which is further lent/ invested directly or indirectly or given guarantee/ security in other beneficiary company in compliance with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999), Companies Act and the Prevention of Money-Laundering act, 2002

As on 31 March 2023:	As on 31 March 2022:
NIL	NIL

41 In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these audited financials including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets, The impact of the global health pandemic may be different from that estimated as at the date of approval of these audited financials and the Company will continue to closely monitor any material charges to future economic conditions.

42 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. The Company has certain dues to such enterprises as at 31 March 2023 based on the information received and available with the Company. However, the Company has not received any claim for interest from any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

(Amount in INR Thousands)

Particulars	As at 31 March 2023	As at 31 March 2022
i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	3,937.90	894.03
ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	231.60	142.35
iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made.		
vii) Further interest remaining due and payable for earlier years.	198.86	56.51

43 The Ourbreak of Coronavirus(Covid-19) pandemic globallay and in India is causing significant distrubance and slowdown of economic activity. In many countries, business are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of virus, including travel bans, quarantines, social distancing and closure of Non-essential sevices have triggred significant distruption worldwide, resulting economic slowdown.
COVID-1p significantly impacting business operations of the Company, by way of interruption of supply chain distruption, unavilability of personnel etc.,
The Company has evaluated impact of COVID-19 on its business operations and based on its review there is no significant impact on its financial statments.

44 Previous year's figures have been regrouped/reclassified, wherever necessary to conform to those of current year classification.

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
for N S Shastri & Co.,
Chartered Accountants
Firm's Registration No.: 015093S

N S Shastri
Partner
Membership No.: 037676

Place: Bengaluru
Date: 03 May 2023

for and on behalf of the Board of Directors of
Greenpiece Landscapes India Private Limited

Kamal Pal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 03 May 2023

Vijay Sivaram
Director
DIN:07990452

Place: Bengaluru
Date: 03 May 2023

SRIRAMULU NAIDU & CO.
CHARTERED ACCOUNTANTS

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Independent Auditor's Report
To the Members of M/s. Quess International Services Private Limited
Report on the Audit of the Ind AS financial statements

Opinion

We have audited the Ind AS financial statements of **M/s. Quess International Services Private Limited** ('the Company'), which comprises the Balance sheet as at 31st March 2023, the Statement of Profit and loss (including other comprehensive income), the Statement of cash flows and statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies, Act 2013("the Act") in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act read with the companies (Indian Accounting Standards) Rules,2015,as amended ,("Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023 and its profit and cash flows for the year ended on that date.

Basis of Opinion

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

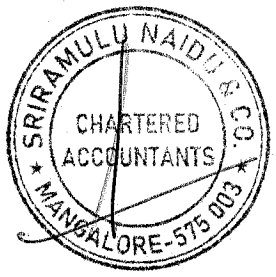
Information Other than the financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Director's report including Annexures to Director's report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



SRIRAMULU NAIDU & CO.
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Management's Responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the state of affairs (financial position),profit or loss (financial performance including other comprehensive income), change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the financial statements.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the companies Act,2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) Planning the scope of our audit work and in evaluating the results of our work; and
(ii) To evaluate the effect of any identified misstatements in the financial statements.

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

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

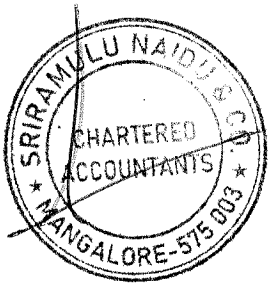
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the order.
2) As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



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c) The Balance sheet, the Statement of Profit and loss including other comprehensive income, Statement of change in Equity and Statement of cashflow dealt with by this report are in agreement with the books of accounts;

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 the written representations received from the directors as on 31 March 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 B".

g) Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

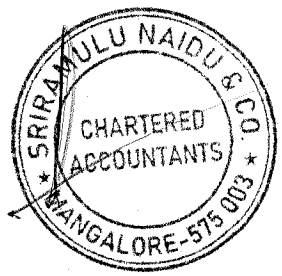
a. The financial statement discloses the impact of pending litigations as of 31st March 2023 on the financial position of the company Refer note no.30 to the financial statement.

b. The company did not have material foreseeable loss on long term contracts including derivatives contracts.

c. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Company.

d. (i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



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(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under(a)and (b) above, contain any material misstatement.

e. No divided declared or paid during the year by the Company. Hence compliance with section 123 of the Companies Act,2013 are not applicable

f. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

for **Sriramulu Naidu & Co.**
Chartered Accountants
Firm's registration number: 008975S

CA. Sriramulu Naidu
Partner
Membership number: 018244

Place: Mangalore
Date: 02.5.2023
UDIN:23018244BGUFZD2585

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Annexure - A to the Independent Auditor's Report

Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2023, we report that:

(i) (a) (A) According to the information and explanation given to us, The Company has maintained proper records showing full particulars, including quantitative details and situation of property, Plant, and Equipment.

(B) According to the information and explanation given to us, The Company does not have the intangible assets accordingly the provision of clause 3(i)(a)(B) is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified at the reasonable intervals. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

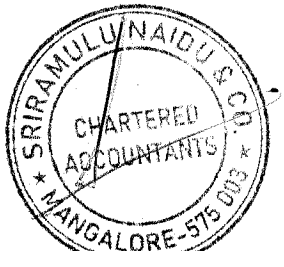
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have immovable properties. Hence the provisions of clause 3(i)(c) of the order is not applicable.

(d) According to the information and explanation given to us, The Company does not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Hence the provisions of clause 3(i)(d) of the order is not applicable.

(e)According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) According to the information and explanations are given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its inventory by which all Inventory are verified at reasonable intervals. In accordance with this programme, certain Inventory verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(b) According to the information and explanations given to during any point of time of the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.



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(iii) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, The Company has not made investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence the provisions of clause 3(iii)(a)(A) &(B),3(iii)(b),3(iii)(c),3(iii)(d),3(iii) (e) ,3(iii)(f) of the order are not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided security as specified under Section 186 of the Companies Act, 2013.

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

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the order are not applicable.

(vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in respect of income-tax, goods and service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute. Except the following.

Name of the Statute	Nature of Dues	Amount in (In Millions)	Period	Forum where the dispute is pending	Remarks. If any
The Income-tax Act,1961	Demand	11.74 (Approx)	AY 2018-19	Pending Before CIT-Appeals	In the computation of the tax liability by A.O deduction under section 80JJA of Income tax Act 1961 has not been considered and raised the demand for Rs.11.74 million (Approx) erroneously.
The Income-tax Act,1961	Tax Impact	2.45 (Approx)	AY 2014-15	Pending Before CIT-Appeals	Disallowance of PF & ESI and tax impact of Rs.2.45 million(approx.)

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(viii) According to information and explanation given to us, the Company has no transactions, not recorded in the book's accounts have been surrendered or disclosed as income during the year in the tax assessments under the Income tax act 1961.

(ix) (a) According to information and explanation given to us, the Company does not default in repayment of loans or other borrowings or in the repayment of interest thereon to any lender.

(b) According to information and explanation given to us, the Company did not declare willful defaulter by any bank or financial institution or other lender.

(c) According to information and explanation given to us, the Company did not have any term loans. Accordingly, the provisions of clause 3(ix) (c) of the order are not applicable.

(d) According to information and explanation given to us, the Company has no funds raised on short term basis have been utilised for long term purposes. Accordingly, the provisions of clause 3(ix) (d) of the order are not applicable.

(e) According to information and explanation given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix) (e) of the order are not applicable.

(f)According to information and explanation given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. The provisions of clause 3(ix) (f) of the order are not applicable.

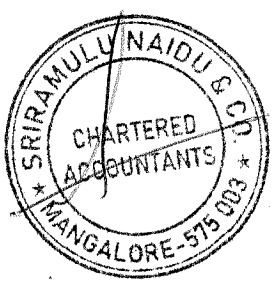
(x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(x)(a) of the order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3(x) (b) of the order is not applicable.

(xi) (a)According to the information and explanation given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the course of our audit. Accordingly, paragraph 3(xi) (a) of the order is not applicable.

(b) According to the information and explanation given to us, no offence involving fraud is being or has been committed against the company by the officers or employee. Accordingly, paragraph 3(xi) (b) of the order is not applicable.

(c) According to the information and explanation given to us, the company has no whistle-blowers. Accordingly, paragraph 3(xi) (c) of the order is not applicable.



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(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) (a),3(xii)(b) and 3(xii)(c) of the order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) In our opinion and based on our examination, the company does not require to commensurate the internal audit system with the size and nature of its business. Accordingly, paragraph 3(xiv)(a) and 3(xiv)(b) of the order is not applicable.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.

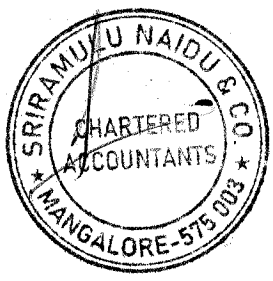
(xvi) i. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable

ii. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) According to the information and explanations given to us the Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, paragraph 3(xvii) of the order is not applicable

(xviii) According to the information and explanations given to us, no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year of the balance sheet date, will get discharged by the Company as and when they fall due.



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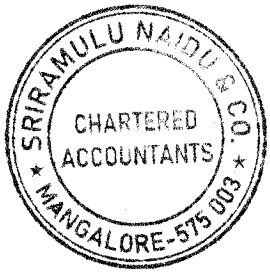
(xx) (a) According to the information and explanations given to us, the Company has other than ongoing projects, and the company has spent the amount required to be spent as per the provisions of Section 135 of the Act and no unspent amount is required to be transferred fund specified in schedule VII of the companies Act.

(b) According to the information and explanations given to us the Company did not have any ongoing project, accordingly, paragraph 3(xx) (b) of the order is not applicable.

(xxi) According to the information and explanations given to us, the company has not required to prepare the consolidated financials as per the Companies, Act 2013. Accordingly, paragraph 3(xxi) of the order is not applicable.

for **Sriramulu Naidu & Co.**
Chartered Accountants
Firm's registration number: 008975S



CA. Sriramulu Naidu
Partner
Membership number: 018244

Place: Mangalore
Date: 02.5.2023
UDIN: 23018244BGUFZD2585

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Annexure – B to the Auditors' Report

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 **M/s. Quess International Services Private Limited** ("the Company") as of 31st March 2023 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 issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on

Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

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purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

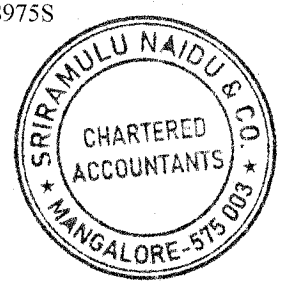
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **Sriramulu Naidu & Co.**
Chartered Accountants
Firm's registration number: 008975S



CA. Sriramulu Naidu
Partner
Membership number: 018244

Place: Mangalore
Date: 02.5.2023
UDIN: 23018244BGUFZD2585

Quess International Services Private Limited
3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore Bangalore KA 560103 IN
CIN:U93000KA2008PTC133410

(Amount in Rs Mn)

Balance Sheet	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	10.86	11.01
Right-of-Use Assets	3	5.75	0.25
Financial assets			
Other financial assets	4	3.80	4.73
Deferred tax assets (net)	5	24.33	18.98
Income tax assets (net)	5	5.59	73.34
Total non-current assets		**50.33**	**108.31**
Current assets			
Inventories	6	1.14	1.36
Financial assets			
(i) Trade receivables	7	401.19	437.47
(ii) Cash and cash equivalents	8	2.52	0.22
(iii) Loans	9	-	0.37
(iv) Other financial assets	10	0.15	0.29
Other current assets	11	16.95	15.03
Total current assets		**421.95**	**454.73**
Total Assets		**472.28**	**563.04**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	10.00	10.00
Other equity	14	317.78	301.73
Total equity		**327.78**	**311.73**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	15	3.44	-
Provisions	15.1	2.35	3.52
Total non-current liabilities		**5.79**	**3.52**
Current liabilities			
Financial liabilities			
(i) Borrowings	16	(68.64)	(13.02)
(ia) Lease Liabilities	15	2.15	0.30
(ii) Trade and payables	17	47.37	48.66
(iii) Other financial liabilities	18	97.10	148.46
Other current liabilities	19	30.31	39.42
Provisions	19.1	30.42	23.97
Total current liabilities		**138.71**	**247.79**
Total Liabilities		**144.50**	**251.31**
Total Equity and Liabilities		**472.28**	**563.04**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached
for **Sriramulu Naidu & Co.**
Chartered Accountants
Firm registration number: 008975S

for and on behalf of Board of Directors of
Quess International Services Private Limited

CA.Sriramulu Naidu
Partner
Membership No. : 018244
UDIN:23018244BGUF2D2585
Place: Mangalore
Date: 02-May-2023

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575 003

Madhu Damodaran
Director
DIN: 00424780

Vijay Sivaram
Director
DIN: 07990452

Quess International Services Private Limited
3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore Bangalore KA 560103 IN
CIN:U93000KA2008PTC133410

(Amount in Rs Mn)

Statement of Profit and loss	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	20	2,050.16	1,962.52
Other income	21	5.27	4.62
Total Income		**2,055.43**	**1,967.14**
Expenses			
Cost of materials, stores and spare parts consumed	22	85.02	39.71
Employee benefits expenses	23	1,698.51	1,687.52
Finance costs	24	6.17	7.89
Depreciation and amortization expenses	25	9.73	11.38
Other expenses	26	225.89	160.15
Total expenses		**2,025.32**	**1,906.65**
Profit before tax		**30.11**	**60.49**
Tax expense			
Current tax	5	12.21	-
Income tax for earlier years	5	1.15	3.50
Deferred tax	5	(3.83)	21.91
Total tax expenses		**9.53**	**25.40**
Profit for the year		**20.58**	**35.08**
Other comprehensive income/Loss			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset		6.05	1.13
Income tax relating to items that will not be reclassed to profit or loss		(1.52)	(0.29)
Other comprehensive (income)/ Loss for the year, net of tax		**4.53**	**0.85**
Total comprehensive income for the period		**16.05**	**34.24**
Earnings per equity share (face value of Rs 10 each)			
Basic	31	20.58	35.08
Diluted	31	20.58	35.08

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for **Sriramulu Naidu & Co.**
Chartered Accountants
Firm registration number: 008975S

CA.Sriramulu Naidu
Partner
Membership No. : 018244
UDIN:23018244BGUF2D2585
Place: Mangalore
Date: 02-May-2023

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575 003

for and on behalf of Board of Directors of
Quess International Services Private Limited

Madhu Damodaran
Director
DIN: 00424780

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Quess International Services Private Limited
3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore Bangalore KA 560103 IN
CIN:U93000KA2008PTC133410

(Amount in Rs Mn)

Statement of Cash Flows	For the year ended 31 March 2023	31 March 2022
Cash flow from operating activities		
Profit before tax	30.11	60.49
Adjustments for:		
Depreciation expense	9.73	11.38
Profit on sale of fixed assets, net	(0.08)	(0.03)
Bad debts written off	1.94	11.59
Impairment loss allowance on financial assets, net	17.65	(7.61)
Interest income	(5.08)	(4.58)
Finance costs	6.17	7.89
Operating cash flows before working capital changes	**60.44**	**79.12**
Working capital adjustments:		
Changes in:		
Inventories	0.22	1.81
Trade receivables and security deposits	16.69	(19.05)
Other current, non-current, unbilled revenue and financial assets	(0.48)	(2.82)
Trade payables and other financial liabilities	(56.47)	2.66
Other liabilities and provisions	(0.78)	(1.43)
Cash generated from operating activities	**19.62**	**60.28**
Income taxes paid, net of refund	54.39	2.34
Net cash (used in) / provided by operating activities (A)	**74.01**	**62.62**
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangibles	(15.08)	(8.98)
Proceeds from sale of fixed assets	0.08	0.04
Interest income on term deposits and others	5.08	4.58
Net cash / provided by investing activities (B)	**(9.92)**	**(4.35)**
Cash flows from financing activities		
Finance cost paid	(6.17)	(7.89)
Short-term borrowings, net of repayments	(55.62)	(50.80)
Net cash (used in) / provided by financing activities (C)	**(61.79)**	**(58.69)**
Net increase in cash and cash equivalents (A+B+C)	2.30	(0.42)
Cash and cash equivalents at the beginning of the year	0.22	0.64
Cash and cash equivalents at the end of the period (refer note 8)	**2.52**	**0.22**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached
for **Sriramulu Naidu & Co.**
Chartered Accountants
Firm registration number:008975S

CA.Sriramulu Naidu
Partner
Membership No. : 018244
UDIN:23018244BGUFZD2585
Place: Mangalore
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SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575 003

for and on behalf of Board of Directors of
Quess International Services Private Limited

Madhu Damodaran
Director
DIN: 00424780

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Director
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Quess International Services Private Limited
3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore Bangalore KA 560103 IN
CIN:U93000KA2008PTC133410
Statement of Changes in Equity for the year ended 31 March 2023

(A) Equity share capital

(Amount in Rs Mn)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Opening balance	12	10.00	10.00
Changes in equity share capital	12	-	-
Closing balance		**10.00**	**10.00**

(B) Other equity

(Amount in Rs Mn)

Particulars	Note	Reserves and surplus		Other items of other comprehensive Income	Total equity attributable to equity holders of the Company
		Retained earnings	Other Reserves	Remeasurement of the net defined benefit liability/asset	
Balance as of 31 March 2021		**263.73**	**3.25**	**0.51**	**267.49**
Add: Profit for the Period		35.08	-	-	35.08
Add: Fair value of financial guarantee received	14	-	-	-	-
Add: Other comprehensive income (net of tax)	14	-	-	(0.85)	(0.85)
Balance as of 31 March 2022		**298.82**	**3.25**	**(0.34)**	**301.73**
Balance as of 31 March 2022		**298.82**	**3.25**	**(0.34)**	**301.73**
Add: Profit for the Period		20.58	-	-	20.58
Add: Fair value of financial guarantee received	14	-	-	-	-
Add: Other comprehensive income (net of tax)	14	-	-	(4.53)	(4.53)
Balance as of 31 March 2023		**319.40**	**3.25**	**(4.87)**	**317.78**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached
for **Sriramulu Naidu & Co.**
Chartered Accountants
Firm registration number: 008975S

CA.Sriramulu Naidu
Partner
Membership No. : 018244
UDIN 23018244BGUFZD2585
Place: Mangalore
Date: 02-May-2023

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575 003

for and on behalf of Board of Directors of
Quess International Services Private Limited

Madhu Damodaran
Director
DIN: 00424780

Vijay Sivaram
Director
DIN: 07990452

Quess International Services Private Limited
Notes to the financial statements for the year ended 31 March 2023

1. Company overview
Quess International Services Private Limited ("the Company") is incorporated on 14 March 2008 under the provisions of Companies Act 1956. The Registered office of the company is located in Bengaluru and having CIN :U93000KA2008PTC133410 ,Registered address : 3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore Bangalore KA 560103 IN. The company is engaged in the business of providing Facility management services and other related services.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Ind AS financial statements. Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

2.1 Basis of preparation

Statement of compliance
These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 ('the Act') and the relevant rules thereunder. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Ind AS financial statements are presented in Indian Rupees ("INR") which is also the Company's functional currency and all amounts have been rounded off to the nearest lakhs, unless otherwise stated.

Basis of measurement
The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments);

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations ("DBO").

2.2 Use of estimates and judgement

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

i) Contingent liability: Contingent liabilities are not recognized in the financial statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognized in the financial statements of the period in which the change in probability occurs (except in the extremely rare circumstances where no reliable estimate can be made).

ii) Income taxes: Significant judgements are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Availability of future taxable profits against which deferred tax amount can be used.

iii) Measurement of defined benefit obligations: Key actuarial assumptions used for actuarial valuation.

iv) Impairment of financial assets: The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments.

v) Property, plant and equipment: Useful life of asset.

vi) Other estimates: The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

2.3 Measurement of fair values

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.4 Property, plant and equipment
Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any.

SRIRAMULU NAIDU & CO CHARTERED ACCOUNTANTS

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method ('SLM') over estimated useful life of the fixed assets estimated by the Management. The management believes that the useful lives as given below best represent the period over which management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for these assets is different from the useful lives as prescribed under part C of Schedule II of the Companies Act, 2013. Depreciation for assets purchased/ sold during the year is proportionately charged. The Company estimated the useful lives for fixed assets as follows:

Asset Category	Estimated useful life
Computer equipment	3 years
Vehicles	3 years
Plant and machinery	3 years
Furniture and fixtures	5 years
Office equipment	5 years

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/losses.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of the assets not put to use before such date are disclosed under 'Capital work-in-progress'

Impairment of property, plant and equipment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.5 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

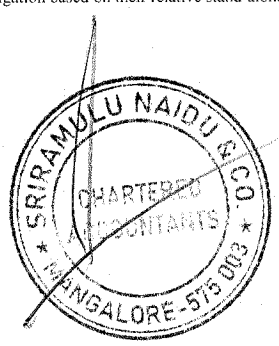
Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

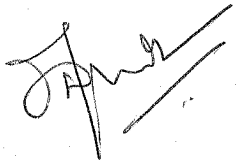
2.6 Revenue

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018 using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those services.

At contract inception, the Company assesses its promise to transfer services to customer to identify separate performance obligations. The Company applies judgment to determine whether each service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.





Revenue from time and material contracts are recognised as the services are performed and as per the terms of the arrangement with the customer where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

The Company may enter into arrangements with third party suppliers to provide services. In such cases, the Company evaluates whether it is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether it controls the service before it is transferred to the customer. If the Company control the service before it is transferred to the customer, it is the principal; if not, it is the agent.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Refer Note 36 for disclosure related to revenue from contracts with customers.

Policy in case of Unbilled revenue and unearned revenue
Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Policy in case of Contract modifications
Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Policy in case of variable consideration
The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

Policy in case of warranties
The Company accrues the estimated cost of warranties at the time when the revenue is recognized. The accruals are based on the Company's historical experience of service delivery costs.

Policy in case of cost of obtaining a contract
Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognized as an asset when the Company expects to recover these costs and amortized over the contract term.

Policy in case of cost of fulfilling a contract
The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of services to customer to which the asset relates.

Policy in case of significant financing component
The Company assesses the timing of the transfer of services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

Policy in case of Principal vs agent
The Company may enter into arrangements with third party suppliers to provide services. In such cases, the Company evaluates whether it is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether it controls the service before it is transferred to the customer. If the Company control the service before it is transferred to the customer, it is the principal; if not, it is the agent.

2.7 Other income
Other income mostly comprises interest income on deposits, dividend income and gain/ (losses) on disposal of financial assets and non-financial assets. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

2.8 Financial instruments

a) Recognition and initial measurement
Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

SRIRAMULU NAIDU & CO * CHARTERED * MANGALORE-575 003

Quess International Services Private Limited
Notes to the financial statements for the year ended 31 March 2023
b) Classification and subsequent measurement Financial assets
On initial recognition, a financial asset is classified and measured at:

- amortised cost;
- Fair Value through other comprehensive income (FVOCI) - debt investment;
- Fair Value through other comprehensive income (FVOCI) - equity investment; or
- Fair Value through profit and loss (FVTPL)

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

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI- equity investment). This election is made on an investment-to-investment basis. All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

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

c) Impairment of financial assets

The Company assess on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 28 details how the Company determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

d) Derecognition of financial assets

A financial asset is derecognised only when:
- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

a) Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost.
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

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Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financials gurantee contracts issued by the holding company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make the payment when due in accordance with the terms of a debt instrument. Fair value of cost of availing the financial gurantee is recognized initially as an asset giving corresponding affect to a component in other equity. The asset so recognized is amortised to the statement of profit and loss over the period of such gurantee availed.

Derecognition

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

2.9 Employee benefit

(a) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of remeasurements of the net defined liability or asset through other comprehensive income.

Remeasurement of the net defined liability or asset (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

The Company's gratuity scheme is administered through a trust with the State Bank of India and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

b) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

c) Short-term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g. short term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the amount of obligation can be estimated reliably.

d) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

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2.10 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

2.11 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in net profit in the statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted as on the balance sheet date.

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except for the cases mentioned below. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. Deferred tax is not recognised for :

- temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction.
- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profits may not be available. Therefore, in case of history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realized. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized.

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

2.12 Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre -tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contract

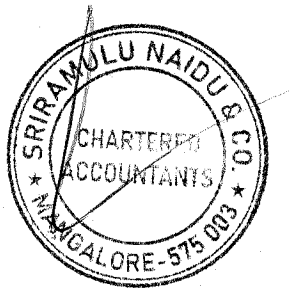
A contract is considered to be onerous when the expected economic benefit to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with the contract.

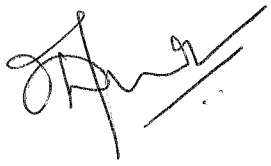
2.13 Contingent liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

2.14 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.





2.15 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.16 Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. The company does not have potential dilutive equity shares outstanding during the period.

2.17 Segment reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, the Company is engaged in the business of providing facility management services and is considered by CODM as the only reportable business segment taking into account the nature of the business, the organization structure, internal reporting structure and risk and rewards. All the assets of the Company are located in India. The Company caters to the needs of only the Indian market. Accordingly, there are no reportable secondary geographical segments.

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Quess International Services Private Limited
Notes to the financial statements for the year ended 31 March 2023

3. Property, plant and equipment

(Amount in Rs Mn)

Particulars	Computer equipment	Plant & Machinery	Office equipment	Furniture & fixtures	Vehicles	Total
Gross carrying amount as at 1 April 2021	4.83	67.75	1.74	0.87	2.44	**77.62**
Additions during the year	0.26	8.47	-	0.25	-	8.98
Disposals for the year *	-	1.61	-	-	-	1.61
Balance as at 31 March 2022	**5.09**	**74.62**	**1.74**	**1.11**	**2.44**	**85.00**
Additions during the year	0.72	6.44	-	-	-	7.16
Disposals for the year *	-	-	0.14	0.53	-	0.67
Balance as at 31 March 2023	**5.81**	**81.05**	**1.60**	**0.58**	**2.44**	**91.48**
Gross carrying amount as at 1 April 2021	4.53	57.92	1.48	0.81	2.44	**67.18**
Depreciation for the year	0.22	7.84	0.14	0.19	-	8.40
Accumulated depreciation on deletions	-	1.60	-	-	-	1.60
Balance as at 31 March 2022	**4.75**	**64.16**	**1.63**	**1.01**	**2.44**	**73.99**
Depreciation for the year	0.32	6.82	0.08	0.10	-	7.31
Accumulated depreciation on deletions	-	-	0.14	0.53	-	0.67
Balance as at 31 March 2023	**5.07**	**70.98**	**1.57**	**0.58**	**2.44**	**80.62**
Net carrying amount:						
As at 31 March 2023	**0.75**	**10.08**	**0.03**	**0.00**	**0.00**	**10.86**
As at 31 March 2022	**0.34**	**10.45**	**0.11**	**0.10**	**0.00**	**11.01**

There has been no impairment losses recognised during the year or previous year.

Right-of-Use Assets

(Amount in Rs Mn)

Particulars	ROU Building	Total
Gross carrying amount as at 1 April 2021	14.44	**14.44**
Additions during the year	-	**-**
Disposals for the year *	-	**-**
Balance as at 31 March 2022	14.44	**14.44**
Additions during the year	7.93	**7.93**
Disposals for the year *	-	**-**
Balance as at 31 March 2023	22.36	**22.36**
	-	**-**
Gross carrying amount as at	11.21	**11.21**
Depreciation for the year	2.98	**2.98**
Accumulated depreciation on deletions	-	**-**
Balance as at 31 March 2022	14.19	**14.19**
Depreciation for the year	2.42	**2.42**
Accumulated depreciation on deletions	-	**-**
Balance as at 31 March 2023	16.61	**16.61**
	-	
Net carrying amount:		
As at 31 March 2023	**5.75**	**5.75**
As at 31 March 2022	**0.25**	**0.25**

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4 Other financial assets

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	3.80	4.27
Bank deposits (due to mature after 12 months from the reporting date)	-	0.46
	3.80	**4.73**

5 Taxes

A Amount recognized in profit or loss

(Amount in Rs Mn)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current income tax:		
In respect of the current period	12.21	-
Tax relating to earlier years	1.15	3.50
Origination and reversal of temporary differences	(3.83)	21.91
Income tax expense reported in the Statement of profit and loss	**9.53**	**25.40**

B Income tax recognized in other comprehensive income

(Amount in Rs Mn)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Remeasurement of the net defined benefit liability/ asset		
Before tax	6.05	1.13
Tax expense/(benefit)	(1.52)	(0.29)
Net of tax	**4.53**	**0.85**

C Reconciliation of effective tax rate

(Amount in Rs Mn)

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
Profit before tax		30.11		60.49
Tax using the Company's domestic tax rate	25.17%	7.58	25.17%	15.22
Effect of:				
Difference in enacted tax rate	0.00%	-	0.00%	-
Non-deductible expenses	0.92%	0.28	0.00%	(0.15)
80JJA Tax incentives	0.00%	-	11.29%	6.83
Others	1.72%	0.52	0.00%	-
Effective tax rate	**27.82%**	**8.38**	**36.46%**	**21.91**
Add: Provisions relating to earlier years	**3.83%**	1.15	**5.78%**	3.50
Income tax expense reported in the Statement of profit and loss	**32%**	**9.53**	**42%**	**25.40**

D The following table provides the details of income tax assets and income tax liabilities as of 31 March 2023 and 31 March 2022

Non-current tax assets (net)

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax assets	5.59	94.10
Income tax liabilities	(0.00)	(20.76)
Net income tax asset at the end of the year	**5.59**	**73.34**

E Deferred tax assets, net

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset:		
Provision on employee benefits- Gratuity	8.25	6.92
Impairment loss allowance on financial assets	7.33	2.89
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax laws	8.73	9.16
Defered Tax - Leases 116	0.02	0.01
Net deferred tax assets	**24.33**	**18.98**

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VS

The movement of deferred tax aggregating to Rs. 5.35 Million for the year ended 31 March 2023 (PY 31 March 2022: Rs 21.62 Million) comprises of Rs. 3.82 Million (31 March 2022: Rs. 21.90 Million) charged to Statment of profit and loss and Rs. (1.52 Million) {31 March 2022: Rs (0.285 Million)} charged to other comprehensive income.

F Recognized deferred tax assets and

Movement of deferred tax assets / liabilities presented in the balance sheet

(Amount in Rs Mn)

For the year ended 31 March 2023	Opening balance	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax assets on:				
Provision for employee benefits	6.92	(0.19)	(1.52)	8.25
Impairment loss allowance on financial	2.88	4.44	-	7.32
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax laws	9.16	(0.43)	-	8.73
Leases IndAs 116	0.01	0.01	-	0.02
Others	0.00	-	-	-
Gross deferred tax assets	**18.97**	**3.83**	**(1.52)**	**24.33**
Net deferred tax assets	**18.97**	**3.83**	**(1.52)**	**24.33**

(Amount in Rs Mn)

For the year ended 31 March 2022	Opening balance	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax assets on:				
Provision for employee benefits	6.99	(0.36)	(0.29)	6.92
Impairment loss allowance on financial	4.80	(1.92)	-	2.88
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax laws	9.12	0.04	-	9.16
Leases IndAs 116	0.13	(0.12)	-	0.01
Others	19.55	(19.55)	-	0.00
Gross deferred tax assets	**40.59**	**(21.91)**	**(0.29)**	**18.97**
Net deferred tax assets	**40.59**	**(21.91)**	**(0.29)**	**18.97**

6 Inventories

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Valued at lower of cost and net realizable value		
Raw material and consumables	1.14	1.36
	1.14	**1.36**

7 Trade receivables

(i) Trade Receivables - Billed

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured		
Undisputed Trade Receivables		
Considered good*	273.70	259.08
Less: Allowance for expected credit loss (considered good)	(1.84)	(1.21)
Credit impaired	23.89	(0.84)
Less: Allowance for expected credit loss (considered doubtful)	(23.89)	0.84
	271.86	**257.87**
Disputed Trade Receivables		
Considered good*	-	-
Credit impaired	11.10	11.10
Less: Allowance for expected credit loss (considered doubtful)	(11.10)	(11.10)
Net trade receivables	**271.86**	**257.87**

All trade receivables are current.

(ii) Trade receivables - unbilled

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Unbilled revenue	132.73	179.60
Less: Provision for impairment of unbilled revenue	3.40	-
	129.33	**179.60**
Total trade receivables (Billed and unbilled)	**401.19**	**437.47**

Of the above, trade receivables from related parties are as below:

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables from related parties	0.06	0.93
Less: loss allowance	(0.00)	(0.00)
Net trade receivables	**0.06**	**0.93**

The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in note 28.

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8 Cash and cash equivalents

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents		
Balances with banks		
In current accounts	2.52	-
In deposit accounts (with orginal maturity of less than 3 months)	-	0.22
Cash and cash equivalents in the statement of cash flow	**2.52**	**0.22**

9 Loans

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Advances to employees	-	0.37
	-	**0.37**

10 Other financial assets

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposits	0.15	0.15
Interest accrued but not due	-	0.15
	0.15	**0.29**

11 Other current assets

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Advances other than capital advances		
Other advances	11.58	5.32
Prepaid expenses	5.37	9.71
	16.95	**15.03**

12 Equity share capital

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Authorized		
10,00,000 (31 March 2022: 10,00,000) equity shares of par value of Rs 10 each	10.00	10.00
	10.00	**10.00**
Issued, subscribed and paid-up		
10,00,000 (31 March 2022: 10,00,000) equity shares of par value of Rs 10 each, fully paid up	10.00	10.00
	10.00	**10.00**

13.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

(Amount in Rs Mn)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount in Rs	Number of shares	Amount in Rs
At the commencement of the year	10,00,000	10.00	10,00,000	10.00
Shares issued during the year	-	-	-	-
At the end of the year	**10,00,000**	**10.00**	**10,00,000**	**10.00**

13.2 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive residual assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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13.3 Shares held by holding company

(Amount in Rs Mn)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount in Rs	Number of shares	Amount in Rs
Equity shares				
Equity shares of par value Rs 10 each				
Quess Corp Limited	9,99,999	10.00	9,99,999	10.00
Ajit Isaac *(Nominee of Quess Corp Limited)*	1	10.00	1	10.00
	10,00,000	**20.00**	**10,00,000**	**20.00**

13.4 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% Held	Number of shares	% Held
Equity shares				
Equity shares of par value Rs 10 each				
Quess Corp Limited	9,99,999	100.00%	9,99,999	100.00%
	9,99,999	**100.00%**	**9,99,999**	**100.00%**

As per the records of the Company, including its register of members/shareholders, the above shareholding represents both legal and beneficial ownership of the shares.

13.5 Details of shareholding of promoters:

Promoter name	31 March 2023		31 March 2022		
	Number of shares	% held	Number of shares	% held	% change during the year
Quess Corp Limited	9,99,999	100%	9,99,999	100%	-
Ajit Isaac (Nominee of Quess Corp	1.00	0%	1	0%	-
	10,00,000	**1**	**10,00,000**	**100%**	**-**

14 Other Equity *

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Retained earnings	319.40	298.82
Other reserves	3.25	3.25
Other comprehensive income	(4.87)	(0.34)
	317.78	**301.73**

* For detailed movement of reserves refer statement of changes in equity.

14.1 Other comprehensive income

Remeasurement of the net defined benefit liability/(asset) comprises actuarial gain and losses and return on plan assets (excluding interest income).

15 Other financial liabilities

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liability (refer note 38 (ii))	3.44	0.00
	3.44	**0.00**

15.1 Non-current provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefit		
Provision for gratuity (refer note 35)	2.35	3.52

16 Borrowings

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Loans from bank repayable on demand		
Cash credit and overdraft facilities (refer note 16.1 & 16.2)	(68.64)	(13.02)
	(68.64)	**(13.02)**

Information about the Company's exposure to interest rate and liquidity risk is included in note 28.

16.1 The company has working capital limits of Rs. 340 Millions (31 March 2022 Rs 340 Millions) with HDFC Bank at interest rate of various facilities from 7.60% p.a. - 9.25% p.a. The HDFC Bank has paripassu charge on the current assets and unencumbered moveable fixed assets of the company along with Kotak Mahindra Bank. Further it is backed by corporate guarantee of holding company, Quess Corp Limited .

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17 Trade payables

i) Trade payables - billed dues

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Undisputed dues		
Trade payables to related parties (refer note 33 (iii))	(0.00)	0.00
Other trade payables	15.64	20.08
	15.64	**20.08**

All trade payables are current.

ii) Trade payables - unbilled dues

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Undisputed dues		
Total outstanding to related parties	-	0.00
Total outstanding dues of creditors other	31.73	28.58
	31.73	**28.58**
Total trade payable (billed and Unbilled)	**47.37**	**48.66**

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2023:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3	Total
Undisputed						
- Micro enterprises and small enterprises						
- Others	31.73	15.60	0.04	-	-	**47.37**
Disputed						
- Micro enterprises and small enterprises						
- Others						
Intercompany AP balance						
- Terrier Security Services (India) Private	-	0.00	-	-	-	**0.00**
- Quess Corp Ltd	-	(0.00)	-	-	-	**(0.00)**

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2022:

(Amount in Rs Mn)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3	Total
Undisputed						
- Micro enterprises and small enterprises						
- Others	28.58	16.41	-	-	-	**44.99**
Disputed						
- Micro enterprises and small enterprises						
- Others						
Intercompany AP balance						
- Terrier Security Services (India) Private		3.52				**3.52**
- Quess Corp Ltd		1.50				**1.50**
	-		-	-	-	**-**

18 Other current financial liabilities

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Amount payable to related parties	3.27	1.76
Capital creditors	-	1.95
Other payables		
Accrued salaries and benefits	93.83	144.75
	97.10	**148.46**

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 28.

19 Other current liabilities

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Balances payable to government authorities	30.31	39.42
	30.31	**39.42**

19.1 Provisions

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for gratuity (refer note 35)	30.42	23.97
	30.42	**23.97**

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20 Revenue from operations

(Amount in Rs Mn)

Particulars	For the year ende 31 March 2023	For the year ended 31 March 2022
Facility management services	2,050.16	1,962.52
	2,050.16	**1,962.52**

21 Other income

(Amount in Rs Mn)

Particulars	For the year ende 31 March 2023	For the year ended 31 March 2022
Interest income under the effective interest method on:		
Deposits with Banks	-	0.05
Interest income on present valuation of financial instruments	0.11	-
Interest on tax refunds due	5.08	4.54
Profit on sale of property, plant and equipment and intangible assets	0.08	0.03
	5.27	**4.62**

22 Cost of material and stores and spare parts consumed

(Amount in Rs Mn)

Particulars	For the year ende 31 March 2023	For the year ended 31 March 2022
Inventory at the beginning of the year	1.36	3.17
Add: purchases during the year	84.80	37.90
Less: Inventory at the end of the year	1.14	1.36
Cost of materials, stores and spare parts consumed	**85.02**	**39.71**

23 Employee benefits expenses

(Amount in Rs Mn)

Particulars	For the year ende 31 March 2023	For the year ended 31 March 2022
Salaries and wages	1,487.91	1,485.96
Contribution to provident and other funds	194.30	187.87
Expenses related to post-employment defined benefit plan	4.28	4.70
Staff welfare expenses	12.02	8.99
	1,698.51	**1,687.52**

24 Finance costs

(Amount in Rs Mn)

Particulars	For the year ende 31 March 2023	For the year ended 31 March 2022
Interest expense on financial liabilites measured at amortised cost	6.17	7.89
	6.17	**7.89**

25 Depreciation expenses

(Amount in Rs Mn)

Particulars	For the year ende 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment (refer note 3)	9.73	11.38
	9.73	**11.38**

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26 Other expenses

(Amount in Rs Mn)

Particulars	For the year ende 31 March 2023	For the year ended 31 March 2022
Sub-contractor charges	66.28	53.01
Recruitment and training expenses	0.04	0.54
Rent (refer note 34)	1.62	1.20
Power and fuel	0.54	0.61
- plant and machinery	2.03	2.68
- others	2.34	3.28
Legal and professional fees (refer note 26.1)	9.68	8.05
Rates and taxes	6.27	0.92
Printing and stationery	0.71	0.74
Stores and tools consumed	109.40	74.67
Travelling and conveyance	1.92	1.66
Communication expenses	1.62	1.99
Insurance	1.21	3.23
Bad debts written off	1.94	11.59
Bank charges	0.46	0.19
Impairment loss/ reversal allowance on financial assets, net [refer note 28(i)]	17.65	(7.61)
Business promotion and advertisement expenses	0.20	1.38
CSR Expenses	1.11	0.78
Miscellaneous expenses	0.87	1.26
	225.89	**160.15**

26.1 Payment to auditors (net of goods and services tax included in legal and professional fees)

(Amount in Rs Mn)

Particulars	For the year ende 31 March 2023	For the year ended 31 March 2022
Statutory audit	0.40	0.40
Limited review	0.12	0.12
Tax audit fee	0.05	0.05
	0.57	**0.57**

26.2 Details of CSR expenditure

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility ("CSR") activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds required to be spent and funds spent during the year with respect to the Group are explained below:

(Amount in Rs Mn)

Particulars	For the year ende 31 March 2023	For the year ended 31 March 2022
a) Gross amount required to be spent by the Company during the year	1.11	0.78
b) Amount spent during the year		
i) Construction or acquisition of any asset	-	-
ii) On purpose other than i) above	1.11	0.78
c) Shortfall at the end of the year	-	-
d) Total of previous years' shortfall	-	-
e) nature of CSR activities	Student Enrichment	Student Enrichment
g) Details of related party transactions,	1.11	0.78
h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-

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Trade receivable ageing schedule as on 31 March 2023:

(Amount in Rs Mn)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	129.33	151.41	110.17	12.06	-	-	-	402.97
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	3.40	-	-	12.06	3.34	2.20	6.29	27.29
		-	-	-	-	-	-	
Disputed trade receivables		-	-	-	-	-	-	
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	6.06	5.04	11.10
		-	-	-	-	-	-	
Intercompany AR balance		-	-	-	-	-	-	
- Quess Corp Ltd	-	0.06	-	-	-	-	-	0.06

Trade receivable ageing schedule as on 31 March 2022:

(Amount in Rs Mn)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	179.60	201.74	52.20	4.21	-	-	-	437.75
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	1.82	2.38	(1.52)	(3.52)	(0.84)
		-	-	-	-	-	-	
Disputed trade receivables		-	-	-	-	-	-	
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	6.06	5.04	11.10
		-	-	-	-	-	-	
Intercompany AR balance		-	-	-	-	-	-	
- Quess Corp Ltd	-	0.62	0.31	-	-	-	-	0.93
		-	-	-	-	-	-	

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27 Financial instruments - fair value and risk management

Accounting classification and fair values

The carrying value and fair value of financial instruments by categories as at 31 March 2023 and 31 March 2022 is as follows:

Fair value hierarchy

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

a) recognized and measured at fair value

b) measured at amortized cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

(Amount in Rs Mn)

Particulars	Carrying value	Fair Value		
	31 March 2023	Level 1	Level 2	Level 3
Financial assets measured at amortised cost				
Non current financials assets	3.80	-	-	-
Loans	-	-	-	-
Trade receivables	401.19	-	-	-
Cash and cash equivalents	2.52	-	-	-
Total financial assets	**413.26**	-	-	-
Financial liabilities measured at amortised cost				
Lease Liability	2.15		-	
Loans and borrowings	(68.64)	-	-	-
Trade payables	47.37	-	-	-
Other current financial liabilities	97.10	-	-	-
Total financial liabilities	**77.99**	-	-	-

	31 March 2022	Level 1	Level 2	Level 3
Financial assets measured at amortised cost				
Non current financials assets	4.73	-	-	-
Loans	0.37	-	-	-
Trade receivables	437.47	-	-	-
Cash and cash equivalents	0.22	-	-	-
Total financial assets	**442.78**	-	-	-
Financial liabilities measured at amortised cost				
Lease Liability	0.30		-	
Loans and borrowings	(13.02)	-	-	-
Trade payables	48.66	-	-	-
Other current financial liabilities	148.46	-	-	-
Total financial liabilities	**184.40**	-	-	-

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and debentures that have quoted price. The non-convertible debentures is classified under Level 1 being quoted debentures.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in unquoted preference shares included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

A Financial Assets:

Fair value of these assets are measured at balance sheet date value, as most of them are settled within a short period and so their fair value are assumed to be almost equal to the balance sheet date value.

B Financial Liabilities:

1 **Loans and borrowings:** It includes cash credit and overdraft facilities, working capital loan and bill discounting facilities. These short-term borrowings are classified and subsequently measured in the financial statements at amortized cost. Considering that the interest rate on the loan is reset on a monthly/quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.

2 **Trade payables and other liabilities:** Fair values of trade and other liabilities are measured at balance sheet value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the balance sheet values.

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28 Financial risk management

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

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

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by Internal Auditors Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However the management also considers the factors that may influence the credit risk of its customer base.The Company has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to three Months for customers. The Company does not have trade receivables for which no loss allowance is recognised because of collateral.

Expected credit loss assessment for corporate customers as at 31 March 2023 and as at 31 March 2022 are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivable from customers based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired) if the payments are more than 270 days past due. Loss rates are based on actual credit loss experience over the last six quarters. These rates have been adjusted to reflect the management's view of economic conditions over the expected lives of the receivables.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from customers:

As at 31 March 2023

(Amount in Rs Mn)

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	151.47	0.03%	0.04	No	151.43
Past due 1–90 days	99.55	0.80%	0.79	No	98.76
Past due 91–180 days	10.62	5.39%	0.57	No	10.04
Past due 181–270 days	14.54	12.81%	1.86	No	12.68
Past due 271–360 days	6.85	100.00%	6.85	Yes	-
More than 365 days	14.57	100.00%	14.57	Yes	-
	297.59		**24.68**		**272.91**

As at 31 March 2022

(Amount in Rs Mn)

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	202.36	0.03%	0.05	No	202.31
Past due 1–90 days	48.07	0.80%	0.38	No	47.69
Past due 91–180 days	4.44	5.39%	0.24	No	4.21
Past due 181–270 days	4.21	12.81%	0.54	No	3.67
Past due 271–360 days	10.26	100.00%	10.26	Yes	-
	269.34		**11.48**		**257.87**

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Movement in allowance for impairment in respect of trade receivables.
The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	11.48	19.09
Impairment loss recognized	17.65	(7.61)
Balance as at the end of the year	**29.13**	**11.48**

ii) Liquidity risk

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

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually, the excess of funds is invested in fixed deposits. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.

i) Financing arrangement

The Company maintains the following line of credit:

a. The company has working capital limits of Rs. 340 Millions (31 March 2022 Rs 340 Millions) with HDFC Bank at interest rate of various facilities from 7.60% p.a. - 9.25% p.a. The HDFC Bank has paripassu charge on the current assets and unencumbered moveable fixed assets of the company along with Kotak Mahindra Bank. Further it is backed by corporate guarantee of holding company, Quess Corp Limited .

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023 and 31 March 2022. The amounts are gross and undiscounted contractual cash flows and includes contractual interest payments and excludes netting arrangements:

As at 31 March 2023

(Amount in Rs Mn)

Particulars		Contractual cash flow			
	Carrying Amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	(68.64)	(68.64)	-	-	
Trade payables	47.37	47.37	-	-	
Other financial liabilities	97.10	97.10	-	-	

As at 31 March 2022

(Amount in Rs Mn)

Particulars		Contractual cash flow			
	Carrying Amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	(13.02)	(13.02)	-	-	
Trade payables	48.66	48.66	-	-	
Other financial liabilities	148.46	148.46	-	-	

iii) **Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments.Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The Company is not exposed to significant currency risk as the revenue and expenses are denominated only in INR.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowing comprises of cash credit facilities & working capital loan which carries fixed rate of interest and unsecured loan from holding company Quess Corp Limited , which do not expose it to interest rate risk.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed rate borrowings	(68.64)	(13.02)
Total borrowings	**(68.64)**	**(13.02)**

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29 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of non-current borrowing and current borrowing, less cash and cash equivalents. Adjusted equity comprises all components of equity other than amounts accumulated in the effective portion of cash flow hedges and cost of hedging.

The Company's policy is to keep the ratio below 2.00. The Company's adjusted net debt to equity ratio were as follows:

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Total External liabilities	(68.64)	(13.02)
Less: Cash and cash equivalent	2.52	0.22
Adjusted net debt (total borrowings net of cash and cash equivalent)	**(71.16)**	**(13.24)**
Total equity	327.78	311.73
Net debt (Total external liabilities) to equity ratio	**(0.22)**	**(0.04)**

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30 Contingent liabilities and commitment (to the extent not provided for)

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Bank guarantees issued against performance of contract	23.82	35.03
Income Tax erroneous demand for AY 18-19*	11.74	11.74
	35.56	**46.76**

* Assessment for AY 2018-19 was completed by Income Tax department and clean order has been passed, however in the computation of Tax liability deduction under 80JJAA has been not considered and raised demand for Rs. 11.74 Millions erroneously. The company has filed rectification request before A.O and filed Appeal before CIT(A).

31 Earnings per share

(Amount in Rs Mn)

Particulars	For the y 31 March 2023	31 March 2022
Nominal value of equity shares (Rs per share)	10	10
Net profit after tax for the purpose of earnings per share	20.58	35.08
Weighted average number of shares used in computing basic earnings per share	10,00,000	10,00,000
Basic earnings per share (Rs)	**20.58**	**35.08**
Weighted average number of shares used in computing diluted earnings per share	10,00,000	10,00,000
Diluted earnings per share (Rs)	**20.58**	**35.08**

32 Segment reporting

The Chief Executive Officer and Managing Director of the company has been identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by service offerings. Accordingly, the Company is engaged in the business of providing facility management services and is considered by CODM as the only reportable business segment taking into account the nature of the business, the organization structure, internal reporting structure and risk and rewards. All the assets of the Company are located in India. The Company caters to the needs of only the Indian market. Accordingly, there are no reportable secondary geographical segments.

33 Related party disclosures

(i) Name of related parties and description of relationship:

- Holding Company	Quess Corp Limited
- Fellow Subsidiaries	MFX Infotech Private Limited
	Aravon Services Private Limited[1]
	Brainhunter Systems Ltd.
	Mindwire Systems Limited
	Quess (Philippines) Corp.
	Quess Corp (USA) Inc.
	Quesscorp Holdings Pte. Ltd.
	Quess Corp Vietnam LLC
	Quessglobal (Malaysia) SDN. BHD.
	Quess Corp Lanka (Private) Limited
	Comtel Solutions Pte. Ltd.
	MFXchange Holdings, Inc.
	MFXchange US, Inc.
	MFX Chile SpA
	Dependo Logistics Solutions Private Limited
	CentreQ Business Services Private Limited[1]
	Excelus Learning Solutions Private Limited
	Conneqt Business Solution Limited
	Vedang Cellular Services Private Limited
	Master Staffing Solutions Private Limited[1]
	Comtelpro Pte. Limited.
	Comtelink Sdn. Bhd
	Monster.com (India) Private Limited
	Monster.com.SG PTE Limited
	Monster.com HK Limited
	Agensi Pekerjaan Monster Malaysia SDN. BHD.
	Quesscorp Management Consultancies
	Quesscorp Manpower Supply Services LLC
	Qdigi Services Limited
	Greenpiece Landscapes India Private Limited
	Simpliance Technologies Private Limited
	Allsec Technologies Limited
	Allsectech Inc., USA
	Allsectech Manila Inc., Philippiness
	Retreat Capital Management Inc., USA
	Trimax Smart Infraprojects Private Limited
	Quess Corp Services Limited
	Terrier Security Services (India) Private Limited
	Quess East Bengal FC Private Limited
	Heptagon Technologies Private Limited [2]

1. Merged w.e.f 1 April 2019 pursuant to approval from the Regional Direcor, South East Region, MCA.

2. Heptagon Technologies Private Limited became subsidiary of Quess Corp Ltd wef 1-Mar-2022

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- Associates of the holding company	Quess Recruit, Inc. Agency Pekerjaan Quess Recruit SDN. BHD. Stellars Log Technovation Private Limited
- Joint Venture of a fellow subsidiary	Himmer Industrial Services (M) Sdn. Bhd.
- Entity having common directors of holding company	Net Resource Investments Private Limited Isaac Enterprises Private limited Go Digit Infoworks Service Private Limited Go Digit General Insurance Limited
- Entities in which key managerial personnel of holding company has significant influence	Careworks foundation
- Entities having significant influence	Fairfax Financial Holdings Limited Fairfax (US) Inc. HWIC Asia Fund Fairbridge Capital (Mauritius) Limited (w.e.f 6 December 2019) Thomas Cook (India) Limited (upto 6 December 2019) Fairfax (US) Inc. National Collateral Management Services Limited

Key management personnel

Srinivasan Guruprasad	Director *(till 6-May-22)*
Rajesh Kharidehal	Director *(till 6-May-22)*
Madhu Damodaran	Additional Director *(wef 6-May-22)*
Vijay Sivaram	Additional Director *(wef 6-May-22)*

(ii) Related party transactions during the year

(Amount in Rs Mn)

Particulars		For the year ending 31 March 2023	31 March 2022
- Revenue from operations	Quess Corp Limited	1.15	18.03
- Other expenses	Terrier Security Services (India) Private Limited	33.43	18.92
	Quess Corp Limited	9.73	3.61
	Heptagon Technologies Private Limited	1.24	0.73
	Allsec Technologies Limited	0.02	

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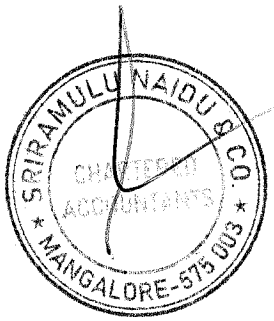

(iii) Balance receivable from and payable to related parties as at the balance sheet date:

(Amount in Rs Mn)

Particulars		As at 31 March 2023	As at 31 March 2022
- Trade payables	Terrier Security Services (India) Private Limited	0.47	3.52
	Quess Corp Limited	(0.04)	0.15
			-
- Other payables	Quess Corp Limited	3.27	1.76
			-
- Trade receivables (gross of loss allowance)	Quess Corp Limited	0.06	0.93
		-	-
- Provision for expenses	Terrier Security Services (India) Private Limited	4.73	5.70
	Heptagon Technologies Private Limited	0.20	0.73
	Quess Corp Limited	0.90	-

All transactions with these related parties are priced at arm's length basis and resulting outstanding balances are to be settled in cash within six months to one year of reporting date. None of the balances are secured.

Terms and conditions

All transactions with these related parties are priced at arm's length basis and resulting outstanding balances are to be settled in cash within six months to one year of reporting date. None of the balances are secured.

34 Leases

i) Operating Leases

The Company has taken operating leases for offices under cancellable lease agreements that are renewable on periodic basis at the option of both lessor and lessee. The total rent expense debited to the statement of profit and loss for the current year.

Non-cancellable operating lease rentals payable (minimum lease payments) under these leases are as follows:

(Amount in Rs Mn)

Particulars	For the year ended 31 March 2023	31 March 2022
Total rental expense relating to operating lease	1.62	1.20
Rent	4.24	6.24
Less: Leases - IndAs 116	(2.51)	(3.67)
Less: Rent Concession IndAs	(0.12)	(1.37)
Rent cost to Profit and Loss Statement	1.62	1.20

ii) Lease liability

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Current lease liability	2.15	0.30
Non-current lease liability	3.44	-
Total	**5.59**	**0.30**

The following is the movement in lease liabilities *(Amount in Rs Mn)*

Particulars	As at 31 March 2023	As at 31 March 2022
Operating lease recognised on adoption of Ind AS 116	0.30	3.76
116 (refer note 23.6) - Fin lease obligation		
Add: Additions	7.52	-
Add: Finance cost accrued during the period	0.58	0.21
Less: Payment of lease obligation	(2.81)	(3.67)
Carrying amount	**5.59**	**0.30**

SRIRAMULU NAIDU & CO. * MANGALORE-575 003 *

Amount recognised in PL

(Amount in Rs Mn)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense (included in finance cost)	8.10	0.21
Expenses relating to short-term lease (included in other expenses)	(2.81)	(3.67)
Rent Concession IndAs	(0.12)	(1.37)
assets that are not included above	-	2.98
	5.17	**(1.85)**

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2022 on an undiscounted basis:

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	2.15	0.30
	2.15	**0.30**

35 Assets and liabilities relating to employee benefits

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Net defined benefit liability, gratuity plan	2.35	3.52
Total employee benefit liability	**2.35**	**3.52**
Non-current	2.35	3.52

The Company does not have any assets relating to employee benefits. For details about the related employee benefit expenses, see note 23.

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act,1972. It entities an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A Funding

The Company's gratuity scheme for employees is administered through a trust with the Life Insurance Corporation of India. The funding requirements are based on the gratuity funds actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purpose for which assumptions are same as set out below. Employees do not contribute to the plan.

The Company has determined that, in accordance with the terms and conditions of gratuity plan, and in accordance with statutory requirements (including minimum funding requirements) of the plan, the present value of refund or reduction in future contributions is not lower than the balance of the total fair value of the plan assets less the total present value of obligations

B Reconciliation of net defined benefit liability/asset

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components:

(Amount in Rs Mn)

Particulars	For the year ended 31 March 2023	31 March 2022
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	30.22	37.72
Current service cost	3.62	4.29
Interest cost	0.78	0.78
Benefit settled	(4.68)	(13.15)
Actuarial (gains)/ losses recognised in other comprehensive income	-	-
- Changes in experience adjustments	6.45	0.76
- Changes in financial assumptions	(0.41)	(0.17)
Obligation at end of the year	**35.99**	**30.22**
Reconciliation of present value of plan assets		
Plan assets at beginning of the year, at fair value	2.73	9.93
Interest income on plan assets	0.13	0.37
Re-measurement- actuarial gain/(loss)	(0.01)	(0.55)
Return on plan assets recognised in other comprehensive income	-	-
Contributions	4.76	6.10
Benefits settled	(4.39)	(13.11)
Plan assets at end of year, at fair value	**3.23**	**2.73**
Net defined benefit liability	**32.77**	**27.49**

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C (i) Expense recognised in profit or loss

(Amount in Rs Mn)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Current service cost	3.62	4.29
Interest cost	0.78	0.78
Interest income	(0.13)	(0.37)
Net gratuity cost	**4.28**	**4.70**

(ii) Remeasurements recognised in other comprehensive income

(Amount in Rs Mn)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Actuarial (gains) /losses on defined benefit obligation	6.04	0.58
Return on plan assets excluding interest income	0.01	0.55
	6.05	**1.13**

D Defined benefit obligation - Actuarial Assumptions

(Amount in Rs Mn)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Discount rate	7.29%	4.65%
Future salary growth	1.00%	1.00%
Attrition rate	90.00%	90.00%

E Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined amounts shown below

(Amount in Rs Mn)

Particulars	As at			
	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	35.84	36.15	30.04	30.42
Future salary growth (1% movement)	36.03	35.96	30.27	30.18

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36 Revenue from Contracts with customers

(i) Disaggregation of revenue

The Company is providing facility managment services accross India to various customers.

(ii) Trade Receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
Receivables, which are included in 'Trade and other receivables'	271.86	257.87
Contract assets	129.33	179.60

The unbilled revenue (contract assets) primarily relate to the company's rights to consideration for work completed but not billed at the reporting date.The contract assets are transferred to receivables when the rights become unconditional.

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2023

(Amount in Rs Mn)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning	179.60	166.61
Add : Revenue recognized during the period	2,050.16	1,962.52
Less : Invoiced during the period	2,100.43	1,949.54
Balance at the end	**129.33**	**179.60**

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for (i) contracts with an original expected duration of one year or less and (ii) contracts for which the Company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

SRIRAMULU NAIDU & CO CHARTERED ACCOUNTANTS MANGALORE-575 003

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37 During the year under review there is no material impact on Company's operation due to COVID-19. The management is continuously and closely monitoring the developments and possible effects that may result from the pandemic on its financial condition, liquidity and operations. As the situation is still continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these standalone Ind AS financial statements.

38 **Dues to micro, small and medium enterprises**

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. However, the Company does not have any amounts payable to such enterprises as at 31 March 2023 based on the information received and available with the Company. Also the Company has not received any claim for interest from any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

(Amount in Rs Mn)

Particulars	As at 31 March 2023	As at 31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year;		
The amount of interest paid by the Group in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575 003

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Quess International Services Private Limited
3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore Bangalore KA 560103 IN
CIN:U93000KA2008PTC133410

Notes to the financial statements for the year ended 31 March 2023

39 Analytical Ratios

(Amount in Rs

Ratios	Reason note	Numerator	Denominator	Ratio 22-23	Ratio 21-22	%variance
Current ratio	1	Current Assets	Current Liabilities	3.04	2.03	50%
Debt-equity ratio	2	Total Debt	Shareholder's Equity	-0.19	-0.04	375%
Debt service coverage ratio	3	Earnings available for debt service (Net profit after taxes + Non-Operating expenses)	Debt Service (Interest and lease payments + Principal Repayments)	4.04	10.11	-60%
Return on equity ratio	4	Net profit after tax-Preference Dividend	Average Shareholder's equity	0.06	0.12	-50%
Inventory turnover ratio	5	Sold	Average Inventory	67.9	17.55	287%
Trade receivables turnover ratio		Net Credit Sales (Gross credit sales - sales return)	Average Accounts Rec	4.89	4.79	2%
Trade payables turnover ratio	6	Net Credit (Purchases Gross credit purchases - purchase returns + Other expenses)	Average Trade Payabl	1.79	4.64	-61%
Net capital turnover ratio		Net Sales (Total sales - sales return)	Working Capital (Current assets - Current liabilities)	7.24	8.5	-15%
Net profit ratio	7	Net Profit	Net Sales	0.01	0.02	-50%
Return on capital employed		Earnings Before Interest and tax	(Tangible Net Worth + Total Debts + Deferred Tax	4.04	4.21	-4%
Return on investment		Income generated from investments (mutual funds)	Time weighted average investments	0	0	0%

Reason for change more than 25%

1.As there is decrease in Trade Payables , reduction in Cash credit, Current FY as compared to Previous FY, the ratio has increased in Current FY. The ideal ratio is 2.
2 Due to decrease in cashflow, the ratio is less as compared to Previous FY.
3 Due to decrease in profits in Current FY as compared to PY
4 Due to decrease in profits in Current FY as compared to PY
5 During the Current FY, the material consumption was increased when compared Previos year.
6 Due to increase in purchases in Current FY year as compared to Previous FY
7 Due to the impairment loss on financial assets is more and less Deferred Tax /Tax expense as compared to Current FY, the Net Profit ratio is low in Current FY.

40 Previous year's figures have been regrouped/reclassified, wherever necessary to conform to those of current year classification.

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached
for **Sriramulu Naidu & Co.**
Chartered Accountants
Firm registration number: 008975S

CA.Sriramulu Naidu
Partner
Membership No. : 018244
UDIN:23018244BGUF2D2585
Place: Mangalore
Date: 02-May-2023

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575 003

for and on behalf of the Board of Directors of
Quess International Services Private Limited

Madhu Damodaran
Director
DIN: 00424780

Vijay Sivaram
Director
DIN: 07990452

MSKA & Associates
Chartered Accountants

1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Telangana State, Hyderabad 500072, INDIA
Tel: +91 40 6814 2999

INDEPENDENT AUDITOR'S REPORT

To the Members of Heptagon Technologies Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Heptagon Technologies Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023 and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31,2023 and loss , other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

We give in "**Annexure A**" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow 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.

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31,2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

(1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) The Management has represented, that,to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDVC5565

Place: Hyderabad
Date: May 3, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF HEPTAGON TECHNOLOGIES PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

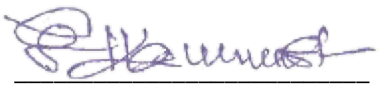
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDVC5565

Place: Hyderabad
Date: May 3, 2023

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HEPTAGON TECHNOLOGIES PRIVATE FOR THE YEAR ENDED MARCH 31, 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a)

A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment and right of use assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated paragraph 3(ii) (a) of the Order are not applicable to the Company.

(a) The Company has not been sanctioned any working capital limits during the year. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.

iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues relating to Sales Tax, Value Added Tax, Service Tax, Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise, cess or other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

x.

(a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi.

(a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the financial statement for the year ended March 31,2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii.

(a) The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv.

(a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act.

(b) The Company did not have an internal audit system for the period under audit. However, the entity has conducted IFC Audit by Kumar Jain & Associates for the financial year 22-23

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.

xvi.

(a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Group does not have any CIC as part of its group. Hence the provisions stated in paragraph 3 (xvi) (d) of the order are not applicable to the Company.

xvii.

Based on the overall review of financial statements, the Company has incurred cash losses in the current financial year and in the immediately preceding financial year. The details of the same are as follows:

(Amount in Lakhs)

Particulars	March 31, 2023 (Current year)	March 31, 2022 (Previous Year)
Cash Losses (PAT + depreciation + Impairment Loss Allowance on financial assets)	662.44	48.80

xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report. However, the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are not applicable to the Company. Hence, reporting under paragraph (xx)(a) to (b) of the Order is not applicable to the Company.

xxi.

According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under Clause 3(xxi) of the Order is not applicable

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDVC5565

Place: Hyderabad
Date: May 3, 2023

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HEPTAGON TECHNOLOGIES PRIVATE

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Heptagon Technologies Private Limited on the Financial Statements for the year ended March 31,2023]

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

Opinion

We have audited the internal financial controls with reference to financial statements of Heptagon Technologies Private Limited ("the company"**)** as of March 31,2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31,2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

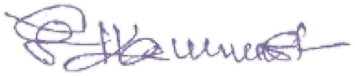
Meaning of Internal Financial Controls With reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDVC5565

Place: Hyderabad
Date: May 3, 2023

Heptagon Technologies Private Limited

(formerly known as Helpr Infotech India Private Limited)

Balance sheet as at 31 March 2023

(Amount in INR lakhs, Unless Otherwise Stated)

Particulars	Note	31 March 2023	31 March 2022
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	95.32	102.04
Right-of-use-assets	3	35.26	58.00
Intangible assets	4	175.92	145.32
Intangible assets under development	4	154.37	199.56
Financial assets			
(i) Other financial assets	5	12.48	9.53
Income tax assets (net)	6	152.79	243.11
Other non-current assets	7	1.78	9.46
Total non-current assets		**627.92**	**767.02**
Current assets			
Financial assets			
(i) Trade receivables	8	351.33	418.07
(ii) Cash and cash equivalents	9	288.42	771.03
(iii) Loans	10	19.47	7.74
(iv) Contract assets	8	632.44	263.71
Other current assets	11	24.78	17.57
Total current assets		**1,316.45**	**1,478.13**
Total Assets			
Total assets		**1,944.37**	**2,245.15**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	3.60	3.60
Other equity	13	(2,392.52)	(1,552.91)
Total equity attributable to equity holders of the Company		**(2,388.92)**	**(1,549.31)**
Total equity		**(2,388.92)**	**(1,549.31)**
Liabilities			
Non-Current liabilities			
Financial liabilities			
(i) Non-Current borrowings	14	1,529.74	-
(ii) Lease liabilities	15	20.82	47.02
(iii) Other Non-Current financial liabilities	16	1,465.08	-
Provisions	17	110.81	104.59
Total Non-Current liabilities		**3,126.45**	**151.61**
Current liabilities			
Financial liabilities			
(i) Short term borrowings	18	1.85	1,532.90
(ii) Lease liabilities	15	29.45	27.48
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	19	14.04	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		122.22	154.57
(iii) Other financial liabilities	20	210.23	1,565.25
Provisions	21	34.37	18.24
Other current liabilities	22	794.68	344.41
Total current liabilities		**1,206.84**	**3,642.85**
Total liabilities		**4,333.29**	**3,794.46**
Total equity and liabilities		**1,944.37**	**2,245.15**
Company overview and significant accounting policies	**1 & 2**		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

for **M S K A & Associates**
Chartered Accountants
ICAI Firm's Registration No.: 105047W

Ananthakrishnan G
Partner
Membership No: 205226

Place: Hyderabad
Date: 03 May 2023

for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609

Rajesh Sankarappan
Director
DIN: 06890226

Place: Coimbatore
Date: 03 May 2023

Vijay Sivaram
Director
DIN: 07990452

Place: Bengaluru
Date: 03 May 2023

Heptagon Technologies Private Limited
(formerly known as Helpr Infotech India Private Limited)

Statement of profit and loss for the year ended 31 March 2023

(Amount in INR lakhs, Unless Otherwise Stated)

Particulars	Note	31 March 2023	31 March 2022
Income			
Revenue from operations	23	3,175.76	2,765.70
Other income	24	35.54	19.68
Total income		**3,211.30**	**2,785.38**
Expenses			
Employee benefit expenses	25	2,792.86	1,705.18
Finance cost	26	158.09	188.07
Depreciation and amortisation expenses	27	143.54	109.36
Other expenses	28	988.02	953.37
Total expenses		**4,082.51**	**2,955.98**
Loss before tax		**(871.21)**	**(170.60)**
Tax expense	30	-	-
Total tax expenses		-	-
Loss for the year		**(871.21)**	**(170.60)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		31.61	(4.01)
Other comprehensive income / (loss) for the year		-	-
Total other comprehensive income / (loss), net of tax		**31.61**	**(4.01)**
Total comprehensive income / (loss) for the year		**(839.60)**	**(174.61)**
Company overview and Significant accounting policies	**1 & 2**		
Earnings per equity share (face value of Rs 10 each)			
Basic (₹ in INR)	38	(2,418.56)	(473.60)
Diluted (₹ in INR)		(2,418.56)	(473.60)
Weighted average equity shares used in computing earnings per equity share			
Basic (in No's)	38	36,022	36,022
Diluted (in No's)		36,022	36,022
Company overview and Significant accounting policies	**1 & 2**		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.

for **M S K A & Associates**
Chartered Accountants
ICAI Firm's Registration No.: 105047W

Ananthakrishnan G
Partner
Membership No: 205226

Place: Hyderabad
Date: 03 May 2023

for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609

Rajesh Sankarappan
Director
DIN: 06890226

Place: Coimbatore
Date: 03 May 2023

Vijay Sivaram
Director
DIN: 07990452

Place: Bengaluru
Date: 03 May 2023

Heptagon Technologies Private Limited
(formerly known as Helpr Infotech India Private Limited)
Statement of cash flows for the year ended 31 March 2023

(Amount in INR lakhs, Unless Otherwise Stated)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Cash flows from operating activities		
Profit / (Loss) after tax	(871.21)	(170.60)
Adjustments for:		
Depreciation and amortisation	143.54	109.36
Finance income on present valuation of financial instruments		
Loss on sale of property, plant and equipment, net	(2.55)	0.13
Deposits written off	-	0.09
Provision for bad and doubtful debts, net	65.23	12.46
Interest income on term deposits	(1.00)	(2.76)
Interest on tax refunds due	(15.98)	(5.14)
Rent from letting out properties	(16.01)	(11.78)
Finance costs	158.09	188.07
Operating cash flows before working capital changes	**(539.89)**	**119.83**
Changes in inventories, trade receivables and unbilled revenue	(367.23)	(416.10)
Changes in loans, other financial assets and other assets	(14.21)	(1.65)
Changes in trade payables and other financial liabilities	3.87	110.51
Changes in other liabilities and provisions	1,969.29	194.79
Cash generated from operations	**1,051.83**	**7.38**
Income taxes paid, net of refund	106.30	(82.40)
Net cash provided by/ (used in) operating activities (A)	**1,158.13**	**(75.02)**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles, net of sale proceeds	(96.94)	(179.07)
Bank deposits (having original maturity of more than three months)	-	2.00
Rent from letting out properties	16.01	11.78
Interest income on term deposits	1.00	2.76
Net cash used in investing activities (B)	**(79.93)**	**(162.52)**
Cash flows from financing activities		
Lease liability paid	(29.77)	(28.79)
Proceeds from issue of equity shares, net of issue expenses	(1,531.04)	1,000.01
Net cash provided by financing activities (C)	**(1,560.81)**	**971.22**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(482.61)	733.68
Cash and cash equivalents at the beginning of the year	771.03	37.35
Cash and cash equivalents at the end of the year (refer note 9)	**288.42**	**771.03**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached.
for **M S K A & Associates**
Chartered Accountants
ICAI Firm's Registration No.: 105047W

Ananthakrishnan G
Partner
Membership No: 205226

Place: Hyderabad
Date: 03 May 2023

for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609

Rajesh Sankarappan
Director
DIN: 06890226

Place: Coimbatore
Date: 03 May 2023

Vijay Sivaram
Director
DIN: 07990452

Place: Bengaluru
Date: 03 May 2023

Heptagon Technologies Private Limited
(formerly known as Helpr Infotech India Private Limited)

Statement of changes in equity for the year ended 31 March 2023

(Amount in INR lakhs, Unless Otherwise Stated)

Particulars	Share Capital	Other equity			Total Equity attributable to Equity holders of the Company
		Reserves and Surplus		Other Comprehensive Income	
		Securities Premium	Retained Earnings	Remeasurement of the net defined benefit liability/ (asset)	
Balance as at April 1, 2021	**2.78**	**975.72**	**(3,646.55)**	**(6.57)**	**(2,674.62)**
Add: Fair value adjustment of Intangible assets under construction		-	-	-	-
Add: Issue of equity shares (on conversion / fresh issue)	0.82	-			1
Add: Premium received on issue of equity shares (on conversion / fresh issue	-	1,299.09	-	-	1,299
Add: Loss for the year	-	-	(170.60)	-	(170.60)
Less: Amount utilized for issue of Equity Shares	-	-	-	-	-
Add: Other comprehensive income for the year	-	-	-	-	-
Remeasurement gain/ (loss) on defined benefit plan	-	-	-	(4.01)	(4.01)
Other comprehensive income / (loss) for the year	-	-	-	-	-
Balance as at March 31, 2022	**3.60**	**2,274.81**	**(3,817.15)**	**(10.57)**	**(1,549.31)**

Balance as at April 1, 2022	**3.60**	**2,274.81**	**(3,817.15)**	**(10.57)**	**(1,549.31)**
Add: Fair value adjustment of Intangible assets under construction		-	-	-	-
Add: Issue of equity shares (on conversion / fresh issue)	-				-
Add: Premium received on issue of equity shares (on conversion / fresh issue	-	-	-	-	-
Add: Loss for the year		-	(871.21)	-	(871.21)
Add: Other comprehensive income for the year		-	-	-	-
Remeasurement gain/ (loss) on defined benefit plan		-	-	31.61	31.61
Other comprehensive income / (loss) for the year	-	-	-	-	-
Balance as at March 31, 2023	**3.60**	**2,274.81**	**(4,688.36)**	**21.04**	**(2,388.91)**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached
for **M S K A & Associates**
Chartered Accountants
ICAI Firm's Registration No.: 105047W

Ananthakrishnan G
Partner
Membership No: 205226

Place: Hyderabad
Date: 03 May 2023

for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609

Rajesh Sankarappan
Director
DIN: 06890226

Place: Coimbatore
Date: 03 May 2023

Vijay Sivaram
Director
DIN: 07990452

Place: Bengaluru
Date: 03 May 2023

1. Company overview

Heptagon Technologies Private Limited (formerly known as Helpr Infotech India Pvt Ltd) ('Heptagon' or 'the Company') was incorporated on 23 July 2015 under the provisions of Companies Act, 2013, with its registered office in Coimbatore, India. The Company is engaged in the business of Information technology services & information technology products development.

The Company has changed its name from Helpr Infotech India Pvt Ltd to Heptagon Technologies Private Limited effective from 21st March 2017.

2. Basis of preparation

The company being a Subsidiary Company of M/s. Quess Corp Ltd., a company whose equity is listed in both Bombay Stock Exchange (BSE) & National Stock Exchange, (NSE). These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

The Company's standalone Ind AS financial statements are approved for issue by the Company's Board of Directors on 03rd May 2023.

The standalone Ind AS financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency.

2.1 Basis of measurement and significant accounting policies

The standalone financial statements have been prepared on historical cost basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments) and

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of Defined Benefit Obligations ("DBO").

2.2 Use of estimates and judgement

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements is included in the following note

i. ***Income taxes:*** Significant judgements are involved in determining provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

ii. ***Measurement of defined benefit obligations:*** The cost of the defined benefit obligations are based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. All assumptions are reviewed on a periodic basis.

iii. ***Impairment of financial assets:*** The Company assesses on a forward-looking basis the expected credit losses associated with financial assets carried at amortised cost based on 12-month expected credit losses (ECL) at each reporting period, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

iv. ***Property, plant and equipment and Intangible assets:*** The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired, generated, and reviewed periodically.

v. ***Other estimates:*** The impairment of non-financial assets involves key assumptions underlying recoverable amounts including the recoverability of expenditure on internally generated intangible assets.

2.3 Measurement of fair values

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

Fair values are categorized into different levels in a fair value hierarchy based on the degree to which the fair value measurements are observable and significance of the inputs to fair value measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments

2.4 Property, plant and equipment

i) Recognition and measurement

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

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

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

Heptagon Technologies Pvt Ltd

The cost and related accumulated depreciation are derecognized from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'

ii) Depreciation

Depreciation is provided on a Straight-Line Method ('SLM') over the estimated useful lives of the property, plant and equipment as estimated by the Management and is generally recognized in the statement of profit and loss. The management believes that the useful lives as given below best represent the period over which the management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for some of these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of). The Company has estimated the useful lives for property, plant and equipment as follows:

Asset category	Estimated useful life for 31 March 2023
Plant and machinery	3 years
Computer equipment	3 years
Furniture and Fixtures	5 years
Office equipment	5 years

Leasehold improvements are depreciated over the lease term or estimated useful life whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted if appropriate.

2.5 Goodwill and intangible assets

(i) Recognition and measurement

Internally generated: Research and development

Research costs are expensed as incurred. Costs associated with maintaining software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- The expenditure attributable to the software during its development can be reliably measured.

Heptagon Technologies Pvt Ltd

Directly attributable costs that are capitalized as part of the software includes employee costs and an appropriate portion of relevant overheads.
Capitalized development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Others

Other intangible assets such as computer software, copyright and trademarks are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brand, is recognized in the statement of profit and loss as and when incurred.

(iii) Amortisation

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The estimated useful lives of intangible assets are as follows:

Asset category	**Estimated useful life for 31 March 2023**
Software (owned)	5 years
Trademark	3 Years

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted if appropriate.

2.6 Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset/CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.7 Leases

Ind AS 116 replaced Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. The Company has adopted Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The Company's lease asset classes primarily consist of Land and Building. The group assesses whether a contract is a lease or not at the inception of each contract. A contract or a part of a contract is a lease if conveys the right to control the use of an asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimated of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use-asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate as the discount rate (As at 1 April 2019 - 9.5%).

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is change in future lease payments arising from a change in an index or rate, if there is change in the Company estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use-asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize right-of-use assets and liabilities for short-term leases of INR 100,000 that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Practical expedients adopted on initial recognition:

1. The agreements maturing within 12 months from the initial application of Ind AS 116, are not considered.
2. Single discount rate is applied to a portfolio of leases with reasonably similar characteristics on the date of initial application.
3. Value of initial direct costs (such as Stamp Duty, registration costs etc. already paid) excluded from the measurement of ROUA.

Refer note 15 for disclosure related to leases.

2.8 Revenue recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018 using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those services.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.

Revenue from fixed-price, fixed time frame contracts are recognized as per the terms of the arrangement with the customer where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. In fixed rate contracts, the performance obligation and control are being satisfied and transferred over time and revenue is being recognized by measuring progress towards completion of the performance obligation. Certain arrangements are on time and material basis and are recognized as the services are performed as per the terms of the arrangement with the customer.

Refer Note 40 for disclosure related to revenue from contracts with customers

a) Policy in case of Unbilled revenue and unearned revenue

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

b) Policy in case of Contract modifications

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

c) Policy in case of variable consideration

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

d) Policy in case of cost of obtaining a contract

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognized as an asset when the Company expects to recover these costs and amortized over the contract term.

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e) Policy in case of cost of fulfilling a contract

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of services to customer to which the asset relates.

2.9 Other income

Other income mostly comprises interest income on deposits, dividend income and gain/ (losses) on disposal of financial assets and non-financial assets. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established

2.10 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transaction. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit or loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in the statement profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

The assets and liabilities of foreign operations (subsidiaries and joint venture) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

2.11 Financial instruments

a) Recognition and initial measurement

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

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All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

b) Financial assets

(i) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at
- amortised cost;
- Fair Value through other comprehensive income (FVOCI) - debt investment;
- Fair Value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit and loss (FVTPL)

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

(i) A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:
   - the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
   - the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

(ii) A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
   - the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
   - the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

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

(iv) All financial assets not classified at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to statement of profit and loss.

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(i) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 33 details how the Company determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on financial assets trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL

ECL impairment loss allowance (or reversal) is recognized as an income/expense in the Statement of Profit and Loss during the period.

(ii) Derecognition of financial assets

A financial asset is derecognised only when:
- The Company has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

c) Financial liabilities

(i) Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit and loss. Other financial liabilities subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit and loss. Any gain or loss is also recognized in the statement of profit and loss.

(ii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because the specified party fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts are initially recognized at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative amortization.

(iii) Derecognition

A financial liability is derecognized when the Group's obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.12 Employee benefits

(a) Short-term benefit plans

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the amount of obligation can be estimated reliably.

(b) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit Method as at the reporting date.

(c) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

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(d) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the Statement of profit and loss does not include an expected return on plan assets. Instead net interest recognized in the Statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the Statement of profit and loss in subsequent periods.

(e) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

2.13 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax is not recognized for:

-temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction.

- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

-taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realised. Deferred tax assets, unrecognised or recognized, are reviewed at each reporting date and are recognized/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Minimum alternative tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Ind AS 12 defines deferred tax to include carry forward of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement is grouped with deferred tax assets (net) in the balance sheet.

2.14 Provisions

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the reporting date) at a pre -tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of discount is recognized as finance cost. Expected future operating losses are not provided for.

Onerous contract

A contract is considered to be onerous when the expected economic benefit to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with the contract.

2.15 Contingent liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.17 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.18 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

2.19 Segment reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. However since the Company is in the business of rendering Information technology services & Information technology products to clients which are covered under similar arrangements and is considered by CODM as the only reportable business segment.

Heptagon Technologies Private Limited
(formerly known as Helpr Infotech India Private Limited)
Notes to the financial statements for the year ended 31 March 2023

3 Property, Plant and Equipment

(Amount in INR lakhs, Unless Otherwise Stated)

Particulars	Furniture and fixtures	Office equipment	Plant and machinery	Computer equipment	Right to use asset- Building	Total
Gross block/Deemed Cost						
As at 1 April 2021	**17.53**	**12.62**	**0.26**	**61.70**	**121.93**	**214.04**
Additions during the year	-	1.93	-	82.00	-	83.93
Disposals for the year	-	-	-	2.86	2.45	5.31
As at 31 March 2022	**17.53**	**14.54**	**0.26**	**140.84**	**119.48**	**292.66**
Additions during the year	2.75	1.85	-	46.18	-	50.78
Disposals for the year	-	-	-	12.91	-	12.91
As at 31 March 2023	**20.28**	**16.39**	**0.26**	**174.11**	**119.48**	**330.53**
Accumulated Depreciation						
As at 1 April 2021	**5.62**	4.91	0.06	26.99	37.98	**75.56**
Depreciation for the year	3.50	2.62	0.02	27.46	23.50	57.11
Accumulated depreciation on deletions	-	-	-	0.05	-	0.05
As at 31 March 2022	**9.12**	**7.53**	**0.08**	**54.40**	**61.48**	**132.62**
Depreciation for the year	3.72	3.01	0.18	50.60	22.74	80.25
Accumulated depreciation on deletions	-	-	-	12.91	-	12.91
As at 31 March 2023	**12.84**	**10.54**	**0.26**	**92.09**	**84.22**	**199.96**
Net Block :						
As at 31 March 2023	**7.44**	**5.85**	**-**	**82.02**	**35.26**	**130.57**
As at 31 March 2022	**8.41**	**7.01**	**0.18**	**86.44**	**58.00**	**160.04**

The Company has not revalued its Property, plant and equipment (including Right of use assets) and intangible assets as at the balance sheet date.

The Company doesn't have title deeds which are held other than in the Company's name as at the balance sheet date.
The Company doesn't own any investment property as at the balance sheet date.

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4 Intangible Assets

(Amount in INR lakhs, Unless Otherwise Stated)

Particulars	Trademark	Software (IP Technology)	Intangible assets under development*	Total
Gross block				
As at 1 April 2021	**0.80**	**199.35**	**154.31**	**354.46**
Additions during the year	-	50.24	95.49	145.73
Disposals for the year	-	-	-	-
Capitalised during the year	-	-	50.24	50.24
As at 31 March 2022	**0.80**	**249.59**	**199.56**	**449.95**
Additions during the year	-	93.89	-	93.89
Disposals for the year	-	-	-	-
Capitalised during the year	-	-	45.19	45.19
As at 31 March 2023	**0.80**	**343.48**	**154.37**	**498.65**
Accumulated Depreciation				
As at 1 April 2021	**0.80**	**54.35**	-	55.15
Amortisation for the year	-	49.92	-	49.92
Accumulated amortisation on deletions	-	-	-	-
As at 31 March 2022	**0.80**	**104.27**	-	**105.07**
Amortisation for the year	-	63.29	-	63.29
Accumulated amortisation on deletions	-	-	-	-
As at 31 March 2023	**0.80**	**167.56**	-	**168.36**
Net Block				
As at 31 March 2023	-	**175.92**	**154.37**	**330.29**
As at 31 March 2022	-	**145.32**	**199.56**	**344.88**

* During the current year, the Company is in the process of developing People Chain and 1 book software's/products. The products are in the development phase and all the related cost incurred towards these product has been capitalised. Refer note 43.
The Company is also in the process of registering trademark for the software developed by them for which cost of INR 3.02 Lakh (31 March 2022:INR 3.01 Lakh) has been capitalised under "intangible asset under development".

Following is the ageing schedule as on 31 March 2023:

(Amount in INR lakhs)

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	Total
Projects in progress (refer note 43)	37.30	48.75	68.32	154.37
Projects temporarily suspended	-	-	-	-
	37.30	**48.75**	**68.32**	**154.37**

Following is the completion schedule for those intangible assets under development whose completion is overdue or/ and has exceeded its cost compared to the original plan:

(Amount in INR lakhs)

Particulars	To be completed in		
	Less than 1 year	1 - 2 years	More than 3 years
Project 1	154.37	-	-
Project 2	-	-	-

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5 Other Non-Current Financial Assets

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Unsecured, considered good		
Security deposits	12.48	9.53
	12.48	**9.53**

The Company has fair valued these security deposits under Ind AS.

6 Income tax assets (net)

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Advance income tax (Refer note 30)	152.79	243.11
	152.79	**243.11**

7 Other non-current assets

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
(Unsecured and considered good)		
Prepaid expenses	0.38	1.29
Capital advances	1.40	8.17
	1.78	**9.46**

8 Trade receivables

i) Trade receivables - billed

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Unsecured		
Undisputed Trade receivables		
Considered good (Refer note 33)	351.33	418.08
Credit impaired	77.69	12.46
Less: Allowance for expected credit loss (considered doubtful)	(77.69)	(12.46)
	351.33	**418.08**
Disputed Trade receivables		
Considered good	-	-
Credit impaired	-	-
Less: Allowance for expected credit loss (considered good)	-	-
Less: Allowance for expected credit loss (considered doubtful)	-	-
	-	-
Net trade receivables	**351.33**	**418.08**
# receivable from related parties (refer note 41(C))	155.21	224.29

All trade receivables are current. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

ii) Contract Assets - Trade Receivables Unbilled

Particulars	31 March 2023	31 March 2022
Unbilled revenue	632.44	263.71
	632.44	**263.71**
# receivable from related parties (refer note 41(C))	489.90	89.96

Trade receivable ageing schedule as on 31 March 2023:

(Amount in INR lakhs)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	632.44	84.27	235.55	31.52	-	-	-	351.33
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	2.20	9.57	53.65	1.19	11.07	-	77.69
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

Trade receivable ageing schedule as on 31 March 2022:

(Amount in INR lakhs)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	263.71	279.53	126.91	11.63	-	-	-	418.07
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	0.33	12.13	-	-	12.46
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

9 Cash and cash equivalents

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Cash and cash equivalents		
Cash in hand	0.03	0.79
Balances with banks		
In current accounts	288.39	770.24
Cash and cash equivalents in balance sheet	**288.42**	**771.03**
Bank overdraft used for cash management purpose	-	-
Cash and cash equivalent in the statement of cash flow	**288.42**	**771.03**

10 Current loans

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Other loans and advances		
Loans to employees*	19.47	7.74
	19.47	**7.74**

*There is no loss allowance required to be created for loans to employees as these are in the nature of advance given to employees for operating purpose.

11 Other current assets

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Advances to suppliers	6.71	7.92
Prepaid expenses	10.25	6.57
Balances with government authorities	7.82	3.08
	24.78	**17.57**

12 Equity share capital

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Authorised		
1,00,000 (31 March 2022: 1,00,000) equity shares of par value of Rs 10 each	10.00	10.00
	10.00	**10.00**
Issued, subscribed and paid-up		
36,022 (31 March 2022: 36,022) equity shares of par value of Rs 10 each, fully paid up	3.60	3.60
	3.60	**3.60**

Details of shareholding of promoters:

Promoter name	31 March 2023			31 March 2022		
	Number of shares	% held	% change during the year	Number of shares	% held	% change during the year
Quess Corp Limited	21,855	60.67%	0.00%	21,855	60.67%	0%
Rengasamy Vignesh	4,722	13.11%	0.00%	4,722	13.11%	0%
Veeraraghavan Vijayramkumar	4,722	13.11%	0.00%	4,722	13.11%	0%
Sankarappan Rajesh	4,722	13.11%	0.00%	4,722	13.11%	0%
	36,022	**100%**		**36,022**	**100%**	

12.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount in Rs (lakhs)	Number of shares	Amount in Rs (lakhs)
Equity shares				
At the commencement of the year	36,022	3.60	27,778	2.78
Shares issued on exercise of employee stock options	-	-	-	-
Shares issued during the year	-	-	8,244	0.82
At the end of the year	**36,022**	**3.60**	**36,022**	**3.60**

12.2 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount in Rs (lakhs)	Number of shares	Amount in Rs (lakhs)
Equity shares				
Equity shares of par value Rs 10 each				
Quess Corp Limited	21,855	2.19	21,855	2.19
Rengasamy Vignesh	4,722	0.47	4,722	0.47
Veeraraghavan Vijayramkumar	4,722	0.47	4,722	0.47
Sankarappan Rajesh	4,722	0.47	4,722	0.47
	36,022	**3.60**	**36,022**	**3.60**

12.3 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each equity holder is entitled to one vote per share. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of preferential amounts if any, in proportion to the number of equity shares held.

13 Other equity*

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Securities premium account (refer note 13.1)	2,274.81	2,274.81
Other comprehensive income (refer note 13.2)	21.04	(10.57)
Retained earnings	(4,688.36)	(3,817.15)
	(2,392.52)	**(1,552.91)**

13.1 Securities premium account

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

13.2 Other comprehensive income

Remeasurement of defined benefit liability (asset) comprises actuarial gain and losses.

13.3 The Company has not made any buy back of shares or issued any shares for consideration other than cash, during the period of five years immediately preceding the balance sheet date.

* For detailed movement of reserves refer Statement of Changes in Equity.

14 Non-current borrowings

(Amount in INR)

Particulars	31 March 2023	31 March 2022
From Quess Corp Ltd. (refer note 14.1)	1,529.74	-
Total borrowing	**1,529.74**	-

14.1 The Company has availed a loan of INR 15.29 crore from Quess Corp Ltd. at the rate of 10% p.a which is repayable after ten years.

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15 Lease liability

(Amount in INR lakhs)

a) Particulars	As at 31 March 2023	As at 31 March 2022
Current lease liability	29.45	27.48
Non-current lease liability	20.82	47.02
Total	**50.27**	**74.50**

b) The following is the movement in lease liabilities

(Amount in INR lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Operating lease recognised on adoption of Ind AS 116	74.50	97.59
Reclassification on adoption of Ind AS 116 - Fin lease obligation	-	-
Add: Additions	-	-
Less: Deletion	-	(2.45)
Add: Finance cost accrued during the period	5.55	8.14
Less: Payment of lease obligation	(29.77)	(28.79)
Carrying amount as at 31 March 2023	**50.27**	**74.50**

c) Amount recognised in PL

(Amount in INR lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense (included in finance cost)	5.55	8.14
Expenses relating to short-term lease (included in other expenses)	2.56	0.91
	8.11	**9.05**

d) The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2023 on an undiscounted basis:

(Amount in INR lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	29.45	27.48
One to five years	20.82	47.02
	50.27	**74.50**

Rental expense recorded for short-term leases was INR 2.56 lakhs for the year ended 31 March 2023 and INR 0.91 lakhs for the year ended 31 March 2022.

16 Other non-current financial liabilities

(Amount in INR)

Particulars	31 March 2023	31 March 2022
Interest accrued but not due	1,465.08	-
	1,465.08	**-**

17 Provisions - Non Current

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Provision for employee benefits		
Provision for gratuity (refer note 36)	103.41	95.69
Provision for compensated absences(refer note 36)	7.40	8.90
	110.81	**104.59**

18 Short Term Borrowings

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Loan from related parties, unsecured		
From Quess Corp Ltd. (refer note 14.1)	-	1,529.74
Loan from Directors	1.85	3.16
	1.85	**1,532.90**

Information about the Company's exposure to interest rate and liquidity risk is included in note 33

19 Trade payables

i) Trade payables - billed dues

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Undiputed dues		
Total outstanding dues of micro enterprises and small enterprises (refer note 37)	14.04	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	79.53	100.36
Disputed dues		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	-	-
	93.57	**100.36**
# payable to related party (refer note 41(C))	56.31	14.73

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 33.

ii) Trade payables - unbilled dues

Particulars	31 March 2023	31 March 2022
Undiputed dues		
Total outstanding dues of creditors other than micro enterprises and small enterprises	42.69	54.24
Disputed dues		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	-	-
	42.69	**54.24**

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2023:

(Amount in INR lakhs)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	14.04	-	-	-	**14.04**
- Others	42.69	78.36	1.17	-	-	**79.53**
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-

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Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2022:

(Amount in INR lakhs)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	54.24	100.36	-	-	-	**100.36**
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-

20 Other current financial liabilities

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Interest accrued but not due	-	1,313.29
Other payables		
Accrued salaries and benefits	210.23	251.96
	210.23	**1,565.25**
# payable to related party (refer note 41(C))	16.90	1,359.77

The Company's exposure to currency and liquidity risk related to other current financial liabilities is disclosed in note 33.

21 Provisions - Current

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Provision for employee benefits		
Provision for gratuity (refer note 36)	29.03	14.17
Provision for compensated absences (refer note 36)	5.33	4.07
	34.37	**18.24**

22 Other current liabilities

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Income received in advance	18.13	22.35
Advance received from customers#	613.84	286.02
Balances payable to government authorities	162.71	36.04
	794.68	**344.41**
# Advance from related party (refer note 41(C))	555.33	272.32

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23 Revenue from operations

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Sale of services (refer note 40)	3,175.76	2,765.70
	3,175.76	**2,765.70**

24 Other income

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Interest income on deposits with banks	1.00	2.76
Interest on tax refunds due	15.98	5.14
Profit on sale of property, plant and equipment and intangible assets	2.55	-
Rent from letting out properties	16.01	11.78
	35.54	**19.68**

25 Employee benefits expense

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Salaries and wages	2,653.53	1,622.73
Contribution to provident and other funds	71.01	47.84
Expenses related to post-employment defined benefit plan (refer note 36)	57.65	37.51
Expenses related to compensated absences	(0.24)	(6.44)
Staff welfare expenses	10.91	3.54
	2,792.86	**1,705.18**

26 Finance costs

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Interest expense on financial liabilities at amortised cost	158.09	188.07
(includes interest on lease liability - ₹ 5.55 (Mar 22 - ₹ 8.14))	**158.09**	**188.07**

27 Depreciation and amortisation expense

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Depreciation of property, plant and equipment (refer note 3)	80.25	59.44
Amortisation of intangible assets (refer note 4)	63.29	49.92
	143.54	**109.36**

28 Other expenses

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Recruitment and training expenses	11.17	6.54
Rent (refer note 15 (c))	2.56	0.91
Power and Fuel	6.62	1.85
Repairs & maintenance		
- Buildings	1.31	3.17
- Plant and machinery	5.55	1.63
- computer equipment's, consumables and others	6.68	3.14
Sub-contractor charges	365.85	649.00
Legal and professional fees	229.55	96.88
Auditors remuneration (refer note 29)	4.25	2.23
Rates and taxes	15.91	8.62
Printing and stationery	6.02	3.67
Travelling and conveyance	65.39	7.38
Communication expenses	46.40	48.91
Impairment loss allowance on financial assets, net [refer note 33(i)]	65.23	12.46
Deposits/advances written-off	-	0.09
Equipment hire charges	1.12	0.32
Technological support services	140.50	72.81
Bank charges	1.63	1.55
Bad debts written off	-	-
Business promotion and advertisement expenses	12.53	24.33
Loss on sale of fixed assets, net	-	0.13
Foreign exchange loss, net	(0.25)	7.76
	988.02	**953.38**

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29 Payment to auditors

(Amount in INR lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Statutory audit fees	3.25	1.50
Tax audit fees	1.00	0.40
Other services	-	0.30
Reimbursement of expenses	-	0.03
	4.25	2.23

Details of CSR expenditure

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility ("CSR") activities. Since the Company has not covered under the provisions of Section 135 of the Companies Act, 2013, the disclosure on CSR Expenditure is not applicable to the company.

30 Taxes

The major components of income tax expense for the year ended 31 March 2023 and 31 March 2022 are as follows:

(Amount in INR lakhs)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Statement of profit and loss account		
Current income tax	-	-
Deferred tax	-	-
Income tax expense reported in the statement of profit and loss	-	-
Other comprehensive Income		
Deferred tax related to items recognised in OCI during the year	-	-
Income tax expense has been allocated as follows:		
- Deferred tax arising on income and expense recognised in other comprehensive income	-	-
Total	-	-

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

(Amount in INR lakhs)

	For the year ended	
	31 March 2023	31 March 2022
Profit / (Loss) before tax	-	-
Enacted income tax rate in India	26.00%	26.00%
Effect of:		
Deferred tax credit	-	-
Total income tax expense	-	-

The tax rates under Indian Income Tax Act, for the year ended 31 March 2023 and 31 March 2022 is 26% and 26% respectively.
No tax recognition in the previous year since taxable loss incurred in the previous year.

Deferred tax

The company has not recognised deferred tax asset as at 31 March 2023 and 31 March 2022 due to absence of reasonable certainty of set off of unabsorbed losses against taxable profits in the foreseeable future.

The following table provides the details of income tax assets and income tax liabilities as of 31 March 2023 and 31 March 2022:

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Income tax assets	152.79	243.11
Income tax liabilities	-	-
Net income tax assets at the end of the year	**152.79**	**243.11**

31 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in INR

Particulars	Note	31 March 2023		
		FVTPL	FVTOCI	Amortised Cost
Financial assets:				
Loans	10	-	-	19.47
Trade receivables	8	-	-	351.33
Cash and cash equivalents including other bank balances	9	-	-	288.42
Contract assets	8	-	-	632.44
Total financial assets		-	-	**1,291.67**
Financial liabilities:				
Borrowings	18	-	-	1.85
Trade payables	19	-	-	136.26
Other financial liabilities	20	-	-	210.23
Lease liabilities	15	-	-	29.45
Total financial liabilities		-	-	**377.79**

*Current maturities of finance lease obligation forms part of other financial liabilities

(Amount in INR

Particulars	Note	31 March 2022		
		FVTPL	FVTOCI	Amortised Cost
Financial assets:				
Loans	10	-	-	7.74
Trade receivables	8	-	-	418.07
Cash and cash equivalents including other bank balances	9	-	-	771.03
Contract assets	8	-	-	263.71
Total financial assets		-	-	**1,460.54**
Financial liabilities:				
Borrowings	18	-	-	1,532.90
Trade payables	19	-	-	154.57
Other financial liabilities	20	-	-	1,565.25
Lease liabilities	15	-	-	27.48
Total financial liabilities		-	-	**3,280.19**

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Accounting classification and fair value

The carrying value and fair value of financial instruments by categories as at 31 March 2023 and 31 March 2022 are as follows:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

As at 31 March 2023 *(Amount in INR lakhs)*

Particulars	Carrying value	Fair value		
Financial assets	**31 March 2023**	**Level 1**	**Level 2**	**Level 3**
Amortised cost				
Trade receivables	351.33	-	-	-
Unbilled revenue	632.44			
Cash and cash equivalents	288.42	-	-	-
Other financial assets	19.47	-	-	-
Total financial assets	**1,291.67**	-	-	-
Financial liabilities				
Amortised cost				
Borrowings	1.85	-	-	-
Trade payables	136.26	-	-	-
Lease liabilities	29.45			
Other financial liabilities	210.23	-	-	-
Total financial liabilities	**377.79**	-	-	-

As at 31 March 2022 *(Amount in INR lakhs)*

Particulars	Carrying value	Fair value		
Financial assets	**31 March 2022**	**Level 1**	**Level 2**	**Level 3**
Amortised cost				
Trade receivables	418.07	-	-	-
Unbilled revenue	263.71			
Cash and cash equivalents	771.03	-	-	-
Other financial assets	7.74	-	-	-
Total financial assets	**1,460.54**	-	-	-
Financial liabilities				
Amortised cost				
Borrowings	1,532.90	-	-	-
Trade payables	154.57	-	-	-
Lease liabilities	27.48			
Other financial liabilities	1,565.25	-	-	-
Total financial liabilities	**3,280.19**	-	-	-

The management assessed that fair value of cash and short-term deposits, trade receivables, other current assets, borrowings, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

32 Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in unquoted preference shares included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current \transaction between willing parties, other than in a forced or liquidation sale.

The management assessed that fair value of financials assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Hence there are no financials assets or liabilities revalued at fair value except below items.

33 Financial risk management

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

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

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loan represents security deposits given to suppliers, employees and others. The credit risk associated with such deposits is relatively low.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by its customers. However, the management also considers the factors that may influence the credit risk of its customer base. The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.
The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to three months for customers. The Company does not have trade receivables for which no loss allowance is recognised because of collateral.

Expected credit loss assessment for corporate customers as at 31 March 2023 and 31 March 2022 are as follows:

Based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired) if the payments are due for more than specific number of days. Loss rates are based on actual credit loss experience over the last six quarters.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from customers:

Expected credit loss for trade receivable:

As at 31 March 2023

(Amount in INR lakhs)

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	86.47	2.75%	2.20	No	84.27
Past due 1–90 days	231.31	2.93%	6.77	No	224.54
Past due 91–180 days	13.80	20.25%	2.80	No	11.01
Past due 181–270 days	12.57	41.75%	5.25	No	7.32
Past due 271–360 days	72.60	66.67%	48.40	No	24.20
Above 360 days	12.27	100.00%	12.27	No	-
	429.02		**77.69**		**351.33**

As at 31 March 2022

(Amount in INR lakhs)

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	298.95	0.00%	-	No	298.95
Past due 1–90 days	103.59	0.00%	-	No	103.59
Past due 91–180 days	0.50	0.00%	-	No	0.50
Past due 181–270 days	15.04	0.00%	-	No	15.04
Past due 271–360 days	-	0.00%	-	No	-
Above 360 days	12.46	100.00%	12.46	No	-
	430.53		**12.46**		**418.08**

Movement in allowance for impairment in respect of trade receivables:

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Balance as at the beginning of the year	12.46	-
Impairment loss allowances recognised/ (reversed)	65.23	12.46
Balance as at the end of the year	**77.69**	**12.46**

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ii) Liquidity risk

The Company's principal source of liquidity are cash and cash equivalents and financial support from Quess Corp Ltd. Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

i) Financing arrangement

The Company maintains the following line of credit:

(i) The Company has taken loan from Quess Corp Ltd. having interest rate at 10% p.a.

As at 31 March 2023

(Amount in INR lakhs)

Particulars	Contractual cash flows			
	Carrying amount	Less than 1 year	1-2 years	2 years and above
Non-current borrowings	1,529.74	-	-	1,529.74
Borrowings	1.85	1.85	-	-
Trade payables	79.53	79.53	-	-
Lease liabilities	50.27	29.45	26.19	-
Other financial liabilities	210.23	210.23	-	-

As at 31 March 2022

Particulars	Contractual cash flows			
	Carrying amount	Less than 1 year	1-2 years	2 years and above
Borrowings	1,532.90	1,532.90	-	-
Trade payables	100.33	100.33	-	-
Lease liabilities	74.50	27.48	31.80	15.23
Other financial liabilities	1,565.25	1,565.25	-	-

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company is not exposed to Market risk as the Company does not have any major foreign transactions and interest rates are also fixed.

a) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the related entities.

a) Exposure to currency risk

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

Particulars	Currency	As at 31 March 2023		As at 31 March 2022	
		Foreign currency*	Amount in Reporting Currency	Foreign currency*	Amount in Reporting Currency
Trade receivables					
	GBP	0.00	0.05	-	-
	USD	1.98	162.81	1.03	76.63
	PHP	-	-	0.19	0.28

The following significant exchange rates have been applied

Particulars	Year end spot rate	
	31 March 2023	31 March 2022
GBP/ Reporting currency	101.68	-
USD/ Reporting currency	82.25	75.90
PHP/ Reporting currency	1.50	1.47

b) Sensitivity analysis

A reasonably possible strengthening/ (weakening) of the MYR, GBP and USD against Reporting currency at 31 March 2023 and 31 March 2022 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2023				
GBP (1% movement)	(0.00)	0.00	(0.00)	0.00
USD (1% movement)	(1.63)	1.63	(1.20)	1.20
31 March 2022				
USD (1% movement)	(0.77)	0.77	(0.57)	0.57
PHP (1% movement)	(0.00)	0.00	(0.00)	0.00

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company borrowings comprises of working capital loan taken from Quess Corp Ltd. and loan from Director. Loan from Quess Corp Ltd. carry fixed rate of interest and is not exposed to significant interest rate risk.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in INR lakhs)

Particulars	March 31, 2023	March 31, 2022
Fixed rate borrowings	1,531.60	1,532.90
Total borrowings	**1,531.60**	**1,532.90**

c) Price risk

(a) Price risk exposure

The Company's exposure to price risk arises from investments held by the company in the mutual fund units and classified as fair value through profit or loss in the financial statements.

To manage its price risk arising from investments in mutual fund units, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. During the year and the previous Company has not invested any money in mutual funds.

34 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of non-current borrowing, current borrowing, current maturities of long-term borrowings and current maturities of finance lease obligations less cash and cash equivalents.

The Company's policy is to keep the ratio below 2.50. The Company's adjusted net debt to equity ratio is as follows:

(Amount in INR lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Gross debt	4,333.29	3,794.46
Less: Cash and cash equivalent	288.42	771.03
Adjusted net debt (borrowings net of cash and cash equivalent)	**4,044.87**	**3,023.43**
Total equity	(2,388.92)	(1,549.31)
Net debt (Total external liabilities) to equity ratio	**(1.69)**	**(1.95)**

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35 Capital Commitments and commitments

The company does not have any capital commitments and contingent liability as at 31 March 2023 and 31 March 2022.

36 Assets and liabilities relating to employee benefits

A The Company operates post-employment defined benefit plan that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit. The Scheme is not funded. The Company accrued gratuity under the provisions of the Payment of Gratuity Act, 1972 as applicable as at the balance sheet date and the maximum payment is restricted to Rs 20 lakhs.

(Amount in INR lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Net defined benefit liability, gratuity plan	132.44	109.86
Liability for compensated absences	12.73	12.97
Total employee benefit liability	**145.17**	**122.83**
Current (refer note 21)	34.37	18.24
Non- Current (refer note 17)	110.81	104.59
	145.17	**122.83**

For details about employee benefit expenses, see note 25

B Reconciliation of net defined benefit liability/ asset

(Amount in INR lakhs)

Particulars	31 March 2023	31 March 2022
Change in defined benefit obligation		
Obligation at the beginning of the year	109.86	68.35
Current service cost	51.00	33.98
Interest cost	6.64	3.52
Benefit settled	(3.46)	-
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	(2.10)	6.68
- Changes in demographic assumptions	(18.97)	-
- Changes in financial assumptions	(10.54)	(2.67)
Obligation at end of the year	**132.44**	**109.86**

C i) Expense recognised in profit or loss

(Amount in INR lakhs)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Service cost	51.00	33.98
Net interest on net defined benefit liability/(asset)	6.64	3.52
Net gratuity cost	**57.65**	**37.51**

ii) Remeasurement recognised in other comprehensive income

Particulars	For the year ended	
	31 March 2023	31 March 2022
Remeasurement of the net defined benefit liability	(31.61)	4.01
Remeasurement of the net defined benefit asset	-	-
	(31.61)	**4.01**

D Defined benefit obligation - Actuarial Assumptions

Particulars	31 March 2023	31 March 2022
Discount rate	7.20%	6.05%
Salary increase	10.00%	10.00%
Attrition rate	30.00%	20.00%
Average duration of defined benefit obligation (in years)	9 Years	9 Years

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

E Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	127.53	137.70	103.65	116.76
Future salary growth(1% movement)	137.43	127.66	116.08	104.02
Attrition rate (50% movement)	114.53	165.06	94.86	139.68

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36 Assets and liabilities relating to employee benefits (continued)

F Compensated absence

The Company has accounted the cost of compensated absence based on the actuarial valuation report obtained on 31 March 2023 and has estimated a compensated absence liability of INR 12.73 lakhs (31 March 2022: INR 12.97 lakhs) under projected unit credit method as per Ind AS 19.

Key assumptions used in the valuation of compensated absence Liability are as given below:

Particulars	31 March 2023	31 March 2022
Discount rate	7.20%	6.05%
Salary increase	10.00%	10.00%
Attrition rate	30.00%	20.00%
Mortality rate	IALM (2012-14) published table of mortality rates	IALM (2012-14) published table of mortality rates

37 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. The amounts payable to such enterprises as at 31 March 2023 is 14.04 lakhs (Nil 31 March 2022) based on the information received and available with the Company. Also the Company has not received any claim for interest from any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

38 Computation of Earnings per share (EPS)

(Amount in INR lakhs except number of shares and per share data)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Nominal value of equity shares	10.00	10.00
Net profit after tax for the purpose of earnings per share	(871.21)	(170.60)
Weighted average number of shares used in computing basic earnings per share	36,022	36,022
Basic earnings per share	**(2,418.56)**	**(473.60)**
Weighted average number of shares used in computing diluted earnings per share	36,022	36,022
Diluted earnings per share*	**(2,418.56)**	**(473.60)**

* Refer note 22.1. Accordingly, the loan is not considered as potential equity and hence does not impact the diluted EPS

Computation of weighted average number of shares

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Number of equity shares outstanding at beginning of the year	**36,022**	**27,778**
Add: Weighted average number of equity shares issued during the year		-
- 8244 number of equity shares issued on 1 March 2022 for 31 days	-	8,244
Weighted average number of shares outstanding at the end of year for computing basic and diluted earnings per share	**36,022**	**36,022**

39 In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these audited financials including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets, The impact of the global health pandemic may be different from that estimated as at the date of approval of these audited financials and the Company will continue to closely monitor any material charges to future economic conditions.

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40 Revenue from Contracts with customers

(i) Trade Receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Invoicing in excess of earnings are classified as unearned revenue.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(Amount in INR lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Receivables, which are included in 'Trade and other receivables'	351.33	418.08
Contract assets (Unbilled revenue)	632.44	263.71
Contract liabilities (Unearned revenue & Advance r'd from customers)	631.97	308.37

The unbilled revenue (contract assets) primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.
The contract liabilities primarily relate to the advance consideration received from customer, for which revenue is recognised on completion of contract terms.

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2023 and 31 March 2022:

(Amount in INR lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning	263.71	91.60
Add : Revenue recognized during the period	3,175.76	2,765.70
Less : Invoiced during the period	(2,807.02)	(2,593.58)
Balance at the end	632.44	263.71

The following table discloses the movement in unearned revenue (contract liabilities) balances for the year ended 31 March 2023 and 31 March 2022:

(Amount in INR lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning	22.35	3.10
Less: Revenue recognized during the period	207.76	761.41
Add: Invoiced during the period but not recognized as revenues	203.54	780.66
Balance at the end	18.13	22.35

(ii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the company has not disclosed the value of remaining performance obligations for
(i) contracts with an original expected duration of one year or less and
(ii) contracts for which the company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2023, other than those meeting the exclusion criteria mentioned above, is Nil.

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41 Related party disclosures

(A) Name of related parties and description of relationship:

- Holding Company	Quess Corp Limited (from March 2022)
- Entity having significant influence	Fairfax Financial Holdings Limited HWIC Asia Fund Fairbridge Capital (Mauritius) Limited (w.e.f 6 December 2019) Thomas Cook (India) Limited (upto 6 December 2019) Fairfax (US) Inc. National Collateral Management Services Limited
- Subsidiaries, associates and joint venture of Quess Corp	Refer note (i)
- Entity having common directors	Vedang Cellular Services Private Limited Qdigi Services Limited Conneqt Business Solution Limited Simpliance Technologies Private Limited Terrier Security Services (India) Private Limited Trimax Smart Infraprojects Private Limited Golden Star Facilities and Services Private Limited Comtelpro Pte. Limited. Comtel Solutions Pte. Ltd. Quess Corp Lanka (Private) Limited Quessglobal (Malaysia) SDN. BHD. Monster.com.SG PTE Limited Monster.com HK Limited Agency Pekerjaan Quess Recruit SDN. BHD. Himmer Industrial Services (M) SDN. BHD.

(i) List of subsidiaries (including step-subsidiaries), associates and joint venture

Name of the entity	Nature of relation	Country of
MFX Infotech Private Limited	Subsidiary of Quess Corp Ltd.	India
Brainhunter Systems Ltd.	Subsidiary of Quess Corp Ltd.	Canada
Mindwire Systems Limited	Subsidiary of Quess Corp Ltd.	Canada
Quess (Philippines) Corp.	Subsidiary of Quess Corp Ltd.	Philippines
Quess Corp (USA) Inc.	Subsidiary of Quess Corp Ltd.	USA
Quesscorp Holdings Pte. Ltd.	Subsidiary of Quess Corp Ltd.	Singapore
Quess Corp Vietnam LLC	Subsidiary of Quess Corp Ltd.	Vietnam
Quessglobal (Malaysia) SDN. BHD.	Subsidiary of Quess Corp Ltd.	Malaysia
Quess Corp Lanka (Private) Limited	Subsidiary of Quess Corp Ltd.	Sri Lanka
Comtel Solutions Pte. Ltd.	Subsidiary of Quess Corp Ltd.	Singapore
MFXchange Holdings, Inc.	Subsidiary of Quess Corp Ltd.	Canada
MFXchange US, Inc.	Subsidiary of Quess Corp Ltd.	USA
MFX Chile SpA	Subsidiary of Quess Corp Ltd.	Chile
Excelus Learning Solutions Private Limited	Subsidiary of Quess Corp Ltd.	India
Conneqt Business Solution Limited	Subsidiary of Quess Corp Ltd.	India
Vedang Cellular Services Private Limited	Subsidiary of Quess Corp Ltd.	India
Golden Star Facilities and Services Private Limited	Subsidiary of Quess Corp Ltd.	India
Comtelpro Pte. Limited.	Subsidiary of Quess Corp Ltd.	Singapore
Comtelink Sdn. Bhd	Subsidiary of Quess Corp Ltd.	Malaysia
Monster.com (India) Private Limited	Subsidiary of Quess Corp Ltd.	India
Monster.com.SG PTE Limited	Subsidiary of Quess Corp Ltd.	Singapore
Monster.com HK Limited	Subsidiary of Quess Corp Ltd.	Hong Kong
Agensi Pekerjaan Monster Malaysia SDN. BHD.	Subsidiary of Quess Corp Ltd.	Malaysia
Quesscorp Management Consultancies	Subsidiary of Quess Corp Ltd.	Dubai, UAE
Quesscorp Manpower Supply Services LLC	Subsidiary of Quess Corp Ltd.	Dubai, UAE
Qdigi Services Limited	Subsidiary of Quess Corp Ltd.	India
Greenpiece Landscapes India Private Limited	Subsidiary of Quess Corp Ltd.	India
Simpliance Technologies Private Limited	Subsidiary of Quess Corp Ltd.	India
Allsec Technologies Limited	Subsidiary of Quess Corp Ltd.	India
Allsectech Inc., USA	Subsidiary of Quess Corp Ltd.	USA
Allsectech Manila Inc., Philippiness	Subsidiary of Quess Corp Ltd.	Philippines
Retreat Capital Management Inc., USA	Subsidiary of Quess Corp Ltd.	USA
Trimax Smart Infraprojects Private Limited	Subsidiary of Quess Corp Ltd.	India
Quess Corp Services Limited	Subsidiary of Quess Corp Ltd.	Bangladesh
Billion Careers Private Limited	Subsidiary of Quess Corp Ltd.	India
Terrier Security Services (India) Private Limited	Subsidiary of Quess Corp Ltd.	India
Quess Recruit, Inc.	Associate of Quess Corp Ltd.	Philippines
Agency Pekerjaan Quess Recruit SDN. BHD.	Associate of Quess Corp Ltd.	Malaysia
Himmer Industrial Services (M) SDN. BHD.	Associate of Quess Corp Ltd.	Malaysia

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41 Related party disclosures (continued)

(A) Name of related parties and description of relationship (continued)

(ii) Key executive management personnel

Sankarappan Rajesh	Director
Veeraraghavan Vijayramkumar	Director
Rengasamy Vignesh	Director (resigned on 28th Feb'2022)
Guruprasad Srinivasan	Director (resigned on 10th Feb'2022)
Lohit Bhatia	Director (appointed on 10th Feb'2022)
Arjun Ramaraju	Director (appointed on 28th Feb'2022)
Vijay Sivaram	Director

(B) Transactions with related parties

(Amount in Rs. lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations		
-Quess Corp Limited	494.29	949.01
-Allsec Technologies Ltd	57.64	246.00
-Conneqt Business Solutions Limited	5.75	5.74
-MFX Infotech Private Limited	8.01	11.48
-Monster.Com (India) Private Limited	8.37	-
-Vedang Cellular Services Pvt Ltd	-	17.84
-Billion Careers Private Limited	658.23	-
-Quess International Services Private Limited	10.62	7.30
-Terrier Security Services (India) Pvt. Ltd.	0.43	0.12
Other expenses		
-Allsec Technologies Limited	1.00	0.46
-Quess Corp Limited	-	0.80
-MFX Infotech Private Limited	30.06	54.67
-Quesscorp Manpower Supply Services L.L.C UAE	109.05	-
Finance cost		
-Quess Corp Limited	152.55	179.02
Issue of Equity Shares (including Securities Premium)		
-Quess Corp Limited	-	1,000.01
Conversion of Loan to Equity Shares (including Securities Premium)		
-Quess Corp Limited	-	299.91
Compensation of key managerial personnel		
Rengasamy Vignesh	-	49.78
Veeraraghavan Vijayramkumar	34.89	52.06
Sankarappan Rajesh	59.78	49.78

*The above compensation paid does not include cost of employee benefits such as gratuity and compensated absences since provision for these are based on an actuarial valuation carried out for the Company as a whole.

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41 Related party disclosures (continued)

(C) Balance receivable from and payable to related parties as at the balance sheet date:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Trade payables		
-MFX Infotech Private Limited	23.47	14.67
-Allsec Technologies Limited	0.11	0.06
-Quesscorp Manpower Supply Services L.L.C UAE	32.73	-
Trade receivables		
-Quess Corp Limited	64.31	163.61
-Allsec Technologies Limited	0.17	47.77
-MFX Infotech Private Limited	22.99	-
-Monster.Com (India) Private Limited	1.96	-
-Dependo Logistics Solutions Pvt Ltd	-	1.40
-Billion Careers Private Limited	62.06	-
-Conneqt Business Solutions Limited	3.15	2.90
-Vedang Cellular Services Pvt Ltd	0.29	-
-Terrier Security Services (India) Pvt. Ltd.	0.28	-
-Golden Star Facilities & Services Pvt Ltd	-	8.61
Unbilled revenue		
-Quess Corp Limited	91.91	66.99
-MFX Infotech Private Limited	1.04	11.48
-Vedang Cellular Services Pvt Ltd	-	11.50
-Billion Careers Private Limited	396.96	-
Income received in advance		
-Quess Corp Limited	140.00	265.63
-Billion Careers Private Limited	415.33	-
-Golden Star Facilities & Services Pvt Ltd	-	6.69
Borrowings		
-Quess Corp Limited	1,529.65	1,529.65
Interest payable on loan taken		
-Quess Corp Limited	1,386.02	1,313.29
Unsecured loan payable		
-Rengasamy Vignesh	1.57	2.05
-Veeraraghavan Vijayramkumar	0.28	0.28
-Sankarappan Rajesh	-	0.83
	1.85	**3.16**
Accrued Expenses (Remuneration payable)		
-Rengasamy Vignesh	-	16.88
-Veeraraghavan Vijayramkumar (included in professional fees)	-	12.70
-Sankarappan Rajesh	16.90	16.90
	16.90	**46.48**

42 Earnings and expenditure in foreign currency

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Earning in foreign currency	784.61	540.41
Expenses in foreign currency	83.25	129.30

43 Internally generated intangible asset under development

As required under Ind AS 38, the mangement has assessed prescribed criteria required for recognition of Intangible assets as under ;
(a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
(b) the cost of the asset can be measured reliably.
In respect of development phase of internally generated intangible asset. Disclosures below

Product	People Chain	Focus	1book	SeQure
Opening balance	**103.63**	**41.27**	**10.42**	**41.22**
Capitalised during the year	-	**(52.67)**	-	**(41.22)**
Cost of Development during the year	37.30	11.40	-	-
Cost recovered				-
Total Cost under development	**140.93**	-	**10.42**	-

44 Segment reporting

The Director of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The Company is in the business of rendering Information technology services & Information technology products to clients which are covered under similar arrangements and is considered by CODM as the only reportable business segment taking into account the nature of the business, the organization structure, internal reporting structure and risk and rewards.

Geographic information

The geographical information analyses the Company's revenue by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers.

Geographic information	For the year ended 31 March 2023	For the year ended 31 March 2022
	Revenue	Revenue
India	2,391.15	2,225.29
Other countries:		
- United States of America	630.97	401.13
- Malaysia	-	5.67
-United Kingdom	10.86	1.24
-Canada	0.56	0.28
-Germany	(2.99)	123.52
-UAE	78.49	8.56
-Belgium	14.76	-
-Egypt	0.49	-
-Israel	0.33	-
-Nigeria	0.64	-
-Philippines	3.53	-
-Singapore	46.98	-

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In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, intangible assets, and certain investments, the Company has considered internal and external information up to the date of approval of these audited financials including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2022 and has concluded that there is no impact which is required to be recognised in the financial statements. Accordingly, no adjustments have been made to the financial statements.
The impact of the global health pandemic may be different from that estimated as at the date of approval of these audited financials and the Company will continue to closely monitor any material charges to future economic conditions.

46 **Ratios**

	Ratios	Numerator	Denominator	Ratio 22-23	Ratio 21-22	%variance	Reason for variance (greater than 25%)
A	Current ratio	1,316.45	1,206.84	1.09:1	0.41:1	-169%	Variance is due to increase in Trade receivables and cash and bank balance
B	Debt-equity ratio	1,531.60	(2,388.92)	-0.64:1	-0.99:1	35%	Variance is due to decrease in borrowings by 300 lakhs and other equity by 1200 lakhs.
C	Debt service coverage ratio	(569.58)	128.33	-4.44:1	0.80:1	657%	Decrease is due to increase in borrowings.
D	Return on equity ratio	(871.21)	(1,969.12)	0.44:1	0.08:1	-448%	Increase is due to decrease in other equity
E	Trade receivables turnover ratio	2,802.80	384.70	7.29:1	8.64:1	16%	Better collections during the year
F	Trade payables turnover ratio	934.59	138.39	6.75:1	6.36:1	-6%	Timely payments during the year
G	Net capital turnover ratio	3,175.76	109.61	28.97:1	-1.28:1	2368%	Increse in net working capital
H	Net profit ratio	(871.21)	3,175.76	-0.27:1	-0.06:1	-345%	Decrease in profits
I	Return on capital employed	(713.12)	(2,564.56)	0.28:1	-0.15:1	288%	Increase in capital employed
J	Return on investment	(871.21)	(2,388.92)	0.36:1	0.11:1	-231%	Increase in equity

A. Current Ratio = Current Assets divided by Current Liabilities

B. Debt-equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings and lease liabilities

C. Debt Service Coverage Ratio (DSCR) = Earnings available for debt services (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc) divided by Total interest and lease payments and principal

D. Return on equity ratio : Net profit after tax less preference dividend divided by Average Shareholder Equity

E. Inventory turnover ratio : Cost of materials consumed divided by Average Inventory (Opening + Closing balance / 2)

F. Trade Receivables turnover ratio = Credit Sales (Total revenue from operations +Opening Unbilled- Closing Unbilled-Opening unearned revenue+ Closing Unearned revenue) divided by Average trade receivables ((Opening + Closing balance / 2)

G. Trade payables turnover

H. Net capital turnover ratio = Net Sales divided by Working Capital

I. Net profit ratio = Net profit after tax divided by Revenue from operations

J . Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes(EBIT) divided by Average Capital Employed- pre cash (Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability)

K. Return on investment: PAT divided by Total Equity

47 The Company has incurred cash losses (i.e PAT + Depreciation + Provision for Bad & Doubtful debts) in the current financial year INR 662.44 Lakh (March 2022 : INR 48.79 Lakh). However the company's management is confident that the projects on hand and with the future projects which contributes to generate economic resources, expects to realise the financial assets and make payments of liabilities. The Company's management is confident of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date and there is no material uncertainty exists as on the date of approval of financial statements.

48 Previous year figures are reclassified/regrouped wherever necessary.

As per our report of even date attached.
for **M S K A & Associates**
Chartered Accountants
ICAI Firm's Registration No.: 105047W

Ananthakrishnan G
Partner
Membership No: 205226

Place: Hyderabad
Date: 03 May 2023

for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609

Rajesh Sankarappan
Director
DIN: 06890226

Place: Coimbatore
Date: 03 May 2023

Vijay Sivaram
Director
DIN: 07990452

Place: Bengaluru
Date: 03 May 2023

MSKA & Associates
Chartered Accountants

1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Telangana State, Hyderabad 500072, INDIA
Tel: +91 40 6814 2999

INDEPENDENT AUDITOR'S REPORT

To the Members of Monster.com(India) Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Monster.com(India) Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31,2023 and loss other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting

Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow 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.

(e) On the basis of the written representations received from the directors as on March 31,2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31,2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

1. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entities, including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

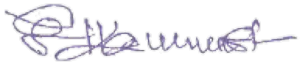
3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDVR6414

Place: Hyderabad
Date: April 28th, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF MONSTER.COM(INDIA) PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

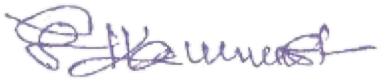
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan
Partner
Membership No.205226
UDIN: 23205226BGWDVR6414

Place: Hyderabad
Date: April 28th ,2023

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MONSTER.COM (INDIA) PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31,2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a)

A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) All the Property, Plant and Equipment, and right of use assets have not been physically verified by the management during the year but there is a regular programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) (a) of the Order are not applicable to the Company.

(a) The Company has not been sanctioned any working capital limits during the year. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the company

iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income- tax, goods and service tax, customs duty, cess and any other statutory dues on account of any dispute are as follows :

Name of the statute	**Nature of dues**	**Amount Rs.**	**Period to which the amount relates**	**Forum where dispute is pending**	**Remarks, if any**
Finance Act, 1994	Service Tax Demand	6,37,23,857	FY 2008-09 to FY 2013-14	CESTAT	None

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix.

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanation provided to us, there are no funds raised on short term basis. Accordingly, the provision stated in paragraph 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, reporting under the Clause 3(ix)(f) of the order is not applicable to the Company.

x.

(a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has private placement of preference shares & fully convertible debentures during the year and the requirements of Section 42 and Section 62 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.

xi.

(a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii.

(a) The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv.

(a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act.

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.

xvi.

(a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Group does not have any CIC as part of its group. Hence the provisions stated in paragraph 3 (xvi)(d) of the order are not applicable to the Company.

xvii. Based on the overall review of financial statements, the Company has incurred cash losses in the current financial year and in the immediately preceding financial year. The details of the same are as follows:

Amount in Lakhs

Particulars	**March 31, 2023 (Current year)**	**March 31, 2022 (Previous Year)**
Cash Losses (PAT + depreciation + Impairment Loss Allowance on financial assets)	6,939.48 Lakhs	928.60 Lakhs

xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are not applicable to the Company. Hence, reporting under paragraph (xx)(a) to (b) of the Order is not applicable to the Company.

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No.205226
UDIN: 23205226BGWDVR6414

Place: Hyderabad
Date: April 28th ,2023

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MONSTER.COM(INDIA) PRIVATE LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Monster.com(India) Private Limited on the Financial Statements for the year ended March 31,2023]

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

Opinion

We have audited the internal financial controls with reference to financial statements of Monster.com(India) Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to [1]financial statements were operating effectively as at March 31,2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls With reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No.205226
UDIN: 23205226BGWDVR6414

MSKA & ASSOCIATES Hyderabad Chartered Accountants

Place: Hyderabad
Date: April 28th ,2023

Monster.com (India) Private Limited

(Amount in INR lakhs, unless stated otherwise)

Balance Sheet	Notes	As at Mar 31, 2023	As at Mar 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	319.29	126.77
ROU - Buildings	3 (a)	3,499.72	2,171.77
Other intangible assets	3 (b)	376.38	527.56
Financial assets			
(i) Investments	4	5,836.32	5,836.32
(ii) Loans	5	141.85	172.69
Deferred tax assets (net)	6	1,134.27	1,134.27
Income tax assets (net)	7	1,506.65	1,588.44
Other non-current assets	8	131.57	110.62
Total non-current assets		**12,946.05**	**11,668.44**
Current assets			
Financial assets			
(i) Investments	9	-	4,479.40
(ii) Trade receivables	10	4,237.36	2,646.12
(iii) Cash and cash equivalents	11	1,517.47	1,675.20
(iv) Bank balances other than cash and cash equivalents above	12	4,845.31	1,821.27
(v) Loans	13	2.23	1.78
(vi) Other financial assets	14	197.18	6.23
Other current assets	15	1,792.88	1,455.68
Total current assets		**12,592.43**	**12,085.68**
Total Assets		**25,538.48**	**23,754.12**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	251.09	163.13
Other equity	18	10,705.47	12,680.85
Total equity		**10,956.56**	**12,843.98**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	19	3,491.38	2,123.65
(ii) Compulsorily Convertible Debentures	17	1,000.00	-
Non-current provisions	20	490.04	378.57
Total non-current liabilities		**4,981.42**	**2,502.22**
Current liabilities			
Financial liabilities			
(i) Borrowings	21	-	400.00
(ii) Lease liabilities	19	379.20	132.84
(iii) Trade payables	22		
a) total outstanding dues of micro enterprises and small enterprises			
b) total outstanding dues of creditors other than micro enterprise and small enterprise		900.31	522.03
(iv) Other financial liabilities	23	522.31	746.50
Current provisions	20	21.38	17.27
Other current liabilities	24	7,777.31	6,589.28
Total current liabilities		**9,600.51**	**8,407.92**
Total liabilities		**14,581.93**	**10,910.14**
Total equity and liabilities		**25,538.48**	**23,754.12**

The notes referred to above form an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad, INDIA
Date: Apr 28th, 2023

For and on behalf of the Board of Directors
Monster.com (India) Private Limited
CIN: U72200TG2000PTC035617

Ajit Isaac
Director
DIN: 00087168

Chandra Sekhar Reddy Garisa
Director
DIN: 03057784

Monster.com (India) Private Limited

(Amount in INR lakhs, except per share data)

Statement of Profit and Loss	Note	For the year ended	
		March 31, 2023	March 31, 2022
Income			
Revenue from operations	26	13,038.84	9,042.87
Other income	27	477.13	167.06
Total Income		**13,515.97**	**9,209.93**
Expenses			
Employee benefits expense	28	12,418.52	5,964.62
Marketing and business promotional expenses		3,715.84	1,126.65
Reseller Services purchase expenses		1,300.52	1,278.88
Finance costs	29	509.64	164.93
Depreciation and amortization expense	3 (a) & (b)	869.99	358.93
Other expenses	30	2,444.87	1,515.54
Total expenses		**21,259.37**	**10,409.56**
Profit/(Loss) before income tax		**-7,743.41**	**-1,199.63**
Tax expense			
Current tax		-	-
-Tax expense of foreign branches	6	-87.63	-57.49
Deferred tax	6	-	-
Total tax expenses		**-87.63**	**-57.49**
Profit/(Loss) for the year		**-7,831.03**	**-1,257.11**
Other comprehensive income/ (expense)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/ asset		28.18	69.80
Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the period		-	-
Other comprehensive income/ (expense) for the year, net of income tax		**28.18**	**69.80**
Total comprehensive income for the year		**-7,802.86**	**-1,187.31**
Earnings/(Loss) per equity share (face value of Rs 10 each)			
Basic earnings /(loss) per share (in INR)	38	(2,596)	(481)
Diluted earnings /(loss) per share (in INR)	38	(2,203)	(468)

The notes referred to above form an integral part of the financial statements.

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad, INDIA
Date: Apr 28th, 2023

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For and on behalf of the Board of Directors
Monster.com (India) Private Limited
CIN: U72200TG2000PTC035617

Ajit Isaac
Director
DIN: 00087168

Chandra Sekhar Reddy Garisa
Director
DIN: 03057784

Monster.com India Pvt. Ltd. BENGALURU

Monster.com (India) Private Limited
Statement of Changes in Equity for the year ended March 31, 2023

(A) Share capital

(Amount in INR lakhs, unless stated otherwise)

Particulars	Note	As at Mar 31, 2023	As at Mar 31, 2022
(i) Equity share capital			
Opening balance	16.1	6.03	5.00
Changes in equity share capital	16.1	-	1.03
Closing balance		**6.03**	**6.03**
(ii) Compulsory convertible preference shares			
Opening balance	16.1	157.10	-
Changes during the period	16.1	87.96	157.10
Closing balance		**245.06**	**157.10**

(B) Compulsorily Convertible Debentures

(Amount in INR lakhs, unless stated otherwise)

Particulars	Note	As at Mar 31, 2023	As at Mar 31, 2022
(i) Convertible Debentures			
Opening balance	17	-	0.31
Changes during the period	17.1	1,000.00	-0.31
Closing balance		**1,000.00**	-

(C) Other equity

(Amount in INR lakhs, unless stated otherwise)

Particulars	Note	Reserves and surplus				Other items of other comprehensive income	Total equity attributable to equity holders of the Company
		Securities premium	Retained earnings	Stock options outstanding account	Capital reserve	Remeasurement of the net defined benefit liability	
Balance as of 1 April 2021		**3,432.65**	**-2,156.79**	**-**	**29.09**	**284.23**	**1,589.18**
Add: Profit/(loss) for the year		-	-1,257.11	-	-	-	-1,257.11
Add: Recognition of share-based payments		-	-	443.88	-		443.88
Add: Security premium received during the period	18	11,835.08	-	-	-	-	11,835.08
Add: Other comprehensive income (net of tax)		-	-	-	-	69.80	69.80
Balance as of 31 March 2022		**15,267.73**	**-3,413.90**	**443.88**	**29.09**	**354.03**	**12,680.83**
Balance as of 1 April 2022		**15,267.73**	**-3,413.90**	**443.88**	**29.09**	**354.03**	**12,680.83**
Add: Profit/(loss) for the year		-	-7,831.03	-	-	-	-7,831.03
Add: Security premium received during the period	18	3,411.79	-	-	-	-	3,411.79
Add: Recognition of share-based payments*	18	-	-	2,415.64	-		2,415.64
Less: Security premium repaid during the period		-	-	-	-	-	-
Add: Other comprehensive income (net of tax)		-	-	-	-	28.18	28.18
Balance as of 31 March 2023		**18,679.52**	**-11,244.93**	**2,859.52**	**29.09**	**382.20**	**10,705.40**

The notes referred to above form an integral part of the financial statements.

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad, INDIA
Date: Apr 28th, 2023

For and on behalf of the Board of Directors
Monster.com (India) Private Limited
CIN: U72200TG2000PTC035617

Ajit Isaac
Director
DIN: 00087168

Chandra Sekhar Reddy Garisa
Director
DIN: 03057784

Monster.com (India) Private Limited

(Amount in INR lakhs, unless stated otherwise)

Statement of Cash Flows	For the year ended	For the year ended
Cash flows from operating activities		
Profit/(Loss) before tax	**-7,743.41**	**-1,199.63**
Adjustments for:		
Depreciation and amortisation expenses	869.99	358.93
Foreign Exchange loss/(gain) (net)	105.42	-76.01
Impairment loss allowance on financial assets (net)	21.57	-30.42
Interest income	-253.85	-11.64
Impact of amortisation of financial asset	-14.08	-9.29
Finance Cost	435.71	99.89
Other adjustments	-105.07	-30.06
Stock options expenses recognised in PL	2,415.64	443.88
Impact of remeasurement of defined benefits obligation to OCI	28.18	69.80
Operating cash flows before working capital changes	-4,239.90	-384.55
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Trade and other receivables	-1,666.25	-372.25
Current loans & Other current assets	-337.66	242.93
Non-current loans & other non-current assets	128.75	-131.47
Adjustments for increase/(decrease) in operating liabilities:		
Non-current provisions	111.48	-23.84
Changes in loans, other financial liabilities and other liabilities		
Trade payables	365.05	-661.06
Other current liabilities	963.84	2,407.45
Current provisions	4.11	4.67
Cash generated from operating activities	-4,670.58	1,081.88
Income taxes paid (net)	-5.84	-319.96
Net cash provided by/ (used in) operating activities (A)	-4,676.42	761.92
Cash flows from investing activities		
Acquisition of property, plant and equipment	-320.84	-114.86
Investments in mutual fund units		-4,479.40
Investment into subsidiaries	-	-5,836.32
Proceeds from sale of investment in Mutual Fund Units	4,374.63	-
Interest received	62.89	5.73
Net cash used in investing activities (B)	4,116.68	-10,424.85
Cash flows from financing activities		
Proceeds from Subscription to Share Capital	87.96	157.82
Proceeds from Security Premium	3,411.79	11,835.08
Proceeds from CCD's	1,000.00	-
Short term borrowings repaid	-400.00	-100.00
Payment for Leases	-600.47	-152.29
Interest paid	-91.40	-52.16
Net cash provided by financing activities (C)	3,407.88	11,688.45
Net increase in cash and bank balances (A+B+C)	**2,848.13**	**2,025.53**
Cash and bank balances at the beginning of the year	3,496.40	1,516.84
Cash and cash equivalents acquired on amalgamation		
Effects of exchange differences on translation of foreign currency cash and cash equivalents	18.18	-45.97
Cash and bank balances at the end of the year (refer note 11 & 12)	**6,362.71**	**3,496.40**

The notes referred to above form an integral part of the financial statements.

As per our report of even date
For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad, INDIA
Date: Apr 28th, 2023

For and on behalf of the Board of Directors
Monster.com (India) Private Limited
CIN: U72200TG2000PTC035617

Ajit Isaac
Director
DIN: 00087168

Chandra Sekhar Reddy Garisa
Director
DIN: 03057784

Monster.com (India) Private Limited
Notes to the Financial Statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

1 Corporate Information/Background:

Monster.com (India) Private Limited ("the company") is a private limited company registered under the Indian Companies Act, 1956. The company provides online recruitment solutions through its various job portals. It provides the internet based (online) e-recruitment solutions by connecting employers with right job seekers at all levels and also provides personalized career services to job seekers. For employers, the company's goal is to provide the most effective solutions and easy to use technology to simplify the hiring process and cost effectively deliver access to the community of job seekers. For job seekers, the company's purpose is to help improve their careers by providing work-related content, services and advice.

The company's services and solutions include searchable job advertisements, access to Job seeker resume database, recruitment media solutions through our advertising network and partnerships and other career-related content. Job seekers can search our job advertisements and post their resumes for free on each of our career websites and mobile applications. Employers pay to advertise available jobs and recruitment related services, search our resume database and access other career-related services. The recruitment solutions to employers are mostly in the nature of payment of subscription fee for an agreed tenure. The company is conducting its operations in India, Gulf region and Philippines. The company is having three foreign branch offices in Dubai (UAE) & Riyadh (Kingdom of Saudi Arabia) catering to operations in Gulf/Middle east region and one foreign branch office in Manila (Philippines) catering to Philippines operations.

Further, Company is also engaged in providing low end tele-marketing call center services (BPO activity) and providing management services to its associated parties situated in the Singapore and Malaysia in small scale; and providing Internet advertisement services.

2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) **Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Effective 1 April 2016, the Company has adopted all the Ind AS standards and the first time adoption was carried out in accordance with Ind AS 101, First time adoption of Indian Accounting Standards with April 1, 2016 as the transition date.

The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Sec 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the Previous GAAP.

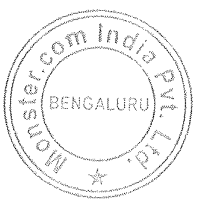
Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) **Basis of measurement**

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
ii) Asset classified as held for sale

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.



(c) **Use of estimates & judgements**

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

i) Income taxes: Significant judgments are involved in determining the reversal of deferred tax assets based on the probability of carryforward of losses.

ii) Measurement of defined benefit obligations: The cost of the defined benefit obligations are based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. All assumptions are reviewed on a periodic basis.

iii) Impairment of financial assets: The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost.

iv) Property, plant and equipment: : The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically.

v) Other estimates: The impairment of non-financial assets involves key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets.

2.2 Non-current assets

A. Property, plant and equipment

(i) Recognition and Measurement

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

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

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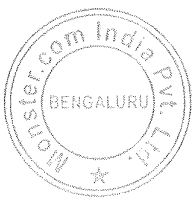


(ii) Depreciation

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of). The Company has estimated the useful lives for property, plant and equipment as follows:

Asset Category	Useful life (in years)
Furniture & Fixtures	10
Vehicle	3
Office Equipment	
Cell Phones	3
Other Office Equipment	5
Computer Equipment (Computers & Data processing units)	
Servers and Networks	6
Desktops and Laptops	3
Electrical & Office Equipment	10

* Leasehold improvements are amortized over the lease term or estimated useful life of the asset whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed periodically, including at each financial year end and adjusted if appropriate.

B. Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

(i) Recognition and Measurement

a) Internally generated: Research and development

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

b) Others

Other intangible assets such as computer software, copyright and trademarks are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated software is recognised in the Statement of Profit and Loss as and when incurred.

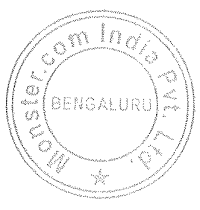
(iii) Amortisation

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful life
Intangible assets developed internally	
- Computer Software	5 - 6 years
- IP Technology	3 years
Copy Rights & Trademarks	5 years
Computer Software	3 years

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.



2.3 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.4 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

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

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.5 Revenue Recognition

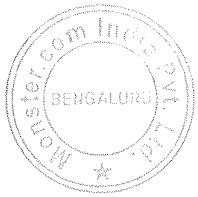
Revenue from Services

Effective April 1, 2018, the Company has adopted IndAS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration it expects to receive in exchange for those services.

At contract inception, the Company assesses its promise to transfer services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.



Revenue from fixed-price, fixed time frame contracts are recognised as per the terms of the arrangement with the customer where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. In fixed rate contracts, the performance obligation and control are being satisfied and transferred over time and revenue is being recognized by measuring progress towards completion of the performance obligation. Certain arrangements are on time and material basis and are recognised as the services are performed as per the terms of the arrangement with the customer.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of indirect taxes, trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

The Company may enter into arrangements with third party suppliers to provide services. In such cases, the Company evaluates whether it is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether it controls the service before it is transferred to the customer. If the Company control the service before it is transferred to the customer, it is the principal; if not, it is the agent.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company assesses the timing of the transfer of services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

Revenue recognized in excess of billing are classified as contract assets (referred to as "Unbilled revenue"); while, billing in excess of revenue recognized is classified as contract liabilities (referred to as "Unearned/Unmatured revenues").

► Revenue from Online Recruitment Services where the terms of transaction provide for licensing the product on a subscription basis, revenue is recognized evenly over the contract / subscription period on a straight-line basis. Substantially all services are provided on a contracted price basis.

► Revenue from Business Process Outsourcing (BPO) services is recognized on time and material basis on rendering of related services as per the terms of the contract. The services are provided on cost plus mark up basis.

► Revenue from Internet Advertisement/media work services is recognised as and when services are rendered as per the terms of the contract and the collectability is reasonably assured.

'Unearned/unmatured revenues' are included in other current liabilities.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

However, in case of interest income from short term financial assets such as term deposits, Interest income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.

Note: In case of interest income that may raise on refunds due from statutory authorities, income is recognised in the year of actual receipt of such interest on cash basis.

2.6 Taxes

Tax expense for the year, comprising current and deferred tax, are included in the determination of the net profit or loss for the year. Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(c) Tax expense relating to foreign branches

The amount of tax whatever name be called, that has been levied on income earned by branches outside of India, to the extent does not qualify for tax relief benefit under a particular double tax avoidance agreement or other or by any other reason that cannot be setoff with taxes payable in India, the same are charged to profit and loss account.

2.7 Assets classified as held for sale

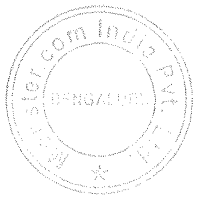
The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programmed to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.



2.8 Leases

As a lessee

Ind AS 116 replaced Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. The group has adopted Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The group's lease asset classes primarily consist of Land and Building. The group assesses whether a contract is a lease or not at the inception of each contract. A contract or a part of a contract is a lease if conveys the right to control the use of an asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimated of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use-asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is change in future lease payments arising from a change in an index or rate, if there is change in the Company estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use-asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize right-of-use assets and liabilities for low value of INR 100,000 that have a lease term of 12 months or less . The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Practical expedients adopted on initial recognition:

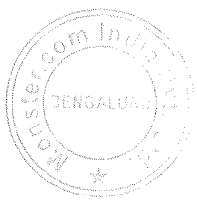
1. The agreements maturing within 12 months from the initial application of Ind AS 116, are not considered.
2. Single discount rate is applied to a portfolio of leases with reasonably similar characteristics on the date of initial application.
3. Value of initial direct costs (such as Stamp Duty, registration costs etc. already paid) excluded from the measurement of ROUA.

2.9 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").



2.10 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.11 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.12 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/loss for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.13 Financial instruments

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

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

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

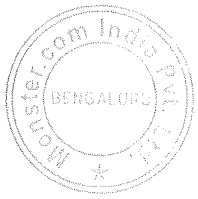
(ii) Subsequent measurement

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

a) at amortized cost; or
b) at fair value through other comprehensive income (FVTOCI); or
c) at fair value through profit or loss (FVTPL).

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).



Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL. However, in case of trade receivables, in line with group policy, ECL measured at past 6 quarter average is used subject to any other estimate as deemed appropriate by the management.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

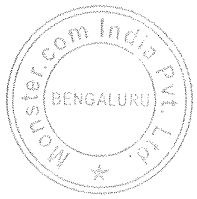
ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 180 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as expense/income in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

In addition to ECL, managaement also ealuating receivables at each level for credit risk and may consider same for impairment of such financial asset in full or part thereof.

The loss allowance for expected credit losses on the financial assets is considered at higher of ECL Model or Management estimate.



(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

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

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14 Employee Benefits

(a) Short-term obligations

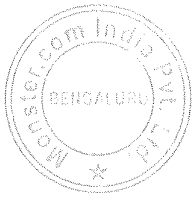
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.



(ii) **Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Compensated Absences: The company had compensated absences which are vested and unfunded, which are treated earned leaves that are encashable till March 31, 2018. Effective from April 1, 2018 Company has adopted new compenseted absences policy, where in the leaves are unvested and eligible for caryyforwad but not encashable.

The Accumulated compensated absences under the old policy will continue to be trated as such and can be encased at the time of retirement/ sepatation subjected to available leave balance after setoff leaves utilized from such accumulation.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

The employees are entitled for 20 days leave during the calendar year, which can be accumulated up to 20 days. The company provides for the liability at year end on account of unavailed leave as per the actuarial valuation using the Projected Unit Credit Method with estimated average leave availment rate.

2.15 Contributed equity

Equity shares are classified as equity share capital.
Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.16 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

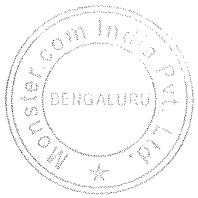
2.17 Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Unallocated items include general corporate income and expense items, which are not allocated to any business segment.

2.18 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.



3 (a) Property, plant and equipment

(Amount in INR lakhs, unless stated otherwise)

Particulars	Leasehold improvements	Furniture and fixtures	Vehicles	ROU - Buildings	Electrical & Office Equipment	Computer equipment	Total
Balance as at March 31, 2021	**9.82**	**6.27**	**0.04**	**584.59**	**116.54**	**688.29**	**1,405.56**
Additions during the year	-	-	-	1,968.06	8.93	105.92	2,082.92
Disposals for the year	-	-	-	-	-	-	-
Balance as at March 31, 2022	**9.82**	**6.27**	**0.04**	**2,552.65**	**125.47**	**794.21**	**3,488.47**
Additions during the year	26.51	0.54	-	2,097.95	19.30	256.10	2,400.41
Disposals for the year	-	-	-	564.64	-	-	564.64
Balance as at March 31, 2023	**36.34**	**6.81**	**0.04**	**4,085.97**	**144.76**	**1,050.31**	**5,324.24**
Accumulated depreciation*							
Balance as at March 31, 2021	**9.81**	**5.34**	**-**	**243.77**	**98.73**	**608.64**	**966.29**
Depreciation for the year	0.01	0.72	-	137.11	14.09	71.69	223.62
Accumulated depreciation on deletio	-	-	-	-	-	-	-
Balance as at March 31, 2022	**9.81**	**6.06**	**-**	**380.88**	**112.82**	**680.34**	**1,189.92**
Depreciation for the year	2.51	0.19	-	590.33	5.58	101.82	700.43
Accumulated depreciation on deletio	-	-	-	384.97	-	-	384.97
Balance as at March 31, 2023	**12.32**	**6.25**	**-**	**586.25**	**118.41**	**782.15**	**1,505.38**
Net carrying amount							
As at March 31, 2023	**24.01**	**0.57**	**0.04**	**3,499.72**	**26.37**	**268.15**	**3,818.86**
As at March 31, 2022	**0.01**	**0.21**	**0.04**	**2,171.77**	**12.65**	**113.87**	**2,298.55**

3 (b) Other intangible assets

(Amount in INR lakhs, unless stated otherwise)

Particulars	Internally Developed Software	Other software	Copyright and Trademarks	Total	Intangible assets under development
Balance as at March 31, 2021	**510.53**	**99.77**	**-**	**610.30**	**330.92**
Additions during the year	330.92	-	-	330.92	-
Disposals/Transfer for the year	-	-	-	-	330.92
Balance as at March 31, 2022	**841.45**	**99.77**	**-**	**941.22**	**-**
Additions during the year	-	-	18.39	18.39	-
Disposals/Transfer for the year	-	-	-	-	-
Balance as at March 31, 2023	**841.45**	**99.77**	**18.39**	**959.61**	**-**
Accumulated depreciation					
Balance as at March 31, 2021	**178.69**	**99.66**	**-**	**278.35**	**-**
Depreciation for the year	135.20	0.11	-	135.31	-
Accumulated depreciation on deletio	-	-	-	-	-
Balance as at March 31, 2022	**313.89**	**99.77**	**-**	**413.66**	**-**
Depreciation for the year	168.29	-	1.27	169.56	-
Accumulated depreciation on deletio	-	-	-	-	-
Balance as at March 31, 2023	**482.19**	**99.77**	**1.27**	**583.23**	**-**
Net carrying amount					
As at March 31, 2023	**359.26**	**-**	**17.12**	**376.38**	**-**
As at March 31, 2022	**527.56**	**-**	**-**	**527.56**	**-**

* There has been no impairment losses recognised during the year or previous year.

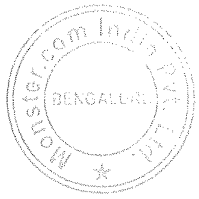
3.1 The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current year and previous year.

3.2 The Company has not revalued its Intangible Assets during the current year and previous year.

3.3 The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

3.4 The company has no capital work in progress and intangibles under development.

3.5 The Company doesn't have title deeds which are held other than in the company's name as at the balance sheet date.



4. Investments

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Investments in subsidaries	5,836.32	5,836.32
	5,836.32	**5,836.32**

The company has made Overseas investments as part of internal restructuring by way of purchase of 100% shares of Monster.com.SG Pte Ltd, Singapore ("MSG") from Quesscorp Holdings Pte Ltd., Singapore. Through this investment, the company has indirect shareholding in Agensi Pekerjaan Monster Malaysia Sdn. Bhd., Malaysia and Monster.com HK Limited, Hong Kong.

The overseas direct investment (inludes both direct and indirect) made during the year was duly reported for compilance under the Foreign Exchange Management Act (FEMA). The investment has not breached the Prevention of Money Laundering Act (PMLA). The company has duly complied with the requirements under Companies Act 2013 for investments made during the year.

5. Non-current loans

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured, considered good		
Security deposits	141.85	172.69
	141.85	**172.69**

6. Taxes

A Amount recognised in profit or loss

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended Mar 31, 2023	Mar 31, 2022
Current tax:		
In respect of the current year	-	-
Excess provision related to prior years	-	-
-Tax expense of foreign branches	-87.63	-57.49
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	-	-
Increase/ reduction of tax rate	-	-
Income tax expense reported in the Statement of profit and loss	**-87.63**	**-57.49**

B Income tax recognised in other comprehensive income

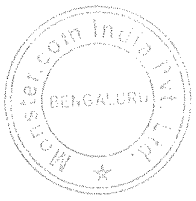
(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended Mar 31, 2023	Mar 31, 2022
Remeasurement of the net defined benefit liability/ asset		
Before tax	28.18	69.80
Tax (expense)/ benefit	-	-
Net of tax	**28.18**	**69.80**

C Reconciliation of effective tax rate

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended Mar 31, 2023	Mar 31, 2022
Profit before tax	-7,743.41	-1,199.63
Carry forward/(set-off) of losses for the year	7,743.41	1,199.63
Taxable Profit	-	-
Tax rate	25.00%	25.00%
Taxable amount	-	-
Effect of:		
Tax exempt income	-	-
Non-deductible expenses	-	-
Effective tax rate	**0.00%**	**0.00%**
Less: Excess provisions relating to earlier years	-	-
Income tax expense reported in the Statement of profit and loss	**-87.63**	**-57.49**



D The following table provides the details of income tax assets and income tax liabilities

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Income tax assets (net)	1,506.65	1,588.44
Income tax liabilities (net)	-	-
Net income tax asset at the end of the year	**1,506.65**	**1,588.44**

E Deferred tax assets, net

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset:		
Impairment loss allowance on financial assets	17.55	17.55
Provision for employee benefits	102.92	102.92
Provision for items allowed on payment basis in Income Tax	-	-
Provision for rent escalation	-	-
Deferred tax on bonus	-	-
Difference of Depreciation provided for in the books	148.48	148.48
Others	-0.00	-0.00
Carried forward business losses	865.33	865.33
Deferred tax liabilities:		
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax	-	-
Net deferred tax assets	**1,134.28**	**1,134.28**

F Recognised deferred tax assets and liabilities

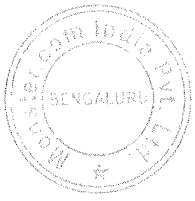
Movement of deferred tax assets / liabilities presented in the balance sheet

(Amount in INR lakhs, unless stated otherwise)

For the year ended 31 March 2023	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax liability on:				
Excess of depreciation provided for in the books over the depreciation allowed under the tax	-	-	-	-
Gross deferred tax liability	-	-	-	-
Deferred tax assets on:				
Impairment loss allowance on financial assets	17.55	15.96	-	33.52
Provision for employee benefits	102.92	30.05	-	132.97
Provision for items allowed on payment basis in Tax	-	-	-	-
Carried forward business losses	865.33	-141.35	-	723.98
Difference of Depreciation provided for in the books	148.47	95.34	-	243.81
Others	-	-	-	-
Gross deferred tax assets	**1,134.27**	**-0.00**	**-**	**1,134.27**
Net deferred tax assets	**1,134.27**	**-0.00**	**-**	**1,134.27**

(Amount in INR lakhs, unless stated otherwise)

For the year ended 31 March 2022	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax liability on:				
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax laws	-	-	-	-
Gross deferred tax liability	-	-	-	-
Deferred tax assets on:				
Impairment loss allowance on financial assets	53.15	-35.59	-	17.55
Provision for employee benefits	107.90	-4.98	-	102.92
Provision for items allowed on payment basis in Tax	-	-	-	-
Carried forward business losses	822.05	43.28	-	865.33
Difference of Depreciation provided for in the books	151.18	-2.70	-	148.47
Others	-	-	-	-
Gross deferred tax assets	**1,134.28**	**-0.00**	**-**	**1,134.27**
Net deferred tax assets	**1,134.28**	**-0.00**	**-**	**1,134.27**



7. Income tax assets (net)

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Income Tax Receivable	1,506.65	1,588.44
Minimum alternate tax credit entitlement	-	-
	1,506.65	**1,588.44**

8. Other non current assets

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Prepaid expenses	131.57	110.62
	131.57	**110.62**

9. Investments

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Investments		
a. Investments in Mutual Funds at fair value through profit and loss (fully paid)		
- Investments in Mutual Funds (Quoted) (Refer below)	-	4,479.40
	-	**4,479.40**

Details of investments in Mutual Funds (Quoted) designated at FVTPL:

Particulars	Face Value (in INR)	NAV (in INR)	No. of Units as at		Value (INR Lakhs) as at	
			Mar 31, 2023	Mar 31, 2022	Mar 31, 2023	Mar 31, 2022
Nippon India Overnight Fund	100	114.12	-	5,28,327.71	-	602.92
Nippon India Money Market Fund	1,000	3,350.56	-	30,072.44	-	1,007.60
SBI Magnum Ultra Short Duration Fund	1,000	4,897.07	-	29,296.01	-	1,434.65
ICICI Prudential Ultra Short Term Fund	10	23.91	-	59,98,235.18	-	1,434.23
					-	**4,479.40**

The entire value of these investments into mutual funds is current in the nature. The aggregate book and market value is as above and 100% into quoted investments in FY'22. The entire value of these investments into mutual funds were sold off in FY'23

10. Trade and other receivables

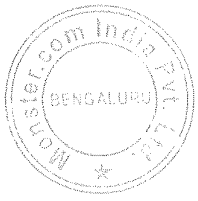
(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured		
Considered good	2,592.69	2,006.28
Considered doubtful	128.91	36.56
	2,721.61	**2,042.84**
Less: Allowance for bad and doubtful debts (refer note 32)	-128.91	-36.56
Unsecured (net)	**2,592.69**	**2,006.28**
Receivable from related parties	1,351.14	448.98
Other Receivables	293.52	190.86
	1,644.66	**639.84**
Net trade receivables	**4,237.36**	**2,646.12**

For terms and conditions of trade receivables owing from related parties (Refer note 40).

The Company's exposure to credit and currency risk and loss allowances related to trade receivables are disclosed in note 31.

Trade receivables are non-interest bearing and are varied for each customer based on different services bought by the respective customer.



Ageing of Trade Receivables FY'23

Particulars	Outstanding for the following periods from due date for payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables (Gross)							
- Considered good	2,769.99	182.74	-66.10	-0.41	-	-	2,886.22
- Significant increase in credit risk	6.44	49.58	72.89	-	-	-	128.91
- Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables (Gross)							
- Considered good	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Intercompany AR balance						-	-
Monster.com.sg Pte Ltd	262.07	476.71	-	-	-	-	738.78
Monster.com HK Ltd.	-	-	-	-	-	-	-
Agensi Pekerjaan Monster Malaysia Sdn Bhd	135.69	364.28	-	-	-	-	499.97
Quess Corp Limited	8.52	10.39	18.35	-	-	-	37.26
Qdigi Services Limited	-	-	-	0.41	-	-	0.41
Conneqt Business Solutions Limited	-	9.59	65.12	-	-	-	74.72

Ageing of Trade Receivables FY'22

Particulars	Outstanding for the following periods from due date for payment						
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables (Gross)							
- Considered good	2,066.71	129.74	0.69	-	-	-	2,197.15
- Significant increase in credit risk	7.01	28.75	0.78	0.03	-	-	36.56
- Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables (Gross)							
- Considered good	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Intercompany AR balance						-	-
Monster.com.sg Pte Ltd	147.69	-	-	-	-	-	147.69
Monster.com HK Ltd.	6.37	61.85	-	-	-	-	68.21
Agensi Pekerjaan Monster Malaysia Sdn Bhd	137.77	-	-	-	-	-	137.77
Quess Corp Limited	1.77	21.08	-	-	-	-	22.85
Qdigi Services Limited	-	-	-	0.41	-	-	0.41
Conneqt Business Solutions Limited	39.66	32.39	-	-	-	-	72.05

11. Cash and cash equivalents

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Cash and cash equivalents		
Cash on hand	-	-
Balances with banks		
In current accounts	1,350.08	1,577.44
In EEFC Accounts	167.39	97.76
In deposit accounts (with original maturity of less than 3 months)	-	-
Cash and cash equivalents	**1,517.47**	**1,675.20**
Bank overdraft used for cash management purpose	-	-
Cash and cash equivalents in the statement of cash flow	**1,517.47**	**1,675.20**

12. Bank balances other than cash and cash equivalents above

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
In deposit accounts (due to mature within 12 months from the reporting date)	4,845.31	1,821.27
	4,845.31	**1,821.27**

The deposits maintained by the company with banks is comprise of time deposits, which can be withdrawn by the company at any point without prior notice or no penalty on the principal.

13. Current loans

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Unsecured, considered good		
Advance given to employees	2.23	1.78
	2.23	**1.78**

14. Other current financial assets

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Interest accrued but not due	197.18	6.23
	197.18	**6.23**

15. Other current assets

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Prepaid expenses	708.51	425.54
Advances to creditors	10.45	5.44
Capital advances	28.06	15.00
Balances with government authorities (GST/VAT receivable)	1,045.86	1,009.70
	1,792.88	**1,455.68**

16. Share capital

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Authorised		
a. Equity share capital		
17,50,000 (March 31, 2022: 3,50,000 equity shares of INR. 10 each) equity shares of par value of INR 2 each	35.00	35.00
	35.00	**35.00**
b. Preference share capital		
15,000 (March 31, 2022 : 15000), 0.0001% Compulsory convertible non cumulative preference shares of INR 2,000 each	300.00	300.00
	300.00	**300.00**
c. Total	**335.00**	**335.00**
Issued, subscribed and paid-up		
3,01,600 (March 31, 2022: 60,320 equity shares of INR. 10 each) equity shares of par value of INR 2 each, fully paid up	6.03	6.03
12,253 (March 31, 2022: 7855) Compulsorily Convertible Preference Shares par value of INR 2,000 each, fully paid up	245.06	157.10
	251.09	**163.13**

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16.1. Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number of shares	Amount in INR lakhs	Number of shares	Amount in INR lakhs
a. Equity shares				
At the commencement of the year	60,320	1.21	50,000	5.00
Increase in shares on account of subdivision (Refer Note 16.2)	2,41,280	4.83		
Shares issued during the year				
a) Conversion of debentures	-	-	3,104	0.31
b) Issue of equity shares under right issue (refer note no. 16.2)	-	-	7,216	0.72
At the end of the year	**3,01,600**	**6.03**	**60,320**	**6.03**
b. Compulsory convertible preference shares				
At the commencement of the year	7,855	157.10	-	-
Shares issued during the year	4,398	87.96	7,855	157.10
Shares redeemed during the year	-	-	-	-
At the end of the year	**12,253**	**245.06**	**7,855**	**157.10**

16.2. Rights, preferences and restrictions attached to shares

A) Equity shares

Subdivision of equity shares: (a) On Jan 23, 2023 the equity shares of the Company having the face value of Rs. 10 (Rupees ten only) each were subdivided into 5 (five) equity shares having a face value of Re. 2 (Rupees two only) each. Accordingly 60,320 equity shares of face value of Rs. 10 each were sub divided into 3,01,600 equity shares of face value of Re. 2 each. (b) The earnings per share in respect of current and previous periods has been restated considering the aforesaid sub division of shares.

The company has one class of equity shares having a par value of INR 2 per share (March 31,2022: INR 10 per share). Each share holder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the current year, the amount of per share dividend recognized as distributions to equity shareholders was Nil (Previous year - Nil). In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issue on Conversion: During the year 2021-22, the outstanding Convertible debentures were converted in to equity shares at 1:1 ratio. Accordingly, 3104 shares were issued at issue price of INR 10 per share in lieu of convertible debentures to Quess Corp Ltd, India. These shares were issued on consideration not in cash on Dec 22, 2021.

Rights issue: During the year 2021-22, pursuant to the rights isssue anouncement by the company, Quess Corp Limited ("QCL"), an exisiting share holder, has consented to subscribe to the rights issue of the company. The company had accepted the letter issued by the QCL wherein QCL has agreed to subscribe to 7,216 equity shares of the company having face value INR 10 at a premium of INR 79,566 at an issue price of INR 79,576 per equity share aggregating to INR 57,42,20,416 (Rupees Fifty Seven Crores Forty Two Lakhs Thwenty Thosand Four Hundred and Sixteen Only) on Jan 18, 2022.

B) Compulsory convertible preference shares ("CCPS")

During the year 2022-23, the company has raised money by way of issuance of compulsory convertible preference shares ("CCPS"). The company had received subscription for 4,398 CCPS having face value of INR 2000 each at a premium of INR 77,576 (issue price per CCPS is INR 79,576) aggregating to INR 34,99,75,248 (Rupees Thirty Four Crore Ninety Nine Lakhs Seventy Five Thousand Two Hundred Forty Eighty Only). This subscription resulted increase in paid of capital by INR 87,96,000 and premium thereof INR 34,11,79,248 on Aug 1, 2022.

During the year 2021-22, the company has raised money by way of issuance of compulsory convertible preference shares ("CCPS"). The company had received subscription for 7,855 CCPS having face value of INR 2000 each at a premium of INR 77,576 (issue price per CCPS is INR 79,576) aggregating to INR 62,50,69,480 (Rupees Sixty Two Crore Fifity Lakhs Sixty Nine Thousand four Hundred Eighty Only). The subscription resulted increase in paid of capital by INR 1,57,10,000 and premium thereof INR 60,93,59,480 on Jan 24, 2022.

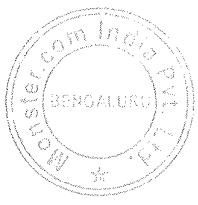
The CCPS shall be mandatorily and fully convertible into Equity Shares upon expiry of 19 (nineteen) years from the Closing Date.

C) Other Note

There are no subscription to shares received during the year from any person resident outside India that require compliance under Foreign Exchange Management Act (FEMA). The proceeds from the subscription of shares has not breached the Prevention of Money Laundering Act (PMLA). The company has duly complied with the requirements under Companies Act 2013 for issuance/transfer of shares during the year.

16.3. Shares held by holding company

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number of shares	Amount in INR lakhs	Number of shares	Amount in INR lakhs
Equity shares				
Equity shares of par value INR 2 each (March 31, 2022: par value INR 10 each)				
- Quess Corp Limited	3,01,570	6.03	60,314	6.03
	3,01,570	**6.03**	**60,314**	**6.03**



16.4. Details of shareholders holding more than 5% shares in the Company

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number of shares	% held	Number of shares	% held
Equity shares				
Equity shares of par value INR 2 each (March 31, 2022: par value INR 10 each)				
- Quess Corp Limited	3,01,570	99.99%	60,314	99.990%
	3,01,570	**99.990%**	**60,314**	**99.990%**

16.5. Details of shareholders holding of Compulsory convertiable preference shares

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number of shares	% held	Number of shares	% held
Preference shares				
Compulsory convertiable preference share of par value INR 2000 each				
- Volrado Ventures Partners	7,854	64.10%	4,713	60.00%
- Meridian Investments	4,399	35.90%	3,142	40.00%
	12,253	**100.00%**	**7,855**	**100.00%**

17. Compulsorily Convertible Debentures

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Issued		
Convertible Debentures		
1250 (March 31, 2022: NIL) 12% Convertible Debentures of par value of INR 80000 each, fully paid up.	1,000.00	-
	1,000.00	**-**

17.1. Reconciliation of number of compulsorily convertible debentures outstanding at the beginning and at the end of the year

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number of shares	Amount in INR lakhs	Number of shares	Amount in INR lakhs
Convertible Debentures				
At the commencement of the year	-	-	3,104	0.31
Instruments issued during the year	1,250	1,000.00	-	-
Instruments converted during the year	-	-	(3,104)	-0.31
Instruments redeemed during the year	-	-	-	-
At the end of the year	**1,250.00**	**1,000.00**	**-**	**-**

17.2. Rights, preferences and restrictions attached to shares

Convertible Debentures:

The Company has one class of Compulsorily convertible debentures (CCDs) of INR 80000 per CCD. These CCD's are unsecured and carrying a discretionary coupon of 12% per annum. The CCD's shall have a tenure of 18 months from the date of issue. These CCD's were issued to Quess Corp Limited, the holding company in Mar'23 and shall be convertible to CCPS of the Company.

During the year 2021-22, the opening outstanding 3,104 CD's were redeemed in the month of Jan'22.

18. Other equity*

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Securities premium account (refer note 18.1)	18,679.53	15,267.74
Capital redemption reserve account (refer note 18.2)	29.09	29.09
Retained earnings	-11,244.88	-3,413.90
Other comprehensive income (refer note 18.3)	382.21	354.04
Stock Options Outstanding account	2,859.52	443.88
	10,705.47	**12,680.85**

Monster.com India Pvt. Ltd. BENGALURU

18.1. Securities premium account

a) Issuance of Preference Shares: Premium of INR 23,60,53,729 was recorded on Apr 1, 2005 to account for the consideration paid pursuant to scheme of amalgamation of Webneuron Services Limited.

b) Issuance of Convertible Debentures: Premium of INR 10,72,12,160 was received in Jul'20 from subscription proceeds of CDs. (Refer Note 16.2 (A)).

c) Rights issue: Premium of INR 57,41,48,256 was received on Jan 18, 2022 from subscription proceeds of issuance of rights issue. (Refer Note 16.2 (A)).

d) Issuance of Compulsory Convertible Preference shares: Premium of INR 60,93,59,480 was received on Jan 24, 2022 from subscription to compulsory convertible preference shares. (Refer Note 16.2 (B)).

e) Issuance of Compulsory Convertible Preference shares: Premium of INR 34,11,79,248 was received in Mar'23 from the subscription to compulsory convertible preference shares. (Refer Note 16.2 (B)).

18.2. Capital redemption reserve account

During the year 2014-15, the company has redeemed 290,875 preference shares of Rs. 10/- each fully paid. The redemption was carried out of accumulated profits of the company at the face value of INR 2,908,750. Accordingly, the value of redemption has been transferred from accumulated distributable profits to Capital redemption reserve.

18.3. Other comprehensive income

Remeasurement of the net defined benefit liability/(asset) comprises actuarial gain and losses and return on plan assets (excluding interest income).

18.4. Stock Options Outstanding account

The stock option outstanding account is used to recognise the grant date fair value of option issued to employees under employee stock option scheme. Refer Note No.46 for further details of the Monster ESOP Plan 2021.

* For detailed movement of reserves refer Statement of changes in Equity.

18.4. Dividend

The Company has not declared any dividend during the current year.

19. Lease Liabilities

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Non-current lease liability	3,491.38	2,123.65
	3,491.38	**2,123.65**
Current lease liability	379.20	132.84
	379.20	**132.84**

20. Provisions

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Non-current provisions		
Provision for gratuity (Refer Note No.45) (Unfunded)	410.64	311.43
Provision for compensated absences (Unfunded & Vested) (Refer Note No.45)	38.23	37.40
Provision for compensated absences (Unfunded & Unvested) (Refer Note No.45)	41.17	29.74
	490.04	**378.57**
Current provisions		
Provision for gratuity (Refer Note No.45) (Unfunded)	9.61	7.37
Provision for compensated absences (Unfunded & Vested) (Refer Note No.45)	1.30	1.14
Provision for compensated absences (Unfunded & Unvested) (Refer Note No.45)	10.47	8.76
	21.38	**17.27**

21. Current borrowings

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Secured		
Working capital loan from bank repayable on demand	-	400.00
	-	**400.00**

This comprises of short tem borrowings payable on demad to ICICI Bank Limited, which is secured by first pari passu charge on book debts and other moveable assets of the company both present & future and backed with corpoarate guarantee issued by Quess Corp Limited, India.

22. Trade payables

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Dues to micro, small and medium enterprise (Refer Note No.41)	43.40	-
Trade payables to related parties	223.28	74.31
Other trade payables	633.63	447.72
	900.31	**522.03**

Trade Payable ageing Schedule

As at Mar 31, 2023	Outstanding period from due date of payments				
	<1 year	1-2 years	2-3 years	> 3 years	Total
1) MSME	43.40	-	-	-	43.40
2) Other	624.36	9.27	-	-	633.63
3) Disputed Dues-MSME	-	-	-	-	-
4) Disputed Dues-Others	-	-	-	-	-
5) Intercompany AP balance	-	-	-	-	-
Monster.com HK Ltd.	2.36	-	-	-	2.36
Quess Corp Limited	205.43	13.38	-	-	218.81
Quesscorp Manpower Supply Servcies LLC	2.11	-	-	-	2.11

As at Mar 31, 2022	Outstanding period from due date of payments				
	<1 year	1-2 years	2-3 years	> 3 years	Total
1) MSME	-	-	-	-	-
2) Other	515.31	6.72	-	-	522.03
3) Disputed Dues-MSME	-	-	-	-	-
4) Disputed Dues-Others	-	-	-	-	-

23. Other current financial liabilities

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Employee Payables	522.31	746.50
	522.31	**746.50**

24. Other current liabilities

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Balances payable to government authorities	253.28	151.90
Advance received from customers	36.98	44.40
Unearned Revenue *	4,597.54	4,460.79
Accrued Salaries	765.57	570.44
Provision for expenses	2,123.94	1,361.75
	7,777.30	**6,589.28**

* Unearned revenue represents the billing in excess of revenue recognized to the extent of unexpired period of the service contract (i.e., billing value corresponding to unexpired portion of the subscription/contract period for which services are yet to be availed by customers).

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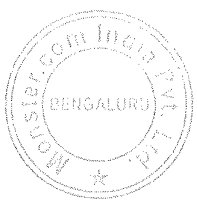


25. Revenue from Contracts with customers

(i) Disaggregation of revenue

Revenue disaggregation as per segment and geography has been included in segment information (Refer note 44).

(ii) Trade Receivables and Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Receivables, which are included in 'Trade and other receivables'	2,592.97	2,006.28
Contract assets	-	-
Contract liabilities	4,597.54	4,460.79

The unbilled revenue (contract assets) primarily relate to the company's right to consideration for work completed but not billed at the reporting date.The contract assets are transferred to receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customer, for which revenue is recognised on completion of contract terms.

The following table discloses the movement in unearned revenue (contract liabilities) balances of Recruitment Services & Internet Advertisement Fee Services.

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended 31-Mar-23	31-Mar-22
Balance at the beginning of the year	4,460.78	2,884.04
Add: Billing made during the period (including Distribution Services)	13,204.81	10,660.31
Less: Revenue recognized during the period	-13,038.84	-9,042.87
Less: Contracts suspended due to uncertainity in ultimate collection	-29.21	-40.71
Closing Balance	4,597.54	4,460.78

26. Revenue from operations

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended 31-Mar-23	31-Mar-22
- Income from Recruitment and Distribution Services	11,300.55	8,434.70
- Income from BPO Operations	1,654.16	526.45
- Income from Internet Advertisement Fee [IAF]	84.13	81.72
	13,038.84	**9,042.87**

27. Other income

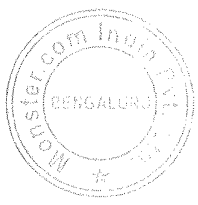
(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended 31-Mar-23	31-Mar-22
Interest income under the effective interest method on:		
Interest income on fixed deposits	253.85	11.64
Interest income on present valuation of financial instruments	14.08	9.29
Interest on tax refunds	32.17	-
Exchange fluctuation gain (net)	-	23.70
Income from sublet of office premises to subsidaries	20.46	92.16
Liabilities no longer required written back	0.30	0.44
Miscellaneous income	51.50	0.21
Net gain on financial assets/ liabilities-FVTPL	104.77	29.62
	477.13	**167.06**

x Cost of material and stores and spare parts consumed

(Amount in INR lakhs)

Particulars	For the year ended 31-Mar-23	31-Mar-22
Inventory at the beginning of the year	-	-
Add: Purchases for the year	-	-
Less: Inventory at the end of the year	-	-
Cost of material and stores and spare parts consumed	-	-



x **Marketing and business promotional expenses**

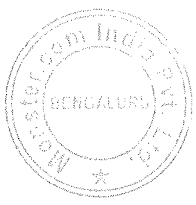
(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Marketing, advertisement and promotion expense	3,715.84	1,126.65
	3,715.84	**1,126.65**

x **Reseller Services purchase expenses**

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	45016	44651
Purchase of Distribution of access rights-Inter company	1,299.51	1,254.29
Purchase of Distribution of access rights-Others	1.01	24.58
	1,300.52	**1,278.88**



28. Employee benefit expenses

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Salaries and wages	9,554.63	5,198.74
Contribution to provident and other funds	164.26	84.53
Expenses related to defined benefit plans (gratuity) (refer note 45)	147.06	94.39
Expenses related to compensated absences (refer note 45)	17.50	4.07
Staff welfare expenses	119.43	139.01
Expense on employee stock option scheme	2,415.64	443.88
	12,418.52	**5,964.62**

29. Finance costs

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Bank Charges	10.98	6.21
Interest on short term loans	91.40	52.16
Interest expense on leases	344.31	47.74
Bank & Gateway charges	62.95	58.82
	509.64	**164.93**

30. Other expenses

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Rent	31.75	82.89
Power and fuel	72.34	52.27
Repairs & maintenance		
- buildings	65.21	79.83
- plant and machinery	478.48	267.41
- others	6.36	17.26
Legal and professional fees	202.15	157.36
Remuneration to Auditors	17.50	16.00
Rates and taxes	7.34	19.32
Printing and stationery	11.03	1.99
Travelling and conveyance	193.92	48.44
Communication expenses	1,003.53	684.09
Impairment loss allowance on trade receivables (net)	21.57	-30.42
Insurance	0.05	0.03
Login expenses	245.85	118.02
Foreign exchange loss, net	81.72	-
Miscellaneous expenses	6.07	1.01
	2,444.87	**1,515.54**

30.1. Remuneration to auditors

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Statutory audit fees	15.50	14.00
Tax audit fees	2.00	2.00
Others Services	-	-
	17.50	**16.00**

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30.2. Details of CSR expenditure

As per Section 135 of the Companies Act, 2013, any Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility ("CSR") activities. The areas for CSR activities are outlined in the CSR policy and CSR activities if any are review by a CSR committee formed by the Company as per the Act. As per calculation of CSR spent for the year FY 2022-23 u/s 135, the amount to be spent by the company is NIL.

As per the consecutive losses of the company, the company is not required to spend any amount towards CSR. Thus, no amount has been earmarked for the year and no amount has been charged to the statement of profit and loss.

(a) Gross amount qualify to be spent during financial year 2022-23 - NIL (Previous Year: Nil)

(b) Amount spent during the financial year 2022-23 - NIL (Previous year: Nil)

(c) Amount spent during the financial year 2022-23 from brought forward of previous years - NIL

(d) Total amount spent in cash during the financial year 2022-23 is NIL

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Gross amount required to be spent:		
i. Construction/acquisition of any asset	-	-
- Under control of the company for future use		
- Not under control of the Company for future use		
ii. On purpose other than (i) above	-	-
	-	-
b) Amount spent during the year		
- In cash	-	-
- Yet to be paid in cash	-	-
Total	-	-

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31. Financial instruments - fair value and risk management

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

(Amount in INR lakhs, unless stated otherwise)

Particulars	Carrying amount	Fair value		
	Mar 31, 2023	Level 1	Level 2	Level 3
Financial assets measured at amortised cost				
Loans	144.08	-	-	-
Investments	5,836.32			
Trade receivables	4,237.36	-	-	-
Cash and cash equivalents including other bank balances	6,362.78	-	-	-
Other financial assets	197.18	-	-	-
Financial assets measured at fair value				
Investment in mutual funds	-	-	-	-
Total financial assets	**16,777.73**	**-**	**-**	**-**
Financial liabilities measured at amortised cost				
Borrowings	-	-	-	-
Trade payables	900.31	-	-	-
Other financial liabilities	5,392.89	-	-	-
Total financial liabilities	**6,293.19**	-	-	-

Particulars	Carrying amount	Fair value		
	Mar 31, 2022	Level 1	Level 2	Level 3
Financial assets measured at amortised cost				
Loans	174.47	-	-	-
Investments	5,836.32			
Trade receivables	2,646.12	-	-	-
Cash and cash equivalents including other bank balances	3,496.47	-	-	-
Other financial assets	6.23	-	-	-
Financial assets measured at fair value				
Investment in mutual funds	4,479.40	4,479.40	-	-
Total financial assets	**16,639.01**	**4,479.40**	-	-
Financial liabilities measured at amortised cost				
Borrowings	400.00	-	-	-
Trade payables	522.03	-	-	-
Other financial liabilities	3,002.99	-	-	-
Total financial liabilities	**3,925.02**	-	-	-

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference securities, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in unquoted preference securities and non convertible debentures included in level 3.

Fair valuation method

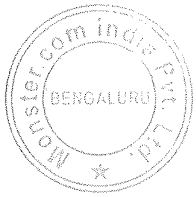
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

A. Financial Assets:

Loans, Investments, Trade receivables, Cash and cash equivalents and other assets: Fair value of all these financial assets are measured at balance sheet date value, as most of them are settled within a short period (except present value of non-current lease liability) and so their fair values are assumed to be almost equal to the balance sheet date value.

B. Financial Liabilities:

Borrowings, Trade payables and other liabilities: Fair values of borrowings, trade and other liabilities are measured at balance sheet value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the balance sheet values.



32. Financial risk management

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

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

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

i) Credit risk

Credit risk is the risk of financial loss to the Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by its customers. However, the management also considers the factors that may influence the credit risk of its customer base.

The Company has established a credit policy under which each new customer is verified individually for credit period before the Company's payment and delivery terms and conditions are offered. The Company's review includes ratings, if they are available, financial statements, credit information, industry information and in some cases bank references.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment received from each contracted customer is possible minimum credit period, which is unique for each customer. The Company does not have trade receivables for which no loss allowance is recognised because of collateral.

Expected credit loss assessment for corporate customers as at Mar 31, 2023 and Mar 31, 2022 are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivable from customers.

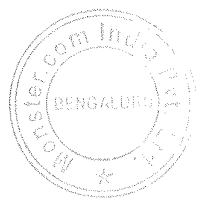
Based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired) if the payments are more than 180 days past due. Loss rates are based on actual credit loss experience over the last six quarters.

These rates have been adjusted to reflect the management's view of economic conditions over the expected lives of the

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from customers:

(Amount in INR lakhs, unless stated otherwise)

Particulars	March 31, 2023	March 31, 2022
Provision under Expected Credit Loss method using Credit Loss Rate percentage (A)	8.22	9.54
Provision as per management estimate	128.91	36.56
Actual Provision (Higher of A or B)	128.91	36.56



As at March 31, 2023

(Amount in INR lakhs, unless stated otherwise)

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	2,249.45	0.00%	0.00	No	2,249.45
Past due 1–90 days	192.54	0.03%	0.05	No	192.49
Past due 91–180 days	33.67	0.34%	0.12	No	33.56
Past due 181–270 days	53.70	5.94%	3.19	No	50.51
Past due 271 - 360 days	17.45	27.25%	4.75	No	12.69
Above 360 days	0.11	100.00%	0.11	No	-0.00
	2,546.92		**8.22**		**2,538.71**

As at March 31, 2022

(Amount in INR lakhs, unless stated otherwise)

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	1,920.84	0.03%	0.60	No	1,920.24
Past due 1–90 days	185.56	1.97%	3.65	No	181.92
Past due 91–180 days	10.71	48.37%	5.18	No	5.53
Past due 181–270 days	1.40	4.39%	0.06	No	1.34
Past due 271 - 360 days	0.07	33.86%	0.02	No	0.05
Above 360 days	0.03	100.00%	0.03	No	-
	2,118.61		**9.54**		**2,109.08**

Movement in allowance for impairment in respect of trade receivables:

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	36.56	204.41
Impairment loss allowances recognised	21.57	-30.42
Bad Debt Written off	70.79	-137.43
Balance as at the end of the year	**128.91**	**36.56**

ii) Liquidity risk

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

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually, the excess of funds is invested in fixed deposit. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2023 and March 31, 2022. The amounts are gross and undiscounted contractual cash flow and includes contractual interest payment and exclude netting arrangements:

(Amount in INR lakhs, unless stated otherwise)

Particulars	Contractual cash flows				
	Gross Amount	0-1 years	1-2 years	2-5 years	5 years and above
As at March 31, 2023					
Borrowings	-	-	-	-	-
Trade payables	900.31	877.65	22.65	-	-
Other financial liabilities	5,823.05	338.33	1,847.88	2,140.77	1,496.08
As at March 31, 2022					
Borrowings	400.00	400.00	-	-	-
Trade payables	522.03	515.31	6.72	-	-
Other financial liabilities	4,258.41	1,076.79	425.23	1,615.74	1,140.65

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Foreign Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currency of the Company.

Exposure to currency risk

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

(Amount in INR lakhs, unless stated otherwise)

Particulars	Currency	As at March 31, 2023		As at March 31, 2022	
		Foreign currency	Amount	Foreign currency	Amount
Trade receivables	SGD	12.00	741.82	2.64	147.69
	PHP	142.38	215.42	142.00	207.06
	USD	8.67	712.79	10.34	784.07
	HKD	-	-	7.05	68.21
	SAR	-	-	-	-
	AED	-	-	-	-
	GBP	0.05	5.29	0.08	8.35
	MYR	26.85	499.97	7.64	137.77
Trade payables	SGD	-	-	-	-
	PHP	-	-	2.53	3.69
	USD	1.41	115.94	1.44	109.01
	MYR	-	-	-	-
	HKD	-	-	-	-
	SAR	-	-	-	-
	AED	0.27	5.95	0.25	5.08
	EUR	-	-	-	-
	GBP	-	-	-	-

The following significant exchange rates have been applied

Currency	Year end spot rate	
	March 31, 2023	March 31, 2022
SGD/INR	61.79	55.97
PHP/INR	1.51	1.46
USD/INR	82.17	75.79
MYR/INR	18.62	18.03
HKD/INR	10.47	9.68
SAR/INR	21.89	20.20
AED/INR	22.37	20.64
GBP/INR	101.65	99.46

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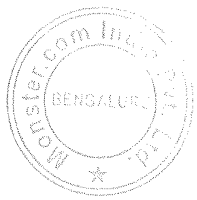

Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign currencies against INR at March 31, 2023 and March 31, 2022 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

(Amount in INR lakhs, unless stated otherwise)

Particulars	Profit and loss		Equity, net of tax	
	Strengthenin	Weakening	Strengthening	Weakening
March 31, 2023				
SGD(4%)	29.67	-29.67	29.67	-29.67
PHP(5%)	10.77	-10.77	10.77	-10.77
USD(5%)	29.85	-29.85	29.85	-29.85
MYR(3%)	15.00	-15.00	15.00	-15.00
HKD(5%)	-	-	-	-
GBP(5%)	0.26	-0.26	0.26	-0.26
AED(5%)	-0.30	0.30	-0.30	0.30
March 31, 2022				
SGD(4%)	5.91	-5.91	5.91	-5.91
PHP(5%)	10.17	-10.17	10.17	-10.17
USD(5%)	33.75	-33.75	33.75	-33.75
MYR(3%)	4.13	-4.13	4.13	-4.13
HKD(5%)	3.41	-3.41	3.41	-3.41
AED(5%)	-0.25	0.25	-0.25	0.25

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company has MCLR linked interest rate applicable on the short term borrowings.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at	
	31 March 2023	31 March 2022
Variable rate borrowings	-	400.00
Fixed rate borrowings	-	-
Total borrowings	**-**	**400.00**

(b) Sensitivity

(Amount in INR lakhs, unless stated otherwise)

Particulars	Profit and loss		Equity, net of tax	
	1% Increase	1% decrease	1% Increase	1% decrease
March 31, 2023				
Variable rate borrowings	-	-	-	-
March 31, 2022				
Variable rate borrowings	5.00	-5.00	5.00	-5.00

33. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and keep maintain the market confidence to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholders value.

The capital structure of the company consists of equity attributable to equity holders, comprising issued capital and retained earnings. The company does not have externally imposed capital requirements.

34. Capital commitments

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Estimated amount of contracts remaining to be executed on capital account not provided for, net of advances	-	-
Estimated amount of contracts remaining to be executed on non-capital account not provided for, net of advances	-	-

35. Contingent liabilities and commitment (to the extent not provided for)

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
a) Customer case pending against the company	-	-
b) Claims against the Company not acknowledged as debt	-	-
c) Income tax assessment	-	-

36. Earnings in foreign currency (Receipt Basis)

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Receipts from Operations	3,577.31	3,205.76

37. Expenditure in foreign currency (Invoice Basis)

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Business promotion expenses	261.80	74.35
Reseller Services purchase expenses	1,286.64	1,221.14
Internet Infrastructure Services	35.35	108.40
Other Operating expenses	0.27	59.34
Expenses incurred by Foreign Branches	637.45	97.47

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38. Earnings per share

(Amount in INR lakhs except number of shares and per share data)

Particulars	For the year ended	
	Mar 31, 2023	Mar 31, 2022
Nominal value of equity shares (INR 2 per share, March 31,2022: INR 10 per share)	2	2
Net Loss after tax for the purpose of earnings per share (INR in lakhs)	-7,831.03	-1,257.11
Weighted average number of shares used in computing basic earnings per share	3,01,600	2,61,468
Basic earnings per share (INR)	**-2,596.50**	**-480.80**
Weighted average number of shares used in computing diluted earnings per share	3,55,515	2,68,677
Diluted earnings per share (INR)	**-2,202.73**	**-467.90**

Computation of weighted average number of shares

Particulars	For the year ended	
	Mar 31, 2023	Mar 31, 2022
Number of equity shares outstanding at beginning of the year (post share split*)	3,40,875	2,50,000
Add: number of equity shares issued during the year	-	51,600
Number of equity shares outstanding at closing of the year	3,40,875	3,01,600
Add: Dilutable number of convertible preference shares issued during the year	21,990	39,275
Diluted Number of equity shares outstanding at closing of the year	**3,62,865**	**3,40,875**
Weighted average number of shares outstanding at the end of the year for computing basic earnings per share	3,01,600	2,61,468
Weighted average number of shares outstanding at the end of the year for computing diluted earnings per share	3,55,515	2,68,677

*The Company on January 23, 2023, has split the Rs. 10 equity share into 5 shares of Rs. 2 each. Accordingly, the earnings per share has been adjusted for subdivision of shares for the current and previous years presented in accordance with the requirements of Indian Accounting Standard (Ind AS) 33 - Earnings per share.

Note :As no conversion price is decided under the said agreement, it is not possible to decide potential issue of Equity Shares upon conversion of such Debentures and eventually diluted EPS is calculated without considering such conversion.

39. Lease liability

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at	As at
	Mar 31, 2023	Mar 31, 2022
Current lease liability	379.20	132.84
Non-current lease liability	3,491.38	2,123.65
Total	**3,870.58**	**2,256.49**

Movement in lease liabilities:

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at	As at
	Mar 31, 2023	Mar 31, 2022
Operating lease recognised on adoption of Ind AS 116	2,256.49	392.98
Add: Additions	2,097.95	1,968.06
Less: Deletion	-227.71	-
Add: Finance cost accrued during the period	344.31	47.74
Less: Payment of lease obligation	-600.47	-152.29
Carrying amount as at 31 March 2023	**3,870.57**	**2,256.49**

Amount recognised in Profit & Loss Account

(Amount in INR

Particulars	For the year ended	
	Mar 31, 2023	Mar 31, 2022
Interest expense (included in finance cost)	344.3	47.74
Expenses relating to short-term lease (included in other expenses)	24.40	78.16
Expenses relating to lease of low value assets that are not included above	-	-
	368.72	125.89

Details of the contractual maturities of lease liabilities at undiscounted basis:

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at	As at
	Mar 31, 2023	Mar 31, 2022
Less than one year	816.01	330.28
One to five years	2,988.65	425.23
More than five years	1,496.08	2,756.4

40. Related party disclosures

(i) Name of related parties and description of relationship:

- Holding Company	Quess Corp Limited, India
- Entities under common control	Brainhunter Systems Ltd, India Mindwire Systems Limited, India MFX Infotech Private Limited, India Quess (Philippines) Corp., Philippines Quess Corp (USA) Inc., USA Quess Corp Holdings Pte. Ltd., Singapore Quessglobal (Malaysia) Sdn. Bhd., Malaysia MFXchange Holdings, Inc., Canada MFXchange US, Inc., USA Quess Corp Lanka (Private) Limited, Srilanka Quesscorp Singapore Pte Ltd (formerly known as Comtel Solutions Pte. Limited), Singapore Quess East Bengal FC Private Limited, India Excelus Learning Solutions Private Limited, India Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited), India Vedang Cellular Services Private Limited, India Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited), India Quess Selection & Services Pte Ltd (formerly known as Comtelpro Pte. Ltd.), Singapore Comtelink Sdn. Bhd., Malaysia Monster.com.SG PTE Limited, Singapore Monster.com.HK Limited, Hong Kong Agensi Pekerjaan Monster Malaysia Sdn. Bhd (formerly known as Monster Malaysia Sdn Bhd), Malaysia Quess Corp Vietnam LLC, Vietnam Simpliance Technologies Private Limited (till 20 October 2022), India Qdigi Services Limited (formerly known as: HCL Computing Products Limited), India Greenpiece Landscapes India Private Limited, India Quesscorp Management Consultancies (formerly known as Styracorp Management Services), India Quesscorp Manpower Supply Services LLC [formerly known as S M S Manpower Supply Services (LLC)], UAE Allsec Technologies Limited, India Allsectech Inc., USA Allsectech Manila Inc., Philippines Quess Services Limited, India Trimax Smart Infraprojects Private Limited, India Terrier Security Services (India) Private Limited, India Heptagon Technologies Private Limited, India Billion Careers Private Limited, India Quess Corp NA LLC (w.e.f 17 May 2022), USA Stellarslog Technovation Private Limited, India
- Associates of Holding Company	Quess Recruit, Inc., Philippines Agency Pekerjaan Quess Recruit SDN. BHD., Malaysia
- Joint Venture of Holding Company	Himmer Industrial Services (M) Sdn. Bhd., Malaysia

Key executive management personnel

Mr. Chandra Sekhar Reddy Garisa - Director & CEO (wef Dec 22, 2021)

(ii) Related party transactions during the year

(Amount in INR lakhs, unless stated otherwise)

Particulars		For the year ended	
		Mar 31, 2023	Mar 31, 2022
Sale of Recruitment Solutions & IAF Services	Quess Corp Limited	55.45	40.19
	Conneqt Business Solutions Limited	60.85	102.29
	Quesscorp Manpower Supply Servcies LLC	-	-
Income from BPO operations			
(a) Telecalling services [#1]	Monster.com SG Pte. Ltd.	503.46	223.06
	Agensi Pekerjaan Monster Malaysia Sdn Bhd	76.69	66.20
[#1] Telecalling service is remunerated at cost plus 15% markup			
(b) Consultancy & Management support service:	Monster.com SG Pte. Ltd.	736.60	98.82
	Agensi Pekerjaan Monster Malaysia Sdn Bhd	337.41	138.35
	Monster.com HK Ltd.	-	-
[#2] Consultancy & Management support services are remunerated at cost plus 10% markup.			
Income from sublet of office premises			
	MFX Infotech Private Limited	-	-
	Quess Corp Limited	20.46	92.16
	Excelus Learning Solutions Private Limited	-	-
Receipts from Distribution of access rights (net)	Monster.com SG Pte. Ltd.	541.48	632.03
	Agensi Pekerjaan Monster Malaysia Sdn Bhd	155.15	177.35
	Monster.com HK Ltd.	47.12	31.74
Purchase of Services	Quess Corp Limited	595.97	27.73
	Conneqt Business Solution Limited	59.22	59.68
	Terrier Security Services (India) Private Ltd	16.29	21.56
	Allsec Technologies Limited	3.73	3.91
	Quesscorp Manpower Supply Servcies LLC	-	4.25
	Heptagon Technologies Private Limited	6.70	-
Payment for Distribution of access rights (net)	Monster.com SG Pte. Ltd.	-	5.21
	Agensi Pekerjaan Monster Malaysia Sdn Bhd	-	-
	Monster.com HK Ltd.	-	-

(iii) Balance receivable from and payable to related parties as at the balance sheet date:

(Amount in INR lakhs, unless stated otherwise)

Particulars		As at	As at
		Mar 31, 2023	Mar 31, 2022
Trade receivables (net)	Monster.com SG Pte. Ltd.	738.78	147.69
	Agensi Pekerjaan Monster Malaysia Sdn Bhd	499.97	137.77
	Monster.com HK Ltd.	-	68.21
	Quess Corp Limited	37.26	22.85
	Connect Business Solutions Limited	74.72	72.05
	Quesscorp Manpower Supply Servcies LLC	-	-
	Qdigi Services Limited	0.41	0.41
Trade payables (net)	Monster.com HK Ltd.	2.36	-
	Quess Corp Limited	218.62	73.02
	Allsec Technologies Limited	0.19	0.55
	Quesscorp Manpower Supply Servcies LLC	2.11	0.74
	Terrier Security Services (India) Private Ltd	-	-

Investment from Holding Company	Quess Corp Limited	1,000.00	-

(iv) Compensation of key managerial personnel

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	Mar 31, 2023	Mar 31, 2022
Chandra Sekhar Reddy Garisa (wef Jan 17, 2022)	282.68	50.05
	282.68	**50.05**

*Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences since, provision for these are based on an actuarial valuation carried out for the Company as a whole.

41. Dues to micro, small and medium enterprises

Information as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:
In terms of the requirements of the Micro, Small and Medium Enterprises Development Act, 2006, (here after referred as "MSMED Act") the Company has continuously sought confirmations.
Based on the information available with the Company, there are no principal / interest amounts due to micro, small and medium enterprises towards supply of goods or services beyoond the specified period.

42. Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international as well as specified domestic transactions (if applicable) entered into with the associated enterprise during the financial year and expects such records to be in existence latest by the end of the stipulated timeline, as required by law. The Management is of the opinion that its international as well as specified domestic transactions (if any) are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

43. Update on the Code on Social Security, 2020 ('Code')

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

44. Segment reporting

Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. Accordingly, segment information has been presented both along business segments and geographic segments for the service offerings. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Reportable segment:

The company has considered "'Business Segment" as its primary segment and "'Geographic Segment" as its secondary segment. Revenues and expenses directly attributable to segments are reported under each reportable segment. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable in business segment reporting.

A) Business segment information

The segments have been identified taking into account the nature of service offerings.

1. Recruitment Solutions and IAF Services: This segment comprises of services primarily relating to services relating to recruitment solutions such as Resume database access, Job Postings, distribution of access rights of third party products and services, consumer services and fee for Internet advertisement services. The revenue from this segment is earned from domestic and outside India customers (i.e., export of sales from India & sales from foreign branches to their customers).

2. BPO Services: This segment comprises of business process outsourcing activity relating to (a) tele marketing/calling service offered to certain associated enterprises of the company and (b) Web Design & IT Support Services provided to certain associated enterprises of the company. The revenue from BPO services segment is earned from outside India customers (i.e., export of services from India).

A Business segment information for the year ended is as follows:

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Recruitment Solutions & IAF Services	BPO Services	Total	Recruitment Solutions & IAF Services	BPO Services	Total
Segment revenue	11,384.68	1,654.16	13,038.84	8,516.42	526.45	9,042.87
Segment cost	19,761.02	1,480.85	21,241.87	9,865.06	467.15	10,332.22
Segment result	**-8,376.35**	**173.31**	**-8,203.04**	**-1,348.64**	**59.30**	**-1,289.34**
Other income			477.13			167.06
Unallocated corporate expenses			17.50			77.34
Profit before taxation	**-8,376.35**	**173.31**	**-7,743.41**	**-1,348.64**	**59.30**	**-1,199.62**
Taxation (Expense)/ Benefit	-	-	-87.63	-	-	-57.49
Profit after taxation	**-8,376.35**	**173.31**	**-7,831.03**	**-1,348.64**	**59.30**	**-1,257.11**
Segment asset	20,218.34	1,238.75	21,457.09	22,228.08	237.18	22,465.26
Segment liabilities	25,027.07	-	25,027.07	23,754.17	-	23,754.17
Capital expenditure	320.84	-	320.84	114.86	-	114.86

B Geographic information:

The geographical information analyses are allocated based on the Company's country of domicile (i.e. India) and other countries. The company operations are geographically spread across India, Middle East region (includes Dubai & Kingdom of Saudi Arabia) and Philippines. In presenting the geographical information, segment revenue has been based on the geographical location of the office that made the sale.

(Amount in INR lakhs, unless stated otherwise)

Revenue	For the year ended March 31, 2023	For the year ended March 31, 2022
India	12,098.86	8,141.26
Middle East	215.26	247.25
Philippines	724.71	654.34
Total	**13,038.84**	**9,042.85**

C Major customer

None of the customers of the Company has revenue which is more than 10 % of the Company's total revenue

45. Assets and liabilities relating to employee benefits

The Company operates post-employment defined benefit plan that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit.

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Net defined benefit liability, gratuity plan	420.25	318.79
Net defined benefit liability, Compensated absences (Vested)	39.53	38.54
Net defined benefit liability, Compensated absences (Unvested)	51.64	38.50
Total employee benefit liability	**511.42**	**395.83**
Current	21.38	17.27
Non-current	490.04	378.56
	511.42	**395.83**

The Company does not have any assets relating to employee benefits. For details relating to employee benefit expenses, see note 28.

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act,1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ assets and its components:

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2023			As at Mar 31, 2022		
	Leave Encashment (Vested)	Leave Encashment (Unvested)	Gratuity	Leave Encashment (Vested)	Leave Encashment (Unvested)	Gratuity
Reconciliation of present value of defined benefit obligation						
Obligation at the beginning of the year	38.54	38.51	318.79	52.21	30.74	332.07
Current service cost	2.97	29.99	124.87	3.28	19.06	73.57
Interest cost	2.68	2.68	22.19	3.27	1.93	20.82
Past service cost	-	-	-	-	-	-
Benefits settled	(3.37)	-	(17.42)	(9.97)	-	(37.87)
Actuarial (gains)/ losses recognised in other comprehensive income						
- Changes in experience adjustments	0.87	(15.73)	(0.90)	(6.03)	(7.77)	(34.66)
- Changes in demographic assumptions	0.10	(0.06)	(3.38)	(3.61)	(1.00)	(5.43)
- Changes in financial assumptions	(2.25)	(3.75)	(23.90)	(0.61)	(4.45)	(29.71)
Obligation at the end of the year	**39.53**	**51.64**	**420.25**	**38.54**	**38.51**	**318.79**

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended Mar 31, 2023			For the year ended Mar 31, 2022		
	Leave Encashment (Vested)	Leave Encashment (Unvested)	Gratuity	Leave Encashment (Vested)	Leave Encashment (Unvested)	Gratuity
B (i) Expense recognised in profit or loss						
Current service cost	2.97	29.99	124.87	3.28	19.06	73.57
Interest cost	2.68	2.68	22.19	3.27	1.93	20.82
Past service cost	-	-	-	-	-	-
Actuarial (gains) /losses on defined benefit obliga	-1.29	-19.54		-10.26	-13.21	
Net Cost	**4.36**	**13.13**	**147.06**	**3.70**	**7.77**	**94.39**
(ii) Remeasurement recognised in other comprehensive income						
Actuarial (gains) /losses on defined benefit obligation			-28.18			-69.80
	-	-	**-28.18**	-	-	**-69.80**

Particulars	For the year ended					
	Mar 31, 2023			Mar 31, 2022		
	Leave Encashment (Vested)	Leave Encashment (Unvested)	Gratuity	Leave Encashment (Vested)	Leave Encashment (Unvested)	Gratuity
C Defined benefit obligation - Benefits paid						
Actual Benefit Payments	3.37	-	17.42	9.97	-	37.87
D Defined benefit obligation - Actuarial Assumptions						
Discount rate	7.45%	7.45%	7.45%	6.96%	6.96%	6.96%
Future salary growth	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
E Defined benefit obligation - bifurcation into current & non current						
Current	1.30	10.47	9.61	1.14	8.76	7.37
Non-current	38.23	41.17	410.64	37.40	29.74	311.43

F Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(Amount in INR lakhs, unless stated otherwise)

	As at Mar 31, 2023		As at Mar 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	-31.49	34.38	-24.23	26.44
Future salary growth (0.5% movement)	29.29	-27.68	21.99	-20.77

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46. Share-based payments

A Description

The Board of Directors in its meeting held on December 22, 2021 approved the Monster.com (India) Private Limited - Employee Stock Option Plan 2021 (hereafter referred as "Monster ESOP Plan 2021"), under which stock options are granted to specific employees of the Company and its subsidiaries. The maximum number of shares under Monster ESOP Plan 2021 shall not exceed 15080 equity shares. The stock options granted under Monster ESOP Plan 2021 shall vest based on the designation, period of service, performance linked parameters . The options granted to employees vest in a graded manner and may be exercised by the employees within a specified period as per terms and conditions of the Scheme. This plan is a share based payment arrangement in the nature of "Share Option Plan (equity settled)" and will generally vest between a minimum of 1 to maximum of 4 years from the grant date. As at 31 March 2023, the Company has no exercisable options outstanding.

B Measurement of fair values

The fair value of Employee Stock Options has been measured using Black Scholes Merton Model.

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows

Particulars	As at Mar 31, 2023		As at Mar 31, 2022
Weighted average share price at grant date (INR)	79,576.00		79,576.00
Exercise price (INR)	10.00		10.00
Risk free rate of interest	4.69% - 5.79%		4.69% - 5.79%
Expected volatility	37% - 41%	-	37% - 41%
Expected dividend	-	-	-
Expected life of the option	1 - 4 years	-	1 - 4 years
Weighted average fair value at grant date (INR)	79,567.00		79,567.00

C Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under the share option plans were as follows

Monster ESOP Plan 2021

Particulars	As at Mar 31, 2023		As at Mar 31, 2022	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	**8,568.00**	**79,576.00**	**-**	**-**
Add: Granted during the year	2,225.00	79,576.00	8,568.00	79,576.00
Less: Exercised during the year	-	-	-	-
Less: Lapsed/forfeited during the year	745.00	79,576.00		
Balance as at the end of the year	10,048.00	79,576.00	8,568.00	79,576.00

The options outstanding as at 31 March 2023 have an exercise price of INR 2 (31 March 2022: 10) and a weighted average remaining contractual life of 2.875 years (31 March 2022: 3.875).

47. The Company has incurred cash losses (i.e PAT + Depreciation + Provision for Bad & Doubtful debts) in the current financial year INR 6,939.48 Lakh (March 2022 : INR 928.60 Lakh). However the company's management is confident that the projects on hand and with the future projects which contributes to generate economic resources, expects to realise the financial assets and make payments of liabilities. The Company's management is confident of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date and there is no material uncertainty exists as on the date of approval of financial statements.

48. Previous year figures have been regrouped wherever necessary to correspond to current year classification.

Monster.com India Pvt. Ltd. BENGALURU

Monster.com India Pvt Limited

Notes forming part of the Financial Statements for the year ended Mar 31, 2023
(Amount in INR lakhs, unless otherwise stated)

49. Ratios

S No.	Ratio	Formula (N/D)	Mar 31, 2023		Mar 31, 2022		Ratio as on		Variation	Reason (If variation is more than 25%)
			N	D	N	D	Mar 31, 2023	Mar 31, 2022		
(a)	Current Ratio	Current Assets / Current Liabilities	12,592.44	9,600.51	12,085.68	8,407.92	1.31	1.44	-9%	Due to investments in mutual funds & bank deposits.
(b)	Debt-Equity Ratio	Debt / Equity	-	10,956.56	400.00	12,843.98	0.00	0.03	-100%	Variance is majorly on account on increase in securities premuim & OCI, CY Losses and ESOP's issued, Additional equity & preference shares issued and WC Loan repayment by 400L.
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	-6,525.33	4,306.29	-798.29	2,756.38	-1.52	-0.29	423%	Variance is on account of CY losses and increase in lease liabilities.
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	-7,831.03	10,956.56	-1,257.11	12,843.98	-0.71	-0.10	630%	The variation is on account of Losses in CY.
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	-	-	-	-	-	-	-	Not Applicable
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	13,038.84	3,441.74	9,042.87	2,370.60	3.79	3.81	-1%	Variance is on account of CY Sales/billings
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	7,524.42	711.17	5,064.67	839.58	10.58	6.03	75%	Variance is on account of Increase in credit purchases and average of TP in CY 22-23.
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	13,038.84	2,991.93	9,042.87	3,677.76	4.36	2.46	77%	Variance is due to Increase in Revenue, Decrease in CA on account of Investments redeemed and bank deposits balance.
(i)	Net Profit Ratio	Net Profit / Net Sales	-7,831.03	13,038.84	-1,257.11	9,042.87	-0.60	-0.14	332%	The variation is on account of Losses in CY.
(j)	Return on Capital Employed	EBIT / Capital Employed	-7,307.69	15,937.98	-1,099.74	15,346.20	-0.46	-0.07	540%	Variance is on account of Losses in CY
(k)	Return on Investment	Net Profit / Net Investment	-7,831.03	10,956.56	-1,257.11	12,843.98	-0.71	-0.10	630%	The variation is on account of Losses in CY.

50. Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

51. Compliance with number of layers of companies

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

52. Assets Pledged as Security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	Notes	31-Mar-23	31-Mar-22
Current assets			
(i) Investments	9	-	4,479.40
(ii) Trade receivables	10	4,237.36	2,646.12
(iii) Cash and cash equivalents	11	1,517.47	1,675.20
(iv) Bank balances other than cash and cash equivalents abov	12	4,845.31	1,821.27
(v) Loans	13	2.23	1.78
(vi) Other financial assets	14	197.18	6.23
Other current assets	15	1,792.88	1,455.68
Total Current assets pledged as security		**12,592.43**	**12,085.68**
Non-Current assets			
Furniture, fittings and equipment acquired under finance le:	3 (a)	319.29	126.77
Total Non-Current assets pledged as security		**319.29**	**126.77**
Total Assets pledged as security		**12,911.72**	**12,212.45**

Sanctioned limit with ICICI Bank Limitd has been secured by hypothecation of first charge on current assets and movable fixed assets both present and future, those includes all the debts, outstandings, monies receivables, claims, bills, invoice documents, contracts, guarantees and rights which are now due and owing or which may at any time hereafter during the continuance of this security becomes due and owing to the Company and movable fixed assets. The loan is also supported by Corporate Guarantee from Quess Corp Limited, India.

53. Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

54. Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

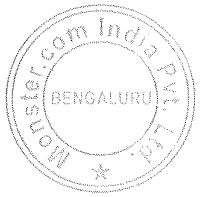
55. Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

56. Utilisation of Borrowed funds and share

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a)directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b)provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a)directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b)provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries



57. Compliance with approved Scheme(s) of Arrangements

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

58. Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or

59. Events after the reporting period

No Significant Subsequent events have been observed which may require an adjustments to the financial statements.

As per our report of even date

For MSKA & Associates
Chartered Accountants
Firm Registration No.:105047W

Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad, INDIA
Date: Apr 28th, 2023

For and on behalf of the Board of Directors
Monster.com (India) Private Limited
CIN: U72200TG2000PTC035617

Ajit Isaac
Director
DIN: 00087168

Chandra Sekhar Reddy Garisa
Director
DIN: 03057784

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UDIN. No: 23226525BGXPCI6530

INDEPENDENT AUDITORS' REPORT

To The Members Of
MFX Infotech Private Limited

Report on audit of Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **MFX Infotech Private Limited** ("the Company"), which comprise the Balance sheet as at **March 31, 2023**, and the **Statement of Profit and Loss** and **Statement of cash flows** for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as " the standalone Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2023**, the Profit, and its cash flows for the year ended on that date

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report including

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Chartered Accountants

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Annexures to Board Report, and Business Responsibility Report but does not include the Standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements:

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 responsibilities for the audit of the financial statements:

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

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

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure

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about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements:

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The balance sheet, the statement of profit and loss, and the cash flow statement 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 the written representations received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 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 A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

      i) The Company does not have any pending litigations which would impact its financial position;

      ii). The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

      iii). There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

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2. As required by 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 Companies Act, 2013, we give in the **Annexure "B"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **Nagshetty s & associates**
Chartered Accountants
Firm's registration number: 016641S

Nagshetty S
Proprietor
Membership number: 226525

Nagshetty. S & Associates ★ Chartered Accountants ★ Bangalore

Bengaluru
2th May 2023

Nagshetty. S & Associates
Chartered Accountants

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MFX Infotech Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 MFX Infotech Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the"Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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,

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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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

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

1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3) Provide reasonable assurance regarding prevention or timely detection of un-authorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over

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financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Nagshetty s & associates**
Chartered Accountants
Firm's registration number: 016641S

Nagshetty S
Proprietor
Membership number: 226525

Nagshetty. S & Associates ★ Bangalore ★ Chartered Accountants

Bengaluru
2th May 2023

Nagshetty. S & Associates
Chartered Accountants

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ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 under'Report on Other Legal and Regulatory Requirements' Section of our Report to the members of MFX Infotech Private Limited of even Date)

1. In respect of the Company's Fixed Assets:

   a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

   b) As explained to us, The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner, over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.

   c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, there are no free hold immovable properties, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclosed as advances in the financial statements, the lease agreements are in the name of the Company.

2. In respect of Inventories:

   The Company is in the business of providing services hence this clause not applicable.

3. According to the information and explanations given to us, the Company has not granted secured or unsecured loans to any related parties.

4. In our opinion and according to information and explanations given to us, the Company has not granted any loans, investments and provided any guarantees, hence the provisions of Section 185 and 186 of the Act in respect of loans, Investments, guarantees and security are not applicable.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

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6. As informed to us, the maintenance of cost records has not been specified by the Central government under Sub Section (1) of Section 148 of the Act, in respect of activities carried out by the company.

7.

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues relating to Income Tax, Wealth Tax, Service Tax, Sales tax/Value added Tax, Goods & Service Tax, Customs Duty, Excise Duty and material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

However, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Goods & Service Tax, Customs Duty, Excise Duty and any other material statutory dues (Other than disclosed in earlier para) were in arrears as at 31st March, 2023 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no dues of Income Tax or Sales Tax or Service Tax or Goods & Service Tax or Duty of customs or Duty of excise or Value added Tax or Goods & Service Tax, that have not been deposited by the Company on account of any dispute.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to its financial institutions, bankers and government. The Company did not have any outstanding debentures during the year.

9. The Company did not raise any new term loans during the year. The Company has also not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the company and hence not commented upon.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. The company is not a Public Company. Hence, according to our opinion, the provisions of Section 197 read with Schedule V are not applicable to the company. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the company and hence not commented upon.

Nagshetty. S & Associates ★ Bangalore ★ Chartered Accountants

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12. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

13. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him

16. According to information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

17. According to the information and explanations given to us and based on our examination of the records of the company, The Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, paragraph 3(xvii) of the Order is not applicable to the Company.

18. There is no resignation of statutory auditors during the year; hence this clause is not applicable.

19. According to the information and explanations given to us and based on our examination of the records of the Company and financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we were in the opinion that no material uncertainty exists as on the date of the audit report. There was no any liability in the books of the company for those payable within one year from the date of balance sheet date.

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20. The company has not any other than ongoing projects, therefore provision of section 135 of Companies Act, 2013 is not applicable to the company; (b) This clause is not applicable to the company.

21. There are no any qualifications or adverse remarks given by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports, hence this clause is not applicable to the company.

For **Nagshetty s & associates**
Chartered Accountants
Firm's registration number: 016641S

Nagshetty S
Proprietor
Membership number: 226525

Nagshetty. S & Associates ★ Chartered Accountants ★ Bangalore

Bengaluru
2th May 2023

MFX Infotech Private Limited *(Amounts in INR" 000")*

Balance Sheet as at	Note	31 Mar 2023	31 Mar 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	10,019.60	9,157.58
Other intangible assets	4	-	-
Financial assets			
Deferred tax assets (net)	5	13,054.38	14,122.35
Income tax assets (net)	6	2,310.34	11,617.93
Total non-current assets		**25,384.33**	**34,897.86**
Current assets			
Financial assets			
(i) Trade receivables	7	278,073.68	135,320.06
(ii) Cash and cash equivalents	8	24,181.56	63,362.35
(iii) Current loans	9	99.90	20.44
Other current assets	10	16,162.26	8,955.43
Total current assets		**318,517.40**	**207,658.28**
Total Assets			
Total assets		**343,901.72**	**242,556.14**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	10,000.00	10,000.00
Other equity	12	125,152.76	62,690.22
Total equity attributable to equity holders of the Company		**135,152.76**	**72,690.22**
Total equity		**135,152.76**	**72,690.22**
Liabilities			
Non-current liabilities			
Financial liabilities			
Non-current provisions	13	38,247.49	40,304.17
Total non current liabilities		**38,247.49**	**40,304.17**
Current liabilities			
Financial liabilities			
(i) Trade payables	15	48,509.49	13,721.08
(ii) Other current financial liabilities	16	91,339.70	84,207.23
Current provisions	17	6,240.93	6,532.49
Other current liabilities	18	24,411.36	25,100.95
Total current liabilities		**170,501.48**	**129,561.75**
Total Liabilities		**208,748.97**	**169,865.92**
Total Equity and Liabilities		**343,901.72**	**242,556.14**

The notes referred to above form an integral part of the financial statements
As per our report of even dated attached

for Nagshetty S. & Associates
Chartered Accountants
Firm's Registration No:016641S

Nagshetty S
Proprietor
Membership No. 226525
Place: Bengaluru
Date: 02/05/2023

Nagshetty. S & Associates * Bangalore * Chartered Accountants

For and on behalf of Board of Directors of
MFX Infotech Private Limited
CIN: U72200KA2014PTC074949

Kundan Kumar Lal
Director
DIN: 06446995
Place: Bengaluru
Date: 02/05/2023

Mr. Kamal Pal Hoda
Additional Director
DIN: 09808793
Place: Bengaluru
Date: 02/05/2023

UDIN: 23226525BGXPC16530

MFX Infotech Private Limited *(Amounts in INR" 000")*

Statement of profit and loss	Note	For the year ended	
		31 Mar 2023	31 Mar 2022
Income			
Revenue from operations	19	999,295.72	832,059.15
Other income	20	7,515.42	25.65
Total income		**1,006,811.14**	**832,084.80**
Expenses			
Cost of material and stores and spare parts consumed	21	4,380.66	2,614.03
Employee benefit expenses	22	856,828.38	715,329.30
Finance costs	23	-	59.75
Depreciation and amortisation expense	24	5,510.47	6,728.24
Other expenses	25	62,973.53	61,849.37
Total expenses		**929,693.05**	**786,580.70**
Profit before share of profit of equity accounted investees and income tax		**77,118.09**	**45,504.10**
Profit before tax		**77,118.09**	**45,504.10**
Tax expense			
Current tax		(19,385.43)	(8,092.95)
Adjustments of tax relating to earlier periods		1,646.52	-
Deferred tax		(23.16)	(6,279.49)
Income tax expenses		**(17,762.07)**	**(14,372.44)**
Profit for the year		**59,356.02**	**31,131.66**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		4,151.32	(1,554.68)
Income tax relating to items that will not be reclassified to profit or loss		(1,044.80)	391.28
Total comprehensive income for the period		**62,462.53**	**29,968.26**
Profit attributable to			
Owners of the Company		59,356.02	31,131.66
Total profit for the year		**59,356.02**	**31,131.66**
Other comprehensive income attributable to			
Owners of the Company		3,106.52	(1,163.40)
Total other comprehensive income attributable to		**3,106.52**	**(1,163.40)**
Total comprehensive income attributable to :			
Equity holders of the parent		62,462.53	29,968.26
Earnings Per Equity Share (face value of Rs. 10 each)			
Basic		59.36	31.13
Diluted		59.36	31.13

The notes referred to above form an integral part of the financial statements
As per our report of even dated attached

for Nagshetty S. & Associates
Chartered Accountants
Firm's Registration No:016641S

Nagshetty S
Proprietor
Membership No. 226525
Place: Bengaluru
Date: 02/05/23

UDIN: 23226525BGXPC16530

For and on behalf of Board of Directors of
MFX Infotech Private Limited
CIN: U72200KA2014PTC074949

Kundan Kumar Lal
Director
DIN: 06446995
Place: Bengaluru
Date: 02/05/23

Mr. Kamal Pal Hoda
Additional Director
DIN: 09808793
Place: Bengaluru
Date: 02/05/2023

MFX Infotech Private Limited
Statement of Changes in Equity for the year ended 31 March 2023

(Amounts in INR" 000")

Particulars	Share Capital	Other Equity			Total Equity attributable to Equity holders of the Company
		Retained Earnings	Other Items of Other comprehensive Income	Other Reserves	
Balance as of 1 April 2021	10,000.00	29,661.99	2,009.98	1,050.00	**42,721.96**
Add: Profit for the Period	-	31,131.66	-	-	**31,131.66**
Less: Re-measurement gains / (losses) on defined benefit plans	-	-	(1,163.40)	-	**(1,163.40)**
Balance as of 31 March 2022	**10,000.00**	**60,793.64**	**846.58**	**1,050.00**	**72,690.22**

Balance as of April 1, 2022	10,000.00	60,793.64	846.58	1,050.00	**72,690.22**
Add: Profit for the Period	-	59,356.02	-	-	**59,356.02**
Less: Re-measurement gains / (losses) on defined benefit plans	-	-	3,106.52	-	**3,106.52**
Balance as of 31 March 2023	**10,000.00**	**120,149.66**	**3,953.09**	**1,050.00**	**135,152.76**

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

for Nagshetty S. & Associates
Chartered Accountants
Firm's Registration No:016641S

Nagshetty S
Proprietor
Membership No. 226525
Place: Bengaluru
Date: 02/05/2023

For and on behalf of Board of Directors of
MFX Infotech Private Limited
CIN: U72200KA2014PTC074949

Kundan Kumar Lal
Director
DIN: 06446995
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Date: 02/05/23

Mr. Kamal Pal Hoda
Additional Director
DIN: 09808793
Place: Bengaluru
Date: 02/05/2023

(Amounts in INR" 000")

Statement of Cash Flows	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities		
Profit before tax	77,118.09	45,504.10
Adjustments for:		
Depreciation and amortisation expenses	5,510.47	6,728.24
Unrealised Foreign Exchange Loss/(Gain)	(234.12)	15.34
Finance costs	-	59.75
Impairment loss allowance on financial asset, net	250.00	1.95
Re-measurement of the net defined benefit liability/asset (net of tax)	3,106.52	(1,163.40)
Operating cash flows before working capital changes	**85,750.96**	**51,145.99**
Working capital adjustments		
Changes in inventories and trade receivables	(142,753.86)	(58,671.99)
Changes in loans, other financial assets and other assets	(7,057.82)	4,298.09
Changes in trade payables and other financial liabilities	38,920.88	7,096.82
Changes in other liabilities and provisions	(3,037.82)	16,250.84
Cash generated from operating activities	**(28,177.68)**	**20,119.74**
Income tax paid, net	(7,630.61)	(12,271.95)
Net cash (used in) / provided by operating activities (A)	**(35,808.29)**	**7,847.79**
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangibles	(3,372.50)	(7,768.47)
Net cash used in by investing activities (B)	**(3,372.50)**	**(7,768.47)**
Cash flows from financing activities		
Proceeds from borrowings	-	(21,732.00)
Finance cost paid	-	(59.75)
Net cash used in by financing activities (C)	**-**	**(21,791.75)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(39,180.79)	(21,712.44)
Cash and cash equivalents at the beginning of the year	**63,362.35**	**85,074.79**
Cash and cash equivalents at the end of the year (refer note 9)	**24,181.56**	**63,362.35**

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

for Nagshetty S. & Associates
Chartered Accountants
Firm's Registration No:016641S

Nagshetty S
Proprietor
Membership No. 226525
Place: Bengaluru
Date: 02/05/2023

Nagshetty. S & Associates Bangalore Chartered Accountants

for and on behalf of Board of Directors of
MFX Infotech Private Limited
CIN: U72200KA2014PTC074949

Kundan Kumar Lal
Director
DIN: 06446995
Place: Bengaluru
Date: 02/05/2023

Mr. Kamal Pal Hoda
Additional Director
DIN: 09808793
Place: Bengaluru
Date: 02/05/2023

1. Company overview

MFX Infotech Private Limited, ('the Company') is a private limited company incorporated on 20th June 2014 and domiciled in India. The registered office of the Company is located in Bengaluru, India. The Company is engaged in the business of Software Support Services and Sale of licenses.

Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Ind AS financial statements. Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use

2. Basis of preparation

2.1 Statement of compliance

The company being a subsidiary company of M/s.Quess Corp Ltd., a company whose equity is listed in both Bombay Stock Exchange (BSE) & National Stock Exchange, (NSE). These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

The Company's standalone Ind AS financial statements are approved for issue by the Company's Board of Directors on 2nd May 2023.

The standalone Ind AS financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency.

2.2 Basis of measurement and significant accounting policies

The standalone financial statements have been prepared on historical cost basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments);

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of Defined Benefit Obligations ("DBO") and

iii. Contingent consideration in business combinations are measured at fair value.

2.3 Use of estimates and judgement

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting

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policies that have the most significant effect on the amounts recognised in the standalone financial statements is included in the following notes:

2.3 Use of estimates and judgement (continued)

i. ***Contingent liabilities:*** Contingent liabilities are not recognized in the financial statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognized in the financial statements of the period in which the change in probability occurs (except, in the extremely rare circumstances where no reliable estimate can be made).

ii. ***Recognition of deferred tax assets***: The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities and the projected future taxable income in making this assessment

iii. ***Income taxes:*** Significant judgements are involved in determining provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

iv. ***Measurement of defined benefit obligations:*** The cost of the defined benefit obligations is based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. All assumptions are reviewed on a periodic basis.

v. ***Impairment of financial assets:*** The Company assesses the expected credit losses associated with financial assets carried at amortised cost based on 24-month expected credit losses (ECL) at each reporting period.

vi. ***Property, plant and equipment and Intangible assets:*** The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically. INDAS 38 requires Internally Generated Intangible Assets to be measured at their Development stage as cost incurred towards designing the product and making it ready for commercial use.

vii. ***Other estimates:*** The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

2.4 Measurement of fair values

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.5 Functional and presentation currency

Items included in the consolidated Ind AS financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency.

2.6 Property, plant and equipment

i) Recognition and measurement

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

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

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

Any gain or loss on disposal of an item of property, plant and equipment- the cost and related accumulated depreciation are derecognized from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the standalone statement of profit and loss when incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'

ii) Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method ('SLM') over the estimated useful lives of the property, plant and equipment as estimated by the Management and is generally recognized in the standalone statement of profit and loss. The management believes that the useful lives as given below best represent the period over which the management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for some of these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of). The Company has estimated the useful lives for property, plant and equipment as follows:

Asset category	Estimated useful life for 31 March 2023
Computer Equipment	3 years

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Plant and machinery	3 years
Furniture and Fixtures	5 years
Office equipment	5 years
Software	3 years

Leasehold improvements are depreciated over the lease term or estimated useful life whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted if appropriate.

2.8 Intangible assets

Internally generated: Research and development

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software includes employee costs and an appropriate portion of relevant overheads.
Capitalized development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Others

Other intangible assets such as computer software, copyright and trademarks are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brand, is recognised in the standalone statement of profit and loss as and when incurred.

(iv) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation expenses in the standalone statement of profit and loss.

The estimated useful lives of intangible assets are as follows:

Asset category	**Estimated useful life for 31 March 2023**
Software (owned)	3 years

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The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted if appropriate.

2.9 Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the standalone statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset/CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company's cash generating units (CGU) or Company's of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable Company of assets that generates cash inflows that are largely independent of the cash inflows from other assets or Company of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised in net profit in the standalone statement of profit and loss and is not reversed in the subsequent period.

2.10 Leases

Ind AS 116 replaced Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. The Company has adopted Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The Company's lease asset classes consist of Building. The company assesses whether a contract is a lease or not at the inception of each contract. A contract or a part of a contract is a lease if conveys the right to control the use of an asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimated of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use-asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the

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right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is change in future lease payments arising from a change in an index or rate, if there is change in the Company estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use-asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Practical expedients adopted on initial recognition:

1. Single discount rate is applied to a portfolio of leases with reasonably similar characteristics on the date of initial application.

2. Value of initial direct costs (such as Stamp Duty, registration costs etc. already paid) excluded from the measurement of ROUA.

2.11 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises purchase price and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs to sell.

Inventories are stated net of write down or allowances on account of obsolete, damaged or slow moving items. The Company assess the obsolescence of inventory on a periodic basis.

2.12 Revenue recognition

The Company adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018 using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration we expect to receive in exchange for those services.

At contract inception, the Company assesses its promise to transfer services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.

Revenue from fixed-price, fixed time frame contracts are recognized as per the terms of the arrangement with the customer where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. In fixed rate contracts, the performance obligation and control are being satisfied and transferred over time and revenue is being recognized by measuring progress towards completion of the performance obligation. Certain

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arrangements are on time and material basis and are recognized as the services are performed as per the terms of the arrangement with the customer.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

The Company accrues the estimated cost of warranties at the time when the revenue is recognized. The accruals are based on the Company's historical experience of service delivery costs.

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognized as an asset when the Company expects to recover these costs and amortized over the contract term.

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of services to customer to which the asset relates.

The Company assesses the timing of the transfer of services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

The Company may enter into arrangements with third party suppliers to provide services. In such cases, the Company evaluates whether it is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether it controls the service before it is transferred to the customer. If the Company control the service before it is transferred to the customer, it is the principal; if not, it is the agent.

Refer Note 34 for disclosure related to revenue from contracts with customers.

a) **Software Service Fee:** - Revenue recognized based on Time and Efforts on a monthly or milestone completion basis, wherever applicable.

b) **License Sales**: - Revenues from selling licenses are recognized at the date of sale or date of completion of milestone, wherever applicable. Such revenue is recognized when the risks and rewards associated with the item have been transferred from the seller to the buyer and no significant uncertainty exists as regards the amount of consideration and its collection. The amount recognized as revenue net of returns, trade discounts and quantity discounts.

2.13 Other income

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Other income mostly comprises interest income on deposits, dividend income and gain/ (losses) on disposal of financial assets and non-financial assets. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

2.14 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transaction. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in standalone statement of profit or loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognised in the standalone statement profit and loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

The assets and liabilities of foreign operations (subsidiaries and joint venture) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the standalone statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

2.15 Financial instruments

a) Recognition and initial measurement

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

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at
- amortised cost;

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- Fair Value through other comprehensive income (FVOCI) - debt investment;
- Fair Value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit and loss (FVTPL)

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

(i) A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

(ii) A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

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

(iv) All financial assets not classified at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

b) Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the standalone statement of profit and loss.
Financial assets at Amortized Cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the standalone statement of profit and loss. Any gain or loss on derecognition is recognised in the standalone statement of profit and loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the standalone statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the standalone statement of profit and loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the standalone statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to standalone statement of profit and loss.

c) Impairment of financial assets

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The company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 details how the Company determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on financial assets trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

d) **Derecognition of financial assets**

A financial asset is derecognised only when:
- The Company has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

Financial liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss (FVTPL) or amortized cost. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit and loss. Other financial liabilities subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit and loss. Any gain or loss is also recognized in the statement of profit and loss.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at FVTPL.

Amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

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

2.15 Financial instruments (continued)

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.
Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.16 Employee benefits

(a) Defined benefit plans

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The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Remeasurement of the net defined benefit liability/ asset (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

(b) Short-term benefit plans

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g. short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the amount of obligation can be estimated reliably.

2.16 Employee benefits (continued)

(c) Compensated absences

The employees of the Company are entitled to compensated absences except associate employees, the core employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit Method as at the reporting date.

(d) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the standalone statement of profit and loss during the period in which the employee renders the related service.

(e) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognised in other comprehensive income. Further, the Statement of profit and loss does not include an expected return on plan assets. Instead net interest recognised in the Statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the Statement of profit and loss in subsequent periods.

(f) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

2.17 Share based payments

Equity instruments granted to the employees of the Company are measured by reference to the fair value of the instrument at the date of grant. The expense is recognised in the standalone statement of profit and loss with a corresponding increase to the share-based payment reserve, a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants (accelerated amortisation). The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

2.18 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in net profit in the Statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax is not recognised for:

-temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction.

- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

-taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realised. Deferred tax assets, unrecognised or

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recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

2.19 Provisions

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the reporting date) at a pre -tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contract

A contract is considered to be onerous when the expected economic benefit to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with the contract.

2.20 Contingent liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

2.21 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ loss for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.23 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

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Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

2.24 Segment reporting

Based on the "Management Approach" as defined in INDAS 108 Operating Segments, the Director of the company has been identified as the Chief Operating Decision Maker (CODM). The company is engaged in the business of Software Support Services and is considered by CODM as the only reportable business segment taking into account the nature of the business, the organization structure, internal reporting structure and risk and rewards. All the assets of the Company are located in India. The company's management is of the opinion that the company does not have secondary segments and hence segment reporting is not applicable.

(Amounts in INR" 000")

3. Property, plant and equipment

Particulars	Leasehold improvements	Office equipment	Computer equipment	Total
Gross carrying amount				
Opening Balance	1,174.41	5,635.04	19,924.69	**26,734.14**
Addition		151.57	7,616.90	**7,768.47**
Deletion		-		-
Closing gross carrying amount at 31 Mar 2022	**1,174.41**	**5,786.61**	**27,541.59**	**34,502.61**
Opening Balance	1,174.41	5,786.61	27,541.59	**34,502.61**
Addition		-	6,372.50	**6,372.50**
Deletion		-		-
Closing gross carrying amount at 31 Mar 2023	**1,174.41**	**5,786.61**	**33,914.09**	**40,875.11**
Accumulated depreciation				-
Opening Balance	240.07	5,106.78	15,589.61	**20,936.46**
Addition	391.47	286.61	3,730.50	**4,408.58**
Deletion				
Closing accumulated depreciation as at 31 Mar 2022	**631.54**	**5,393.38**	**19,320.11**	**25,345.04**
Opening Balance	631.54	5,393.38	19,320.11	**25,345.04**
Addition	391.47	148.92	4,970.08	**5,510.47**
Deletion	-	-	-	-
Closing accumulated depreciation as at 31 Mar 2023	**1,023.01**	**5,542.31**	**24,290.19**	**30,855.51**
Net Carrying amount				
As at 31 Mar 2023	**151.40**	**244.31**	**9,623.90**	**10,019.60**
As at 31 Mar 2022	**542.87**	**393.23**	**8,221.48**	**9,157.58**

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4. Intangible assets

Particulars	Computer software	Total
Gross carrying amount		
Opening Balance	6,019.53	6,019.53
Addition	-	-
Deletion	-	-
Closing gross carrying amount at 31 Mar 2022	**6,019.53**	**6,019.53**
Opening Balance	6,019.53	6,019.53
Addition	-	-
Deletion	-	-
Closing gross carrying amount at 31 Mar 2023	**6,019.53**	**6,019.53**
Accumulated Depreciation		
Opening Balance	3,699.86	3,699.86
Addition	2,319.67	2,319.67
Deletion	-	-
Closing accumulated depreciation as at 31 Mar 2022	**6,019.53**	**6,019.53**
Opening Balance	6,019.53	6,019.53
Addition *		
Deletion	-	-
Closing accumulated depreciation as at 31 Mar 2023	**6,019.53**	**6,019.53**
Net Carrying amount		
As at 31 Mar 2023	-	-
As at 31 Mar 2022	-	-

* Amortization during the year Mar'23 includes INR NIL (Previous Year 4.09 Lakhs) towards acclerated amortization on Intangibles due to reestimation of useful life of Intangibles

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Notes to the financial statements for the year ended 31 March 2023

6 Income tax

Income Tax Assets/Liabilities in the Balance Sheet are as follows :-

Particulars	As at 31 March 2023	As at 31 March 2022
Advance income tax/(Provision for Income Tax) net	2,310.34	11,617.93
	2,310.34	**11,617.93**

A **Amount recognized in Profit or Loss**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current income tax:		
In respect of the current period	19,385.43	8,092.95
Short provision of tax relating to earlier years	(1,646.52)	-
Deferred tax		
Increase/Reduction of Tax rate		
In respect of the current period	23.16	6,279.49
Income tax expense reported in the statement of profit and loss	**17,762.07**	**14,372.44**

B **Income tax recognized in Other comprehensive Income**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Remeasurement of the net defined benefit Liability/Asset		
Before tax	4,151.32	(1,554.68)
Tax (expense)/Benefit	(1,044.80)	391.28
Net of Tax	**3,106.52**	**(1,163.40)**

C **Reconciliation of effective tax rate**

Particulars	Tax Rate %	For the year ended 31 March 2023	Tax Rate %	For the year ended 31 March 2022
Profit before tax		77,118.09		45,504.10
Tax using company's domestic tax rate	25.17%	19,409.08	25.17%	11,452.47
Effect of:				
Expenses disallowed for tax purpose(net)		(23.65)		2,505.45
Deferred tax assets		23.16		6,279.49
Loss to be (set-off) against earlier years		-		(5,864.98)
Effective tax rate	**25.17%**	**19,408.59**	**31.58%**	**14,372.44**
Add: Short/(excess) provision for prior year	-2.14%	(1,646.52)	0.00%	-
Total income tax expense	**23.03%**	**17,762.07**	**31.58%**	**14,372.44**

The tax rates under Indian Income Tax Act, for the year ended March 31, 2023 and March 31, 2022 is 25.17%. and 25.17%

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D **The following table provides the details of income tax assets and income tax liabilities as of 31 March 2023, 31 March 2022:-**

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax assets	21,695.77	36,203.51
Income tax liabilities	19,385.43	24,509.35
Net income tax assets/(liability) at the end	**2,310.34**	**11,694.16**

E **Deferred tax (net)**

Deferred tax relates to the following:-

Particulars	Balance sheet	
	As at 31 March 2023	As at 31 March 2022
Excess of depreciation provided for in books of accounts	1,027.57	1,256.12
Provision for compensated absence	1,295.26	3,126.48
Provision for Gratuity	9,901.59	8,661.37
Unabsorbed depreciation	722.25	722.25
Impairment loss allowance on Financial assets	107.71	356.13
Net deferred tax assets/ (liabilities)	**13,054.38**	**14,122.35**

F **Recognised deferred tax assets and liabilities**

Movement of deferred tax assets / liabilities presented in the balance sheet

As at 31 March 2023

Particulars	Opening balance	Recognized in Profit or loss	Recognized in OCI	Closing Balance
Excess of depreciation provided for in books of accounts	1,256.12	(228.54)		**1,027.57**
Provision for compensated absence	3,126.48	(1,831.22)		**1,295.26**
Provision for Gratuity	8,661.37	1,240.22		**9,901.59**
Others	-	1,044.80	(1,044.80)	-
Unabsorbed depreciation	722.25	-		**722.25**
Income Tax Losses to be carried forward	-	-	-	-
Impairment loss allowance on Financial assets	356.13	(248.42)		**107.71**
	14,122.35	**(23.16)**	**(1,044.80)**	**13,054.38**

As at 31 March 2022

Particulars	Opening balance	Recognized in Profit or loss	Recognized in OCI	Closing Balance
Excess of depreciation provided for in books of accounts	1,040.08	216.04		**1,256.12**
Provision for compensated absence	2,122.98	1,003.50		**3,126.48**
Provision for Gratuity	7,010.75	1,650.62		**8,661.37**
ROU Assets (WDV)				
ROU Liability (WDV)				
Others	-	(391.28)	**391.28**	-
Unabsorbed depreciation	1,149.81	(427.55)		**722.25**
Income Tax Losses to be carried forward	8,330.80	(8,330.80)	-	-
Impairment loss allowance on Financial assets	356.13	-		**356.13**
	20,010.56	**(6,279.49)**	**391.28**	**14,122.35**

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5 Deferred tax assets (net)

Particulars	31 Mar' 2023	31 Mar' 2022
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset on liabilities:		
Impairment loss allowance on financial assets	107.71	356.13
Provision on employee benefits- Gratuity	9,901.59	8,661.37
Provision on employee benefits- Compensated absences	1,295.26	3,126.48
Deferred Tax on Loss as on date	-	-
Deferred Tax others	1,749.83	1,978.37
Net deferred tax assets	**13,054.38**	**14,122.35**

6 Income tax assets (net)

Particulars	31 Mar' 2023	31 Mar' 2022
Advance income tax	2,310.34	11,617.93
	2,310.34	**11,617.93**

7 Trade receivables

Particulars	31 Mar' 2023	31 Mar' 2022
Unsecured		
Considered good*	202,845.24	81,780.03
Considered doubtful	427.97	1,416.97
	203,273.21	**83,197.00**
Loss allowance		
Less : Allowance for Credit Loss	(427.97)	(1,416.97)
	(427.97)	**(1,416.97)**
Net trade receivables	**202,845.24**	**81,780.03**

ii) Trade receivables - unbilled

Particulars	31 Mar' 2023	31 Mar' 2022
Unbilled revenue	75,228.44	53,540.02
Less: Provision for impairment of unbilled revenue	-	-
	75,228.44	**53,540.02**

Trade receivable ageing schedule as on 31 March 2023:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3	Total
Undisputed trade receivables								
- Considered good	75,228.44	-	200,837.16	2,436.05	-			278,501.65
- Significant increase in credit risk	-		-		-			-
- Credit impaired	-		-	(427.97)	-			(427.97)
Disputed trade receivables								

Trade receivable ageing schedule as on 31 March 2022:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	53,540.02	78,794.64	2,985.40	-	-			135,320.06
- Significant increase in credit risk	-		37.55		1,379.42			1,416.97
- Credit impaired	-		(37.55)		(1,379.42)			(1,416.97)
Disputed trade receivables								

8 **Cash and cash equivalents**

Particulars	31 Mar '2023	31 Mar '2022
Cash and cash equivalents		
Balances with banks		
In current accounts	24,181.56	63,362.35
Cash and cash equivalents in balance sheet	**24,181.56**	**63,362.35**
Cash and cash equivalent in the statement of cash flow	**24,181.56**	**63,362.35**

Other bank balances

Particulars	31 Mar '2023	31 Mar '2022
In deposit accounts (mature within 12 months from the reporting date)	-	-
	-	-

9 **Current loans**

Particulars	31 Mar '2023	31 Mar '2022
Unsecured, considered good		
Loans to employees	99.90	20.44
	99.90	**20.44**

10 **Other current assets**

Particulars	31 Mar '2023	31 Mar '2022
Advances other than capital advances		
Travel advances to employees	361.78	201.47
Prepaid expenses	4,260.92	3,366.44
Security deposits	960.00	960.00
Balances with government authorities	10,579.55	4,427.51
	16,162.26	**8,955.43**

11 **Share capital**

Particulars	31 Mar '2023	31 Mar '2022
Authorised		
value of Rs 10 each*	20,000.00	20,000.00
	20,000.00	**20,000.00**
Issued, subscribed and paid-up		
value of Rs 10 each, fully Paid up	10,000.00	10,000.00
Share Application money	-	-
	10,000.00	**10,000.00**

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11.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars		As at 31 March 2023 Number of Shares	As at 31 March 2022 Number of Shares
Equity shares			
At the commencement of the year		1,000,000	1,000,000
At the end of the year	-	**1,000,000**	**1,000,000**

11.2 Shares held by Holding Company

Particulars	As at 31 March 2023 Number of Shares	As at 31 March 2022 Number of Shares
Equity shares		
Equity shares of par value Rs 10 each		
Quess Corp Limited	999,999	999,999
	999,999	**999,999**

11.3 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2023 % held	As at 31 March 2022 % held
Equity shares		
Equity shares of par value Rs 10 each		
Quess Corp Limited	99.99	99.99

11.4 Details of shareholding of promoters:

Promoter name	31 March 2023 Number of shares	% held	% change during the year	31 March 2022 Number of shares	% held	% change during the year
Quess Corp Limited	999,999	99.99	-	999,999	99.99	-

12 Other equity*

Particulars	31 Mar '2023	31 Mar '2022
Other comprehensive income	3,953.09	846.58
Capital redemption reserve	-	-
Other Equity- Corporate Guarantee	1,050.00	1,050.00
Retained earnings	120,149.66	60,793.64
Commitment to issue equity shares		
	125,152.76	**62,690.22**

**for detailed movement of reserves, refer Statement of changes in Equity*

13 Non-current provisions

Particulars	31 Mar '2023	31 Mar '2022
Provision for gratuity (refer note 33)	34,645.39	31,458.61
Provision for compensated absences (refer note 34)	3,602.10	8,845.56
	38,247.49	**40,304.17**

14 Current borrowings

Particulars	31 Mar '2023	31 Mar '2022
Loans from bank repayable on demand		
Secured		
Bill discounting facility from bank	-	-
	-	-

15 Trade payables

Particulars	31 Mar '2023	31 Mar '2022
Other trade payables	29,816.33	3,237.22
	29,816.33	**3,237.22**

As on 31 March 2023 and 31 March 2022, there are no outstanding amounts due to micro and small enterprises. There are no interests due or outstanding on the same.

* Includes trade payables to related parties . Refer note 32

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ii) Trade payables - unbilled dues

Particulars	31 Mar '2023	31 Mar '2022
Undiputed dues		
Total outstanding dues of creditors other than micro enterprises and small enterprises and	18,693.15	10,483.86

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2023:

Particulars	Outstanding for the following periods from due date of payment/ date of					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Others	18,693.15	29,816.33				48,509.49
Disputed						
- Others	-	-	-	-	-	-

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2022:

Particulars	Outstanding for the following periods from due date of payment/ date of					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Others	10,483.86	3,237.22				13,721.08
Disputed						
- Others	-	-	-	-	-	-

16 Other current financial liabilities

Particulars	31 Mar '2023	31 Mar '2022
Lease liability	-	-
Other Payables		
Accrued salaries and benefits	60,681.10	61,376.23
Provision for expenses	6,149.51	5,574.36
Provision for bonus and incentive	24,509.09	17,256.65
	91,339.70	**84,207.23**

* Includes Accrued Expense to related parties . Refer note 32

17 Current provisions

Particulars	31 Mar '2023	31 Mar '2022
Provision for employee benefits		
Provision for gratuity (refer note 33)	4,696.58	2,955.60
Provision for compensated absences (refer note 34)	1,544.36	3,576.88
	6,240.93	**6,532.49**

18 Other current liabilities

Particulars	31 Mar '2023	31 Mar '2022
Income received in advance	1,666.75	2,843.29
Advance received from customers*	-	-
Balances payable to government authorities	22,744.61	11,121.15
Reimbursement payable	-	11,136.51
	24,411.36	**25,100.95**

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19 Revenue from operations

Particulars	For the year ended	
	31 Mar '2023	31 Mar '2022
Sale of services		
Software sales and maintenance	995,545.84	829,230.63
Sale of License	3,749.88	2,828.52
Total sale of services	**999,295.72**	**832,059.15**

20 Other income

Particulars	For the year ended	
	31 Mar '2023	31 Mar '2022
Interest income under the effective interest method on:		
Cash and cash equivalents	-	25.65
Interest on tax refunds due	1,038.15	-
Foreign exchange gain	6,464.91	-
Miscellaneous income	12.36	-
	7,515.42	**25.65**

21 Cost of material consumed

Particulars	For the year ended	
	31 Mar '2023	31 Mar '2022
Cost of materials	4,380.66	2,614.03

22 Employee benefits expense

Particulars	For the year ended	
	31 Mar '2023	31 Mar '2022
Salaries and wages	803,147.35	672,061.08
Contribution to provident and other funds	46,485.95	30,594.15
Expenses related to post-employment defined benefit plan	13,176.00	8,406.60
Expenses related to compensated absences	(7,275.99)	3,987.20
Staff welfare expenses	1,295.09	280.28
	856,828.38	**715,329.30**

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23 Finance costs

Particulars	For the year ended	
	31 Mar '2023	31 Mar '2022
Other borrowing costs	-	59.75
	-	**59.75**

24 Depreciation and amortisation expense

Particulars	For the year ended	
	31 Mar '2023	31 Mar '2022
Depreciation and Amortisation	5,510.47	4,408.58
Amortisation of intangible assets	-	2,319.67
	5,510.47	**6,728.24**

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Particulars	For the year ended	
	31 Mar '2023	31 Mar '2022
Sub-contractor charges	45,328.43	33,548.62
Recruitment and training expenses	3,850.00	2,074.29
Rent	(2,180.00)	11,813.84
Power and Fuel	-	656.44
Repairs & maintenance		
- buildings	190.19	423.86
- others	49.45	65.89
Legal and professional fees*	3,076.64	1,346.96
Rates and taxes	495.47	1,265.18
Technological support services	4,740.56	4,064.32
Printing and stationery	2.44	83.54
Travelling and conveyance	3,087.55	3,123.69
Communication expenses	2,123.37	2,194.12
Impairment loss on financial assets	(989.00)	1.95
Equipment hire charges	506.56	564.82
Bank charges	27.94	30.73
Bad debts written off	1,239.00	-
Business promotion and advertisement expenses	1,425.00	-
Foreign exchange loss, net	-	591.11
Miscellaneous expenses	(.05)	.01
	62,973.53	**61,849.37**

*Legal and professional fees Includes payments made to auditors as below:

Particulars	For the year ended	
	31 Mar '2023	31 Mar '2022
Statutory Audit fees	325.00	325.00
Others Certification fees	-	-
	325.00	**325.00**

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26 Financial instruments - fair value and risk management

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities.

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

Particulars	Carrying amount	Fair value		
	31 Mar '2023	Level 1	Level 2	Level 3
Financial assets				
Amortised cost				
Trade receivable	278,073.68	-	-	-
Cash and cash equivalents	24,181.56	-	-	-
Loans	99.90	-	-	-
Total financial assets	**302,355.14**	-	-	-

Particulars	Carrying amount	Fair value		
	31 Mar '2023	Level 1	Level 2	Level 3
Financial liabilities				
Amortised cost				
Trade payables	48,509.49	-	-	-
Other liabilities	91,339.70	-	-	-
Total financial liabilities	**139,849.19**	-	-	-

Particulars	Carrying amount	Fair value		
	31 Mar '2022	Level 1	Level 2	Level 3
Financial assets				
Amortised cost				
Trade receivable	135,320.06	-	-	-
Cash and cash equivalents	63,362.35	-	-	-
Loans	20.44			
Total financial assets	**198,702.85**	-	-	-

Particulars	Carrying amount	Fair value		
	31 Mar '2022	Level 1	Level 2	Level 3
Financial liabilities				
Amortised cost				
Trade payables	13,721.08	-	-	-
Other liabilities	84,207.23	-	-	-
Total financial liabilities	**97,928.31**	-	-	-

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Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and debentures that have quoted price.

Level 2 The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in unquoted preference shares included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

A Financial Assets:

1) Fair value of all these financial assets are measured at balance sheet date value, as most of them are settled within a short period and so their fair value are assumed to be almost equal to the balance sheet date value.

B Financial Liabilities:

1) **Borrowings**: It includes cash credit and overdraft facilities, working capital loan and bill discounting facilities. These short-term borrowings are classified and subsequently measured in the financial statements at amortized cost. Considering that the interest rate on the loan is reset on a monthly/quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.

2) **Trade payables and other liabilities:** Fair values of trade and other liabilities are measured at balance sheet value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the balance sheet values.

3) **Financial liability:** The fair value of financial liability has been determined by discounting consideration payable on commitment to sell. The probability of the estimate within the range can be reasonably assessed and are used in the management's estimates of fair value of this put option.

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Notes to the financial statements for the year ended 31 March 2023

27 Financial risk management

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

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

Risk management framework

The Board of Directors of MFX Infotech Private Limited has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and current asset. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by its customer. However, the management also considers the factors that may influence the credit risk of its customer base.

The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to three months for customers. The Company does not have trade receivables for which no loss allowance is recognised because of collateral.

Expected credit loss assessment for corporate customers as at 31 March 2023 and 31 March 2022 are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivables from customers and unbilled revenue.

Based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired if the payments are more than 360 days past due. Loss rates are based on actual credit loss experience over the last six quarters. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The loss rates considers the credit risk of the customers and have been adjusted to reflect the Management's view of economic conditions over the expected collection period of the receivables.

At 31 March 2023, the Company's most significant customer, a MFXchange US, Inc accounted for Rs 110,77,9375 of the trade and other receivables carrying amount (31 March 2022 : Rs 28,707,925)

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Impairment

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from customers :-

As at 31 March 2023

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	148,641.24	0.00%	.04	No	148,641.20
Past due 1–90 days	49,691.32	0.00%	.90	No	49,690.42
Past due 91–180 days	2,504.60	0.04%	.97	No	2,503.63
Past due 181–270 days	2,142.95	2.11%	45.12	No	2,097.83
Past due 271–360 days	293.10	129.89%	380.93	No	(87.84)
Above 360 days	-	100.00%	-	No	-
	203,273.21		**427.97**		**202,845.24**

As at 31 March 2022

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	78,794.64	0.007%	5.32	No	78,789.31
Past due 1–90 days	3,158.76	1.020%	32.22	No	3,126.53
Past due 91–180 days	-	13.914%	-	NA	-
Past due 181–270 days	-	41.838%	-	NA	-
Past due 271–360 days	177.00	95.530%	169.09	No	7.91
Above 360 days	1,202.42	100.000%	1,202.42	NA	-
	83,332.81		**1,409.06**		**81,923.76**

Liquidity risk

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

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually the excess of funds is invested in fixed deposit. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates. The Company's objective is to maintain a balance between cash outflow and inflow. The company believes that the working capital is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March, 2023 and 31 March 2022 :-

Particulars	Carrying amount	As at 31 March 2023		
		Less than 1 year	1-2 years	2 years and above
Borrowings	-	-	-	-
Trade payables	48,509.49	48,509.49	-	-
Other financial liabilities	91,339.70	91,339.70	-	-

Particulars	Carrying amount	As at 31 March 2022		
		Less than 1 year	1-2 years	2 years and above
Borrowings	-	-	-	-
Trade payables	13,721.08	13,721.08	-	-
Other financial liabilities	84,207.23	84,207.23	-	-

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the Company companies.

Exposure to currency risk

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

Particulars	Currency	As at 31 March 2023		As at 31 March 2022	
		Foreign currency	Amount in Reporting Currency	Foreign currency	Amount in Reporting Currency
Trade receivables	USD	1,348.17	110,779.38	378.77	28,707.93
		1,348.17	**110,779.38**	**378.77**	**28,707.93**

The following significant exchange rates have been applied

Particulars	31 March 2023	31 March 2022
USD/ INR	82.170	75.793

Sensitivity analysis

A reasonably possible strengthening/ (weakening) of the USD against INR at 31 March 2023 and 31 March 2022 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2023				
USD (2% movement)	2,215.59	(2,215.59)	1,657.97	(1,657.97)
31 March 2022				
USD (2% movement)	574.16	(574.16)	429.65	(429.65)

Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowing comprises of invoice discounting facility which carries fixed rate of interest and borrowings from holding company, which do not expose it to significant interest rate risk.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:-

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	-	-
Total borrowings	-	-

Sensitivity analysis

Particulars	Profit and loss		Equity, net of tax	
	1% Increase	1% decrease	1% Increase	1% decrease
31 March 2023				
Variable rate borrowings	-	-	-	-
31 March 2022				
Variable rate borrowings	-	-	-	-

The sensitivity analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.a

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of non-current borrowing, current borrowing, current maturities of long-term borrowings and current maturities of finance lease obligations less cash and cash equivalents.

The capital structure is as follows :-

Particulars	As at 31 March 2023	As at 31 March 2022
Gross debt	-	-
Less: Cash and cash equivalents	24,181.56	63,362.35
Adjusted net debt	(24,181.56)	(63,362.35)
Total equity	135,152.76	72,690.22
Less: Effective portion of cash flow hedges and cost of hedging	-	-
Total equity	135,152.76	72,690.22
Net debt to equity ratio	**(.00)**	-

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28 Revenue from Contracts with customers

(i) Disaggregation of revenue

The table below presents disaggregated revenues from contracts with customers by geography for each of our business segments for the year ended 31 March 2023. The Company believes that this disagregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Year ended March 31, 2023	
Particulars	**Amount**
Revenues by Geography	
India	645,774.55
United States of America	330,242.20
Others	23,278.97
Total	999,295.72

(ii) Trade Receivables and Contract Balances

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(Amount in INR "000")

Particulars	As at 31 March 2023	As at 31 March 2022
Receivables, which are included in 'Trade and other receivables'	202,845.24	81,780.03
Contract assets	75,228.44	53,540.02
Contract liabilities	1,666.75	2,843.29

The contract assets(unbilled revenue) primarily relate to the company's rights to consideration for work completed but not billed at the reporting date.The contract assets are transferred to receivables when the rights become unconditional.
The contract liabilities (unearned revenue) primarily relate to the advance consideration received from customer, for which revenue is recognised on completion of contract terms

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2023

(Amount in INR "000")

Particulars	For the year ended 31 March 2023
Balance at the beginning	53,540.02
Add : Revenue recognized during the period	999,295.72
Less : Invoiced during the period	(977,607.30)
Balance at the end	75,228.44

The following table discloses the movement in unearned revenue (contract liabilities) balances for the year ended 31 March 2023

(Amount in INR "000")

Particulars	For the year ended 31 March 2023
Balance at the beginning	2,843.29
Less: Revenue recognized during the period	1,176.53
Add: Invoiced during the period but not recognized as revenues	-
Balance at the end	1,666.75

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for (i) contracts with an original expected duration of one year or less and (ii) contracts for which the Company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2023, other than those meeting the exclusion criteria mentioned above, is NIL.

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29 Contingent liabilities and Capital commitment

Particulars	31 March 2023	31 March 2022
Contingent liabilities		
Income tax Demand **	27,589.53	27,589.53
	27,589.53	**27,589.53**

** As on March 31, 2023, the Company is in appeal before the Bangalore ITAT against the final assessment order passed by the Assessing Officer ('AO') for assessment year 2016-17 u/s 143(3) of the Income Tax Act, 1961. In the said order, a demand of Rs. 2.76 crores is raised on account transfer pricing adjustment. During the FY 2022-23, the matter has been remanded back to the AO by the Hon'ble ITAT, and accordingly, the AO has to pass a fresh order. The Management including tax advisors expect that its position will likely be upheld on ultimate resolution and will not have any material adverse effect on the Company's financial position and results of operations

30 Unhedged foreign currency exposure

Foreign currency exposures on account of trade receivables/ trade payables not hedged by derivative instruments are as follows:

Particulars		31 March 2023		31 March 2022	
	Currency	Foreign currency	Amount in Rs	Foreign currency	Amount in Rs
Trade receivables	USD	1,348.17	110,779.38	378.77	28,707.93
		1,348.17	**110,779.38**	**378.77**	**28,707.93**

31 Earnings in foreign currency

Particulars	31 March 2023	31 March 2022
Software sales and service	330,242.20	317,756.32
	330,242.20	**317,756.32**

Expenditure in foreign currency

Particulars	31 March 2023	31 March 2022
Travelling and conveyance	-	-
License Fee	4,380.66	2,614.03
	4,380.66	**2,614.03**

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32 Related party disclosures

(i) Name of related parties and description of relationship:

- Entities having significant influence	Fairfax Financial Holdings Limited Fairfax (US) Inc HWIC Asia Fund Fairbridge Capital (Mauritius) Limited (w.e.f 6 December 2019) Thomas Cook (India) Limited (upto 6 December 2019) Fairfax (US) Inc National Collateral Management Services Limited
- Subsidiaries, associates and joint venture	Refer note (ii)

Key management personnel:
The Company has also entered into transactions with the key management personnel. The Key management personnel are mentioned below:

- Entity in which key managerial personnel have significant influence	Careworks foundation

Key executive management personnel

Mr. Kamal Pal Hoda	Additional Director	Effective from 1st Dec'22
Kundan Kumar Lal	Director	
Rajesh Kharidehal	Additional Director	Till 1st Dec'22

(ii) List of fellow subsidiaries (including step-subsidiaries), associates and joint venture

Name of the entity	Nature of relation	Country of domicile
Billion Careers Private Limited	Subsidiary	India
Brainhunter Systems Ltd.	Subsidiary	Canada
Mindwire Systems Limited	Subsidiary	Canada
Quess (Philippines) Corp.	Subsidiary	Philippines
Quess Corp (USA) Inc.	Subsidiary	USA
Quesscorp Holdings Pte. Ltd.	Subsidiary	Singapore
Quess Corp Vietnam LLC	Subsidiary	Vietnam
Quessglobal (Malaysia) SDN. BHD.	Subsidiary	Malaysia
Quess Corp Lanka (Private) Limited	Subsidiary	Sri Lanka
Comtel Solutions Pte. Ltd.	Subsidiary	Singapore
MFXchange Holdings, Inc.	Subsidiary	Canada
MFXchange US, Inc.	Subsidiary	USA
MFX Chile SpA	Subsidiary	Chile
Dependo Logistics Solutions Private Limited	Subsidiary	India
Excelus Learning Solutions Private Limited	Subsidiary	India
Conneqt Business Solution Limited	Subsidiary	India
Vedang Cellular Services Private Limited	Subsidiary	India
Golden Star Facilities and Services Private Limited	Subsidiary	India
Comtelpro Pte. Limited.	Subsidiary	Singapore
Comtelink Sdn. Bhd	Subsidiary	Malaysia
Monster com (India) Private Limited	Subsidiary	India
Monster com SG PTE Limited	Subsidiary	Singapore
Monster com HK Limited	Subsidiary	Hong Kong
Agensi Pekerjaan Monster Malaysia SDN. BHD.	Subsidiary	Malaysia
Quesscorp Management Consultancies	Subsidiary	Dubai, UAE
Quesscorp Manpower Supply Services LLC	Subsidiary	Dubai, UAE
Qdigi Services Limited	Subsidiary	India
Greenpiece Landscapes India Private Limited	Subsidiary	India
Simpliance Technologies Private Limited	Subsidiary	India
Allsec Technologies Limited	Subsidiary	India
Allsectech Inc., USA	Subsidiary	USA
Allsectech Manila Inc., Philippiness	Subsidiary	Philippines
Retreat Capital Management Inc., USA	Subsidiary	USA
Trimax Smart Infraprojects Private Limited	Subsidiary	India
Quess Corp Services Limited	Subsidiary	Bangladesh
Terrier Security Services (India) Private Limited	Subsidiary	India
Quess East Bengal FC Private Limited	Subsidiary	India
Heptagon Technologies Private Limited	Subsidiary	India
Quess Recruit, Inc.	Associate	Philippines
Agency Pekerjaan Quess Recruit SDN. BHD.	Associate	Malaysia
Stellars Log Technovation Private Limited	Associate	India
Himmer Industrial Services (M) SDN. BHD.	Joint venture	Malaysia

Nagshetty. S & Associates Bangalore Chartered Accountants

MFX Infotech Pvt. Ltd. Bangalore

MFX Infotech Private Limited

Notes to the financial statements for the year ended 31 March 2023

(iii) Related party transactions during the year/period

Particulars	31 March 2023	31 March 2022
Revenue from operations	**977,546.94**	**818,071.62**
MFXchange US, Inc	330,242.20	314,927.80
Quess Corp Limited	611,809.00	453,671.82
Brainhunter Systems Limited, Canada	23,278.97	20,498.90
Heptagon Technologies Private Limited	3,006.29	5,466.55
Allsec Technologies Limited	9,210.47	23,416.20
Expenses incurred by related parties on behalf of the Company	**357.77**	**-**
Quess Corp Limited	357.77	-
Rendering of services by related parties	**9,336.82**	**10,221.86**
Terrier Security Services India Pvt Ltd	-	-
Heptagon Technologies Private Limited	891.27	1,147.66
Conneqt Business Solution Limited	8,012.74	8,645.64
Allsec Technologies Limited	432.81	428.56

(iv) Balance receivable from and payable to related parties as at the balance sheet date:

Particulars	31 March 2023	31 March 2022
Trade receivables	**201,200.54**	**80,828.98**
MFXchange US, Inc	110,779.38	28,707.93
Brainhunter Systems Limited, Canada	8,194.78	1,327.53
Quess Corp Limited	76,762.72	49,326.76
Heptagon Technologies Pvt Ltd	2,507.47	1,466.77
Allsec Technologies Ltd	2,956.19	-
Unbilled revenue	**69,228.44**	**46,811.10**
Quess Corp Limited	51,917.56	38,115.45
Brainhunter Systems Limited, Canada	1,697.29	1,601.19
Allsec Technologies Ltd	175.00	7,094.47
MFXchange US, Inc	15,438.59	-
Provision for expenses		
Heptagon Technologies Pvt Ltd	90.00	1,147.66
Allsec Technologies Ltd	74.20	34.72
Conneqt Business Solution Limited	5,052.15	3,300.00
Trade payables	**21,798.21**	**11,136.51**
Heptagon Technologies Pvt Ltd	2,104.52	-
Quess Corp Limited	19,693.69	11,136.51
Outstanding Bank Guarantees provided by holding company		
Quess Corp Limited	-	50,000.00

Nagshetty. S & Associates Bangalore Chartered Accountants

MFX Infotech Pvt. Ltd. Bangalore

(v) Compensation of key managerial personnel

There is no compensation paid to Key Managerial Personnel during the year (Previous Year - NIL)

33 Gratuity

The following table sets out the funded status of the gratuity plans and the amounts recognized in the Company's financial statements as at 31 March 2023 and 31 March 2022

Particulars	31 March 2023	31 March 2022
Change in defined benefit obligation		
Obligation at the beginning of the year	34,414.21	27,855.82
Current service cost	11,080.44	7,031.32
Interest cost	2,095.55	1,375.28
Curtailment cost/(credit)		
Benefit settled	(4,096.92)	(3,402.90)
Actuarial (gain) / loss- Experience	(4,151.32)	1,554.68
Obligation at end of the year	**39,341.96**	**34,414.21**

Reconciliation of present value of the obligation and the fair value of the plan assets

Particulars	31 March 2023	31 March 2022
Present value of the defined benefit obligations at the end of the year	39,341.96	34,414.21
Liability recognised in the balance sheet	**39,341.96**	**34,414.21**
Current	4,696.58	2,955.60
Non-current	34,645.39	31,458.61

Gratuity cost for the year

Particulars	31 March 2023	31 March 2022
Current service cost	11,080.44	7,031.32
Net interest on net defined benefit liability/(asset)	2,095.55	1,375.28
Re-measurement- actuarial gain/(loss) recognised on OCI	(4,151.32)	1,554.68
Net gratuity cost	**9,024.67**	**9,961.29**

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

	31 March		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	36,905.46	42,074.89	32,102.57	37,025.07
Future salary growth(1% movement)	41,898.10	35,728.67	36,864.50	32,168.76

Assumptions

	Core employees		Associate employees	
Particulars	**31-Mar-23**	**31-Mar-22**	**31-Mar-23**	**31-Mar-22**
Discount rate	7.25%	6.15%	7.40%	5.10%
Estimated rate of return on plan assets	NA	NA	NA	NA
Salary increase	9.00%	9.00%	7.50%	7.50%
Attrition rate	12.5% & 20%	12.5% & 20%	35.00%	35%
Retirement age	58 years	58 years	58 years	58 years
Mortality Rate	LIC(2012-14) published table of Mortality- Rates 100% of IALM 2012-14	LIC(2012-14) published table of Mortality- Rates 100% of IALM 2012-14	LIC(2012-14) published table of Mortality- Rates 100% of IALM 2012-14	LIC(2012-14) published table of Mortality- Rates 100% of IALM 2012-14

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Maturity profile of defined benefit obligation :-

Particulars	31 March 2023	31 March 2022
Within 1 year	4,696.58	2,955.60
2-5 years	19,329.24	16,163.50
6-10 years	18,788.43	15,553.65
>10 years	27,330.98	23,002.73
	70,145.23	**57,675.48**

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MFX Infotech Pvt. Ltd. Bangalore

34 Compensated absence

The company has accounted the cost of compensated absences based on the actuarial valuation report obtained as at 31 March 2023 and has estimated a compensated absence liability of Rs.51,46,455 (Previous Year: Rs.12,422,443) under Projected Unit Credit Method as per IND AS 19. During the year, the Company has accounted in the incremental liability accounted in previous year in the statement of profit and loss for the year

Key Assumptions used in the valuation of Compensated absence are as given below

Assumptions

Particulars	31 March 2023	31 March 2022
Discount rate	7.25%	6.15%
Estimated rate of return on plan assets	NA	NA
Salary increase	9.00%	9.00%
Attrition rate	12.5% & 20%	12.5% & 20%
Rate of Leave Availment (per annum)	15%	15%
Retirement age	58 years	58 years
Mortality Rate	LIC(2012-14) published table of Mortality- Rates 100% of IALM 2012-14	LIC(2012-14) published table of Mortality- Rates 100% of IALM 2012-14

Set out below is the movement in provision balances in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'

Particulars	Privilege Leave
Balance as at 1 April 2021	8,435.25
Add: Additions during the year	-
Less: Utilisation/reversal during the year	(3,987.20)
Closing balance as at 31 March 2022	**12,422.44**
Balance as at 1 April 2022	12,422.44
Add: Additions during the year/ Transfer in	-
Less: Utilisation/reversal during the year	7,275.99
Closing balance as at 31 March 2023	**5,146.46**

35 Earnings per Share

Particulars	31 March 2023	31 March 2022
Profit after Tax and Other Comprehensive Income	59,356.02	31,131.66
No.of Equity Shares	1,000.00	1,000.00
No.of Equity Shares - CCD	-	-
Earnings per Share(EPS)	**59.36**	**31.13**
Diluted	**59.36**	**31.13**

36 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum.
The company does not have any transactions with MSMED companies and hence balance payable is NIL as on 31 March 2022 (Previous Year:NIL).Also the Company has not received any claims for Interest from any supplier under Micro, Small and Medium Enterprises Development Act ,2006

37 Segment Reporting

The Director of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The company is engaged in the business of Software Support Services and is considered by CODM as the only reportable business segment taking into account the nature of the business, the organization structure, internal reporting structure and risk and rewards. All the assets of the Company are located in India. The company's management is of the opinion that the company does not have secondary segments and hence segment reporting is not applicable.

38 Transfer Pricing

The company's management is of the opinion that its international transactions with related parties entered during the previous year are at arms' length and is compliant with the transfer pricing legislation as per independent accountant's report for the year ended 31 March 2022.The company is in the process of compiling the documentation of transfer pricing for the year ended 31 March 2023. The company's management believes that the Company's transactions with the related parties continue to be at arms' length and that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of the provision for taxation.

39 Amalgamation of Company

"The Board of Directors of the Company at its meeting held on 15th July 2021 had considered and approved fresh the Scheme of Amalgamation ("Scheme") under the provisions of Section 230-232 of the Companies Act, 2013 among Quess Corp Limited ("Transferee Company"), Greenpiece Landscapes India Private Limited ("Geenpiece"), MFX Infotech Private Limited ("MFXI") and Conneqt Business Solutions Limited ("Conneqt"), ("Transferor Companies") and their respective shareholders / creditors, subject to the approval of shareholders / Creditors and other regulatory authorities as may be applicable under the Act. On 21 January 2022, the National Company Law Tribunal, Bengaluru Bench ("NCLT") accepted the application of the Scheme of Amalgamation and the same is pending before NCLT for hearing

40 Covid 19 Assessment

In assessing the recoverablity of receivables including unbilled receivables,Contract assets & cost,Intangibles assets & certain investment,The company has considered internal & external information upto the date of approval these audited financials including credit reports & economic forecast. The company has performed Sensitive analysis on the assumptions used & based on current indicators of future Economic condition, the compant expects to recover the carrying amount of these assets. the impact of global health pandemic may be different from that estimate as at the date of approval of these audited financials & the company will continue to closely moniter any material changes to future economic changes.

for Nagshetty S. & Associates
Chartered Accountants
Firm's Registration No:016641S

Nagshetty S
Proprietor
Membership No. 226525
Place: Bengaluru
Date: 02/05/23

Nagshetty. S & Associates ★ Bangalore ★ Chartered Accountants

for and on behalf of Board of Directors of
MFX Infotech Private Limited
CIN: U72200KA2014PTC074949

Kundan Kumar Lal
Director
DIN: 06446995
Place: Bengaluru
Date: 02/05/23

Mr. Kamal Pal Hoda
Additional Director
DIN: 09808793
Place: Bengaluru
Date: 02/05/23

Notes to the financial statements for the period ended 31 Mar 2023

41 **Ratios**

(Amount in INR "000")

Ratios	Numerator	Denominator	Ratio 22-23	Ratio 21-22	%variance
Current ratio	318,517.40	170,501.48	1.87:1	1.60:1	17%
Debt-equity ratio	-	135,152.76	0	0	0%
Debt service coverage ratio	75,113.15	-	0.00:1	2.38:1	-100%
Return on equity ratio	59,356.02	103,921.49	0.57:1	0.54:1	6%
Inventory turnover ratio	4,380.66	-	0.00:1	0.00:1	0%
Trade receivables turnover ratio	999,295.72	206,696.87	4.83:1	7.84:1	-38%
Trade payables turnover ratio	63,294.25	33,902.46	1.87:1	3.34:1	-44%
Net capital turnover ratio	999,295.72	148,015.91	6.75:1	10.65:1	-37%
Net profit ratio	59,356.02	999,295.72	0.06:1	0.04:1	-59%
Return on capital employed	77,118.09	23,054.38	3.35:1	0.63:1	-434%
Return on investment	59,356.02	135,152.76	0.44:1	0.43:1	-3%

A Current Ratio = Current Assets divided by Current Liabilities

B Debt-equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings and lease liabilities

C Debt Service Coverage Ratio (DSCR) = Earnings available for debt services (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Inter

D Return on equity ratio : Net profit after tax less preference dividend divided by Average Shareholder Equity

E Inventory turnover ratio : Cost of materials consumed divided by Average Inventory (Opening + Closing balance / 2)

F Trade Receivables turnover ratio = Credit Sales (Total revenue from operations +Opening Unbilled- Closing Unbilled-Opening unearned revenue- Closing Unearned revenue) div

G Trade payables turnover ratio = Credit purchases (Cost of goods sold+ other expenses+ Opening provision for expenses- Closing Provision for expenses- Impairment loss

H Net capital turnover ratio = Net Sales divided by Working Capital

I Net profit ratio = Net profit after tax divided by Revenue from operations

J Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes(EBIT) divided by Average Capital Employed- pre cash (Capital Employed = Tangible Net Worth

K Return on investment: PAT divided by Total Equity

A Current Ratio = Current Assets divided by Current Liabilities

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22	% of change
Current ratio	Current Assets (a) / Current Liabilities(b)	318,517,395 170,501,482	1.87:1	207,658,276 129,561,749	1.60:1	17%

Reason for change more than 25%: There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years

B Debt-equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22	% of change
Debt-equity ratio	Total debt (a) / Total Equity(b)	- 135,152,755	0.00:1	- 72,690,220	0.00:1	0%

Reason for change more than 25%: There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years

C Debt Service Coverage Ratio (DSCR) = Earnings available for debt services divided by Total interest and principal repayments

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Debt-equity ratio	EBITDA (a)/ Interest+ PrincipalRepayments(b	75,113,147 -	0.00:1	52,266,447 21,992,751	2.38:1	-100%

* EBITDA refers to profit for the year before tax+ Non cash Operating expense+ Finance cost

* Principal repayments considered for current year repayments

Profit for the year	77,118,088	45,504,097
Add: Non cash operating expenses and finance cost		
'- Depreciation and Amortization	5,510,474	6,728,245
'- Finance cost	-	59,751
Less: Other income	(7,515,415)	(25,646)
Earnings available for debt services(EBITDA)	75,113,147	52,266,447

Reason for change more than 25%: There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years

D. **Return on equity ratio** : Net profit after tax divided by Equity

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Return on equity ratio	PAT (a) / Avg Equity(b)	59,356,017 103,921,488	0.57:1	31,131,659 57,706,094	0.54:1	6%

Reason for change more than 25%: There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years

E. **Inventory turnover ratio** : Cost of materials consumed divided by closing inventory

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Inventory turnover ratio	Cost of materials consumed (a)/Avg	4,380,657 -	0.00:1	2,614,030 -	0.00:1	0%

Reason for change more than 25%: There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years

F. Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Trade Receivables turnover ratio	Credit sales (a) / Avg Trade receivables(b)	999,295,720 206,696,868	4.83:1	832,059,153 106,093,209	7.84:1	-38%

Reason for change more than 25%: There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years

F. Trade payables turnover ratio = Credit purchases divided by closing trade payables

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Trade payables turnover ratio	Cr purchases(a) / Avg Trade payables(b)	63,294,248 33,902,458	1.87:1	64,463,403 19,295,430	3.34:1	-44%

Reason for change more than 25%: There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years

G. Net capital Turnover Ratio =Revenue from Operations divided by Net Working capital whereas net working capital= current assets - current liabilities

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Net capital Turnover Ratio	Revenue from operations(a) / Net Working capital (b)	999,295,720 148,015,913	6.75:1	832,059,153 78,096,527	10.65:1	-37%

Reason for change more than 25%: There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years

H. Net profit ratio = Net profit after tax divided by Revenue from operations

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Net profit ratio	PAT(a) / Revenue from operations(b)	59,356,017 999,295,720	0.06:1	31,131,659 832,059,153	0.04:1	-59%

Reason for change more than 25%: There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years

I. Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes(EBIT) divided by Capital Employed- pre cash

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Return on Capital employed	EBIT (a) / Capital employed(b)	77,118,088 23,054,383	3.35:1	45,563,848 72,690,223	0.63:1	-434%

Reason for change more than 25%: There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years

J.Return on investment:

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Return on investment:	PAT (a) / Avg Equity(b)	59,356,017 135,152,755	0.44:1	31,131,659 72,690,220	0.43:1	-3%

Reason for change more than 25%: There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years

for Nagshetty S. & Associates
Chartered Accountants
Firm's Registration No:016641S

Nagshetty S
Proprietor
Membership No. 226525
Place: Bengaluru
Date: 02/05/2023

Nagshetty. S & Associates ★ Bangalore ★ Chartered Accountants

for and on behalf of Board of Directors of
MFX Infotech Private Limited
CIN: U72200KA2014PTC074949

Kundan Kumar Lal
Director
DIN: 06446995
Place: Bengaluru
Date: 02/05/23

Ms. Kamal Pal Huda
Additional Director
DIN: 09808793
Place: Bengaluru
Date: 02/05/23

MSKA & Associates
Chartered Accountants

1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Telangana State, Hyderabad 500072, INDIA
Tel: +91 40 6814 2999

INDEPENDENT AUDITOR'S REPORT

To the Members of Qdigi Services Limited (formerly known as HCL Computing Products Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Qdigi Services Limited (formerly known as HCL Computing Products Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2023 and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31,2023 and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow 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.

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31,2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

(1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner

Membership No. 205226
UDIN: 23205226BGWDUZ9351

Place: Hyderabad
Date: 28 April 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF QDIGI SERVICES LIMITED (FORMERLY KNOWN AS HCL COMPUTING PRODUCTS LIMITED) FOR THE YEAR ENDED 31 MARCH 2023

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

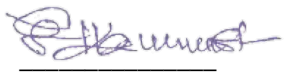
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan
Partner

Membership No. 205226
UDIN: 23205226BGWDUZ9351

Place: Hyderabad
Date: 28 April 2023

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF QDIGI SERVICES LIMITED (FORMERLY KNOWN AS HCL COMPUTING PRODUCTS LIMITED) FOR THE YEAR ENDED MARCH 31, 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a)

A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment and right of use assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii.

(a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.

(b) During the year the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks on the basis of security of current assets. Quarterly returns / statements filed with such Banks are in agreement with the books of account.

iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. According to the information and explanations given to us, there are no amounts outstanding which are in the nature of deposits as on March 31,2023 and the Company has not accepted any deposits during the year.

vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues relating to Sales Tax, Value Added Tax, Service Tax, Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise, cess or other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix.

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures

x.

(a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi.

(a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the financial statement for the year ended March 31,2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv.

(a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.

xvi.

(a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Group does not have any CIC as part of its group. Hence the provisions stated in paragraph 3 (xvi) (d) of the order are not applicable to the Company.

xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone1 financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are not applicable to the Company. Hence, reporting under paragraph (xx)(a) to (b) of the Order is not applicable to the Company.

xxi. According to the information and explanations given to us, the Company does not have any subsidiary / associate / joint venture. Accordingly, there is no preparation of consolidated financial statements. Accordingly, the provisions stated in paragraph clause 3(xxi) of the Order are not applicable to the Company.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner

Membership No. 205226
UDIN: 23205226BGWDUZ9351

Place: Hyderabad
Date: 28 April 2023

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF QDIGI SERVICES LIMITED (FORMERLY KNOWN AS HCL COMPUTING PRODUCTS LIMITED)

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Qdigi Services Limited (formerly known as HCL Computing Products Limited) on the Financial Statements for the year ended March 31,2023

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

Opinion

We have audited the internal financial controls with reference to financial statements of **Qdigi Services Limited (formerly known as HCL Computing Products Limited)** as of March 31,2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31,2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

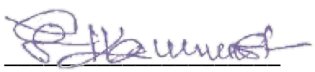
Meaning of Internal Financial Controls With reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan
Partner

Membership No. 205226
UDIN: 23205226BGWDUZ9351

Place: Hyderabad, INDIA
Date: April 28, 2023

Qdigi Services Limited (formerly known as HCL Computing Products Limited)
Balance Sheet as at March 31, 2023

(Amount in INR Lac, except equity share and per equity share data)

Balance Sheet	Note	As at 31 Mar 2023	As at 31 Mar 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	834.08	1,154.66
Capital work-in-progress	3	4.17	0.77
Goodwill	4	1,842.35	1,842.35
Other intangible assets	4	226.24	354.46
Financial assets			
Other Financial Assets	5	153.08	89.72
Income tax assets (net)	7	68.95	146.93
Other non-current assets	8	-	8.20
Total non-current assets		**3,128.86**	**3,597.09**
Current assets			
Inventories	9	2,025.52	1,272.00
Financial assets			
(i) Trade receivables	10	5,658.91	3,554.40
(ii) Cash and cash equivalents	11	1,026.99	207.96
(iii) Bank balances other than cash and cash equivalents	12	748.94	748.94
(iv) Other current financial assets	13	118.72	163.39
Other current assets	14	1,072.62	874.83
Total current assets		**10,651.71**	**7,521.53**
Total Assets		**13,780.58**	**11,118.62**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	534.97	534.97
Other equity	16	2,903.23	2,470.53
Total equity		**3,438.21**	**3,005.51**
Liabilities			
Non-current liabilities			
Financial liabilities			
Non-current Employee benefit obligations	17	170.72	134.66
Other non-current financial liabilities			
Lease Liability	18	321.35	576.44
Deferred tax liability (net)	6	13.46	20.15
Total non-current liabilities		**505.53**	**731.24**
Current liabilities			
Financial liabilities			
(i) Borrowings	19	106.42	297.73
(ii) Lease Liability	38	392.80	465.12
(iii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	20	-	-
b) total outstanding dues of creditors other than micro enterprise and small enterprise		2,266.47	739.13
(iv) Other current financial liabilities	21	2,473.86	2,365.05
Current Employee benefit obligations	22	46.78	59.87
Other current liabilities	23	4,550.51	3,454.77
Total current liabilities		**9,836.83**	**7,381.67**
Total Liabilities		**10,342.37**	**8,113.11**
Total Equity and Liabilities		**13,780.58**	**11,118.62**

Company overview and Significant accounting policies 1 & 2

The accompanying notes are an integral part of the financial statements.
As per our report of even date

for **MSKA & Associates**
Chartered Accountants
Firm's Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226
Place: Hyderabad, INDIA
Date: April 28, 2023

MSKA & ASSOCIATES Hyderabad Chartered Accountants

for and on behalf of the Board of Directors of
Qdigi Services Limited (formerly known as HCL Computing Products Limited)
CIN: U52100DL2012PLC238730

Deven Sharma
Director
DIN: 08987509
Place: Bengaluru
Date: April 28, 2023

QDIGI SERVICES LIMITED

Srinivasan Gurprasad
Director
DIN: 00075962[illegible]
Place: Bengaluru, INDI
Date: April 28, 2023

Qdigi Services Limited (formerly known as HCL Computing Products Limited)

Statement of Profit and Loss for the year ended March 31, 2023

(Amount in INR Lac, except equity share and per equity share data)

Statement of Profit and Loss	Note	For the year ended 31 Mar 2023	For the year ended 31 Mar 2022
Income			
Revenue from operations	24	37,872.94	23,608.88
Other income	25	51.31	35.31
Total income		**37,924.24**	**23,644.19**
Expenses			
Cost of material, stores and spare parts consumed	26	28,259.80	15,490.67
Employee benefit expenses	27	4,797.16	4,657.75
Finance costs	28	118.62	144.69
Depreciation and amortisation expenses	29	740.37	599.41
Other expenses	30	3,485.56	2,636.15
Total expenses		**37,401.51**	**23,528.68**
Profit before share of profit of equity accounted investees and income tax		**522.73**	**115.52**
Profit before tax		**522.73**	**115.52**
Tax expense			
Effect of change in tax rate		(111.43)	-
Deferred tax	6	10.32	28.03
Total tax expenses		**(101.11)**	**28.03**
Profit for the year		**421.62**	**143.55**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains on defined benefit plans		14.43	(8.25)
Income tax relating to items that will not be reclassified to profit or loss	6	(3.63)	1.89
Other comprehensive income for the year, net of tax		**10.80**	**(6.36)**
Total comprehensive income for the year		**432.42**	**137.19**
Earnings per share			
Basic earnings per share (INR)	35	7.88	2.68
Diluted earnings per share (INR)	35	7.88	2.68

The accompanying notes are an integral part of the financial statements.
As per our report of even date

for **MSKA & Associates**
Chartered Accountants
Firm's Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad, INDIA
Date: April 28, 2023

for and on behalf of the Board of Directors of
Qdigi Services Limited (formerly known as HCL Computing Products Limited)
CIN: U52100DL2012PLC238730

Deven Sharma
Director
DIN: 08987509

Place: Bengaluru
Date: April 28, 2023

Srinivasan Guruprasad
Director
DIN: 0007596207

Place: Bengaluru, INDIA
Date: April 28, 2023

Qdigi Services Limited (formerly known as HCL Computing Products Limited)
Statement of Cash Flows for the year ended March 31, 2023

(Amount in INR Lac)

Statement of cash flows	31 March 2023	31 March 2022
Cash flows from operating activities		
Profit/(Loss) after tax	421.62	143.55
Adjustments for:		-
Depreciation and amortisation	740.37	599.41
Finance income on present valuation of financial instruments	(7.12)	(6.55)
Liabilities no longer required written back		-
Impairment loss allowance on financial assets, net	114.05	6.27
Interest income on loans to related parties		-
Interest income on term deposits	(38.37)	(28.75)
Tax expense	(6.69)	(29.92)
Finance costs	118.62	144.69
Operating cash flows before working capital changes	**1,342.49**	**828.70**
Changes in inventories, trade receivables and unbilled revenue	(2,272.02)	(2,112.64)
Changes in loans, other financial assets and other assets	(201.15)	(533.17)
Changes in trade payables and other financial liabilities	2,765.66	2,826.18
Cash generated from operations	**1,634.98**	**1,009.07**
Income taxes paid, net of refund	84.67	(30.02)
Routed through P&L	-	-
Net cash provided by/ (used in) operating activities (A)	**1,719.65**	**979.05**
		-
Cash flows from investing activities		-
Expenditure on property, plant and equipment and intangibles, net of sale proceeds	(294.97)	(172.77)
Bank deposits (having original maturity of more than three months)	-	(63.20)
Interest income on term deposits	38.37	28.75
Net cash used in investing activities (B)	**(263.30)**	**(237.14)**
		-
Cash flows from financing activities		-
Proceeds from borrowings	(191.31)	(200.17)
Proceeds from issue of equity shares, net of issue expenses		-
Lease liability paid	(327.41)	(460.06)
Interest paid	(118.62)	(144.69)
Net cash used in financing activities (C)	**(637.34)**	**(804.93)**
		-
Net increase in cash and cash equivalents (A+B+C)	207.96	(63.02)
Cash and cash equivalents at the beginning of the period	819.02	270.98
Cash and cash equivalents at the end of the year (refer note 11)	**1,026.98**	**207.96**

The accompanying notes are an integral part of the financial statements.
As per our report of even date

for **MSKA & Associates**
Chartered Accountants
Firm's Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad, INDIA
Date: April 28, 2023

for and on behalf of the Board of Directors of
Qdigi Services Limited (formerly known as HCL Computing Products Limited)
CIN: U52100DL2012PLC238730

Deven Sharma
Director
DIN: 08987509

Place: Bengaluru, INDIA
Date: April 28, 2023

Srinivasan Gurupprasad
Director
DIN: 00075962O7

Place: Bengaluru, INDIA
Date: April 28, 2023

Qdigi Services Limited (formerly known as HCL Computing Products Limited)
Statement of Changes in Equity for the year ended 31 March 2023

Amount in INR Lac

(A) Equity share capital	31 March 2023	31 March 2022
Opening balance	534.97	534.97
Changes in equity share capital	-	-
Closing balance (refer note 15)	**534.97**	**534.97**

(B) Other equity

Amount in INR Lac

Particulars	Other equity				Total equity attributable to equity holders of the Company
	Reserves and Surplus		Corporate guarantee	Other items of other Comprehensive Income	
	Securities premium	Retained earnings		Remeasurements of defined benefit liability	
Balance as of 1 April 2021	2,915.03	(606.26)	20.00	4.78	2,333.55
Add: Issue of equity shares	-	-	-	-	-
Add: Profit/(Loss) for the year	-	143.55	-	-	143.55
Add: Other comprehensive income (net of tax)	-	-	-	(6.36)	(6.36)
Balance as of 31 March 2022 (refer note 16)	**2,915.03**	**(462.71)**	**20.00**	**(1.58)**	**2,470.53**
Balance as of 1 April 2022	2,915.03	(462.71)	20.00	(1.58)	2,470.53
Add: Profit/(Loss) for the year	-	421.62	-	-	421.62
Add: Other comprehensive income (net of tax)	-	-	-	10.80	10.80
Balance as of 31 March 2023 (refer note 16)	**2,915.03**	**(41.09)**	**20.00**	**9.22**	**2,903.23**

The notes referred to above form an integral part of financial statements.
As per our report of even date

for **MSKA & Associates**
Chartered Accountants
Firm's Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad, INDIA
Date: April 28, 2023

for and on behalf of Board of Directors of
Qdigi Services Limited (formerly known as HCL Computing Products Limited)

Deven Sharma
Director
DIN: 08987509

Place: Bengaluru, INDIA
Date: April 28, 2023

Srinivasan Gurupprasad
Director
DIN: 00075962[illegible]

Place: Bengaluru, INDIA
Date: April 28, 2023

1. Company overview

QDigi Services Limited (formerly known as HCL Computing Products Limited) ("Qdigi" or "the Company"), is a public limited company incorporated and domiciled in India. The registered office of the Company is located at New Delhi, India. Quess Corp Limited acquired Qdigi from HCL Infosystems Limited in April 2018. The Company is in the business of providing after-sales services for consumer products like mobile phones, electronics and durables with an extensive service network across India comprising of its own walk-in-centers and authorised service providers.

2. Basis of preparation

2.1 Statement of compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("Act") (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

The Company's Ind AS financial statements are approved for issue by the Company's Board of Directors on 28th April 2023.

The Ind AS financial statements are presented in Indian Rupees ("INR"), which is also the functional currency of the Company.

2.2 Basis of measurement and significant accounting policies

The financial statements have been prepared on historical cost basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments);

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of Defined Benefit Obligations ("DBO").

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

2.3 Use of estimates and judgement

Preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

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Basis of measurement and significant accounting policies (continued)

i. ***Income taxes:*** Significant judgements are involved in determining provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

ii. ***Measurement of defined benefit obligations:*** The cost of the defined benefit obligations are based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. All assumptions are reviewed on a periodic basis.

iii. ***Impairment of financial assets:*** The Company assesses the expected credit losses associated with financial assets carried at amortised cost based on 12-month expected credit losses (ECL) at each financial year end, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL

iv. ***Intangible asset under development:*** The Company capitalizes intangible asset under development for a project in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model.

v. ***Property, plant and equipment and Intangible assets:*** The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically.

vi. ***Business combinations:*** Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets (such as brands, customer contracts and customer relationships). These valuations are conducted by independent valuation experts.

vii. ***Other estimates:*** The impairment of non-financial assets involves key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets.

2.4 Measurement of fair values

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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2.5 Functional and presentation currency

Items included in the Ind AS financial statements of Company are measured using the currency of the primary economic environment in which the entities operate (i.e. the "functional currency").

2.6 Property, plant and equipment

i) Recognition and measurement

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

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'

ii) Depreciation

Depreciation is provided on a Straight Line Method ('SLM') over the estimated useful lives of the property, plant and equipment as estimated by the Management and is generally recognized in the statement of profit and loss. The management believes that the useful lives as given below best represent the period over which the management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for some of these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.
Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of). The Company has estimated the useful lives for property, plant and equipment as follows:

Asset category	Estimated useful life for 31 March 2023
Plant and machinery	5 years
Computer equipment	3 years
Furniture and Fixtures	5 years
Office equipment	5 years

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Leasehold improvements are depreciated over the lease term or estimated useful life whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted if appropriate.

2.7 Goodwill and other intangible assets

(i) Goodwill

The excess of the cost of acquisition over the Company's share in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognized as goodwill. If the excess is negative, it is considered as a bargain purchase gain. Any gain on a bargain purchase is recognized in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase. Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows.

(ii) Other intangible assets

Customer Relationships

Customer relationships acquired as part of acquisitions of businesses are capitalised as intangible assets if their value can be measured reliably on initial recognition and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets.

These valuations are conducted by independent valuation experts. Brand, customer contracts and customer relationships acquired as part of business combinations are capitalised as intangible assets if their value can be measured reliably on initial recognition and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company. Such intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Others

Other intangible assets such as computer software is initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

(a) Recognition and measurement

Internally generated: Research and development

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

(iii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brand, is recognised in the statement of profit and loss as and when incurred.

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Basis of measurement and significant accounting policies (continued)

(iv) Amortisation

Goodwill is not amortised and is tested for impairment annually. Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation expenses in the statement of profit and loss.

The estimated useful lives of intangible assets are as follows:

Asset category	Estimated useful life for 31 March 2023
Software	3 years
Customer relationships	5 years

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted if appropriate.

2.8 Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit ("CGU") to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset/CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised in net profit in the statement of profit and loss and is not reversed in the subsequent period.

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2.9 Leases

Ind AS 116 replaced Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. The Company has adopted Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The Company's lease asset classes primarily consist of Land and Building. The Company assesses whether a contract is a lease or not at the inception of each contract. A contract or a part of a contract is a lease if conveys the right to control the use of an asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimated of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use-asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate as the discount rate (As at 1 April 2023 - 9.5%).

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is change in future lease payments arising from a change in an index or rate, if there is change in the Company estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use-asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize right-of-use assets and liabilities for short-term leases of INR 100,000 that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Practical expedients adopted on initial recognition:

1. The agreements maturing within 12 months from the initial application of Ind AS 116, are not considered.
2. Single discount rate is applied to a portfolio of leases with reasonably similar characteristics on the date of initial application.

Value of initial direct costs (such as Stamp Duty, registration costs etc. already paid) excluded from the measurement of ROUA.

Refer note 37 for disclosure related to leases.

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2.10 Inventories

Inventories (stores and spares) which comprise of electronic components are valued at the lower of cost and net realizable value. Cost of inventories comprises purchase price and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs to sell.

Inventories are stated net of write down or allowances on account of obsolete, damaged or slow moving items. The Company assess the obsolescence of inventory on a periodic basis.

Goods in-transit is valued inclusive of custom duty, where applicable.

2.11 Revenue recognition

The Company adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018 using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those products or services.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each product or service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.

Revenue from fixed-price, fixed time frame contracts, where the performance obligations are satisfied overtime are recognized as per the terms of the arrangement with the customers.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Refer Note 41 for disclosure related to revenue from contracts with customers.

2.12 Other income

Other income mostly comprises interest income on deposits and income and gain/ (losses) on disposal of financial assets and non-financial assets. Interest income is recognised using the effective interest method.

2.13 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transaction. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit or loss.

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Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

2.14 Financial instruments

a) Recognition and initial measurement

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

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

b) Classification and subsequent measurement

Financial assets

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

- amortised cost;
- Fair Value through other comprehensive income (FVOCI) - debt investment;
- Fair Value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit and loss (FVTPL)

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

(i) A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

(ii) A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

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Basis of measurement and significant accounting policies (continued)

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

b)Classification and subsequent measurement (continued)

(iv) All financial assets not classified at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

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

c) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 32 (i) details how the Company determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on financial assets, trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.

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As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) is recognised as an income/expense in the Statement of Profit and Loss during the period.

d) **Derecognition of financial assets**

A financial asset is derecognised only when:

- the Company has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

Financial liabilities

Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit and loss. Other financial liabilities subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit and loss. Any gain or loss is also recognized in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

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

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Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.15Employee benefits

(a) Short-term benefit plans

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Short term employee benefits are measured on an undiscounted basis as the related service is provided and recognized as expense.

(b) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or encash the leave at the time of leaving the employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit Method as at the reporting date.

(c) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(d) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognised in other comprehensive income. Further, the Statement of profit and loss does not include an expected return on plan assets. Instead net interest recognised in the Statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the Statement of profit and loss in subsequent periods.

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(e) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

2.16Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in net profit in the Statement of profit and loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction.
- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realised. Deferred tax assets, unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Minimum alternative tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Ind AS 12 defines deferred tax to include carry forward of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement is grouped with deferred tax assets (net) in the balance sheet. Since Company is falling under new tax regime MAT is not applicable to the Company.

2.17Provisions

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A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the reporting date) at a pre -tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contract

A contract is considered to be onerous when the expected economic benefit to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with the contract.

2.18Contingent liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

2.19Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.20Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ loss for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.21Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

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Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

2.22Segment reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments, refer note 40.

2.23 Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 202.

2.24There are no new Standards that became effective during the year. The Company has applied certain amendments that became effective during the year which are discussed below:

A. **Ind AS 116: COVID-19 related rent concessions**

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020

These amendments have no impact on the financial statements of the Company.

B. **Amendment to Ind AS 105, Ind AS 16 and Ind AS 28**

In the definition of "Recoverable amount" the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments have no impact on the financial statements of the Company.

3 Property, plant and equipment and Capital work-in-progress

(Amount in INR Lac)

Particulars	Leasehold improvements	Furniture and fixtures	Office equipment	Plant and machinery	Computer equipment	Right to use asset- Building	Total Property, Plant and Equipment	Capital work-in-progress
Balance as at 1 April 2021	628.64	171.23	168.46	93.83	323.82	1,703.19	3,089.17	-
Addition	29.50	-	1.91	4.34	36.74	394.29	466.78	0.77
Disposals	-	(0.06)	-	-	-	-	(0.06)	-
Capitalised during the year								
Balance as at 31 March 2022	**658.14**	**171.17**	**170.37**	**98.17**	**360.56**	**2,097.48**	**3,555.89**	**0.77**
Balance as at 1 April 2022	658.14	171.17	170.37	98.17	360.56	2,097.48	3,555.89	0.77
Addition	58.01	0.09	5.99	-	65.17	162.34	291.61	3.37
Disposals	-	-	-	-	-	-	-	0.03
Capitalised during the year								
Balance as at 31 March 2023	**716.15**	**171.26**	**176.36**	**98.17**	**425.73**	**2,259.82**	**3,847.50**	**4.17**
Accumulated depreciation and impairment losses								
Balance as at 1 April 2021	491.82	150.01	122.82	88.93	281.92	681.65	1,817.13	-
Depreciation for the year	76.48	7.10	16.10	2.30	29.39	452.73	584.10	-
Disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 Mar 2022	**568.29**	**157.11**	**138.92**	**91.23**	**311.31**	**1,134.38**	**2,401.23**	**-**
Accumulated depreciation and impairment losses								
Balance as at 1 April 2022	568.29	157.11	138.92	91.23	311.31	1,134.38	2,401.23	-
Depreciation for the year	69.98	5.61	14.70	1.71	36.92	483.26	612.19	-
Disposals	-	-	-	-	-	-	-	
Closing accumulated depreciation as at 31 Mar 2023	**638.27**	**162.72**	**153.62**	**92.94**	**348.23**	**1,617.64**	**3,013.42**	**-**
As at 31 Mar 2023	**77.88**	**8.54**	**22.74**	**5.23**	**77.50**	**642.18**	**834.08**	**4.17**
As at 31 Mar 2022	**89.85**	**14.06**	**31.45**	**6.94**	**49.26**	**963.10**	**1,154.66**	**0.77**

Note

a The Company has not revalued its Property, Plant and Equipment (including Right-of Use Assets).

b The Company doesn't have title deeds which are held other than in the company's name as at the balance sheet date.

c The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

4 Intangible assets and Intangible assets under development

(Amount in INR Lac)

Particulars	Goodwill	Customer Relationships	Computer software	Total	Intangible assets under development
Gross carrying amount					
Balance as at 1 April 2021	1,842.35	76.37	21.94	1,940.67	239.69
Addition	-	-	339.20	339.20	99.51
Deletion	-	-	-	-	(339.20)
Balance as at 31 March 2022	**1,842.35**	**76.37**	**361.14**	**2,279.87**	**0.00**
Balance as at 1 April 2022	1,842.35	76.37	361.14	2,279.87	-
Addition	-	-	-	-	-
Deletion	-	-	-	-	-
Balance as at 31 March 2023	**1,842.35**	**76.37**	**361.14**	**2,279.87**	-
Amortisation for the year					
Balance as at 1 April 2021	-	45.85	21.90	67.75	-
Amortisation for the year	-	15.27	0.04	15.31	-
Balance as at 31 March 2022	-	**61.12**	**21.94**	**83.06**	-
Balance as at 1 April 2022	-	61.12	21.94	83.06	-
Amortisation for the year	-	15.26	112.96	128.22	-
Deletion	-	-	-	-	-
Closing	-	-	-	-	-
Exchange Difference	-	-	-	-	-
Balance as at 31 March 2023	-	76.37	134.90	211.28	-
Net Carrying amount					
As at 31 Mar 2023	**1,842.35**	-	**226.24**	**2,068.59**	-
As at 31 Mar 2022	**1,842.35**	**15.26**	**339.20**	**2,196.81**	-

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5 Other Financial Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Security deposits	153.08	89.72
	153.08	89.72

6 Deferred tax assets / (liability) (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset:		
Impairment loss allowance on financial assets	41.65	12.94
Provision on employee benefits - Gratuity	45.30	33.04
Provision on employee benefits - Compensated absences	13.08	15.93
Bonus and Commission	49.29	50.93
Property Plant and Equipment	21.97	(18.03)
Lease liability	179.75	262.16
Intangibles - Customer Relationship	3.66	66.29
Intangibles - Goodwill on Business Combination	(202.88)	(202.88)
Right to use asset	(161.64)	(242.41)
Other comprehensive income	(3.63)	1.89
Net deferred tax assets/(liabilities)	(13.46)	(20.15)

A Amount recognised in statement of profit or loss

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax:		
In respect of the current period	(111.43)	-
Excess provision related to prior years	-	-
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	10.32	28.03
Increase/ reduction of tax rate	-	-
Income tax expense reported in the Statement of Profit and Loss	(101.11)	28.03

B Income tax recognised in other comprehensive income

Particulars	As at 31 March 2023	As at 31 March 2022
Remeasurement of the net defined benefit liability/ asset		
Before tax	14.43	(8.25)
Tax (expense)/ benefit	(3.63)	1.89
Net of tax	10.80	(6.36)

C There is no amount recognised directly in equity.

D Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2023	
	Rate	Amount
Profit before tax		522.73
Tax using the Company's domestic tax rate	25.2%	131.56
Effect of:		
Deferred Tax Credit	2.0%	10.32
Income tax relating to items that will not be reclassified to profit or loss	2.1%	10.80
Others	-9.9%	(51.57)
Effective tax rate	19.3%	101.11
Income tax expense reported in the Statement of Profit and Loss	19.3%	101.11

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E The following tables provides the details of income tax assets and income tax liabilities as of 31 March 2023 and 31 March 2022

Non-current tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax assets	68.95	146.93
Income tax liabilities	-	-
Net income tax assets at the end of the year	68.95	146.93

There is no current tax asset hence not disclosed separately.

F **Recognised deferred tax assets and liabilities**
Movement of deferred tax assets / liabilities presented in the balance sheet

For the year ended 31 March 2023

Particulars	Opening balance	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax assets:				
Impairment loss allowance on financial assets	12.94	28.71	-	41.65
Provision for employee benefits	50.85	6.53	(3.63)	54.75
Provision for bonus	50.93	(1.64)	-	49.29
Fixed assets	(18.03)	39.99	-	21.97
Lease liability	262.16	(82.41)	-	179.75
Customer relationships	66.29	(62.63)	-	3.66
	425.14	(71.45)	(3.63)	351.06
Deferred tax liabilities:				
Right to use asset	242.41	(39.54)	-	202.88
Customer relationships	202.88	(41.24)	-	161.64
Goodwill on Business Combination	-	-		-
	445.29	(81.77)	(3.63)	364.52
Deferred tax assets/(liabilities)	(20.15)	10.32	(3.63)	(13.46)

For the year ended 31 March 2022

Particulars	Opening balance	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax assets:				
Impairment loss allowance on financial assets	11.36	1.58	-	12.94
Provision for employee benefits	33.85	15.11	1.89	50.85
Provision for bonus	28.51	22.42	-	50.93
Fixed assets	57.07	(75.09)	-	(18.03)
Lease liability	278.71	(16.55)	-	262.16
Customer relationships	0.43	65.86	-	66.29
	409.93	13.32	1.89	425.14
Deferred tax liabilities:				
Right to use asset	257.12	(14.71)	-	242.41
Customer relationships	202.88	-	-	202.88
Goodwill on Business Combination	-	-	-	-
	460.00	(14.71)	-	445.29
Deferred tax assets/(liabilities)	(50.07)	28.03	1.89	(20.15)

The Company in the previous year has not recognised any deferred tax asset in the absence of probable certainty hence the same in not disclosed.

7 **Income tax assets (net)**

Particulars	As at 31 March 2023	As at 31 March 2022
TDS Receivable	68.95	146.93
	68.95	146.93

8 **Other non-current assets**

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	-	8.20
	-	8.20

9 **Inventories**

Particulars	As at 31 March 2023	As at 31 March 2022
Valued at lower of cost and net realizable value		
Raw material and consumables		
Stores and spares	2,025.52	1,972.00
	2,025.52	1,972.00

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10 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured		
Considered good#	4,588.03	2,483.52
Considered doubtful	165.46	51.40
	4,753.48	2,534.92
Less: Allowance for bad and doubtful debts		
Unsecured, considered good		(0.00)
Unsecured, considered doubtful	(165.46)	(51.40)
	(165.46)	(51.40)
	4,588.03	2,483.52

Unbilled revenue

Particulars	As at 31 March 2023	As at 31 March 2022
Unbilled revenue	1,070.88	1,070.88
Less: Loss allowance	-	-
	1,070.88	1,070.88
Total Trade Receivable	5,658.91	3,554.40

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

Refer Note 10.1 In continuation to Schedule to Trade Receivable

For terms and conditions of trade receivables owing from related parties refer note 37.

The Group's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 32.

Qdigi Services Limited (formerly known as HCL Computing Products Limited)
Notes to the financial statements for the year ended 31 March 2023

Trade receivable ageing schedule as on 31 March 2023:

Note 10.1 *(Amount in INR Lac)*

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables (Gross)								
- Considered good	1,070.88	814.15	3,205.69	677.87	55.77	-	-	5,824
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	0.00	0.09	109.59	55.77	-	-	165.46
Disputed trade receivables (Gross)								
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

Trade receivable ageing schedule as on 31 March 2022:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables (Gross)								
- Considered good	1,070.88	1,024.84	1,367.84	125.00	17.24	-	-	3,605.80
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	0.07	0.79	33.30	17.24	-	-	51.40
Disputed trade receivables (Gross)								
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

11 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash in hand	39.97	28.59
Balances with banks		
In current accounts	987.02	179.37
Cash and cash equivalents	1,026.99	207.96
Bank overdraft used for cash management purpose	-	-
Cash and cash equivalent in the statement of cash flow	1,026.99	207.96

12 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
In deposit accounts (with maturity for more than 3 months but less than 12 months from balance sheet date)	748.94	748.94
	748.94	748.94

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13 Other current financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due	88.78	54.80
Unsecured, considered good		
Security deposits	30.80	108.48
Deposits and other advances	24.88	15.88
Less: Unsecured, considered doubtful	(24.88)	(15.88)
	30.80	108.48
Other loans and advances		
Loans to employees*	(0.86)	0.11
	118.72	163.39

14 Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Advances other than capital advances		
Advances to suppliers	4.13	12.15
Prepaid expenses	675.01	421.51
Balances with government authorities	391.95	439.98
Other advances		
Travel advances to employees	1.53	1.20
	1,072.62	874.83

15 Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
65,00,000 (31 March 2022: 65,00,000) equity shares of par value of INR 10.00 each	650.00	650.00
	650.00	650.00
Issued, subscribed and paid-up		
53,49,650 (31 March 2022: 53,49,650) equity shares of par value of INR 10.00 each,	534.97	534.97
Share Application money	-	-
	534.97	534.97

15.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount in INR	Number of shares	Amount in INR
Equity shares				
Outstanding at the beginning of the year	534,965	5,349,650	534,965	5,349,650
Add: Issued during the year #	-	-	-	-
Outstanding at the end of the year	**534,965**	**5,349,650**	534,965	**5,349,650**

15.2 Details of share held by Holding Company and shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% held	Number of shares	% held
Equity shares				
Equity shares of par value Rs 10 each				
HCL Infosystem Limited	-	-		-
Quess Corp Limited	529,965	99%	529,965	99%

15.3 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Each shareholder is entitled to one vote per share held. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.4 The Company has not made any buy back of shares or issued any shares for consideration other than cash, during the period of five years immediately preceding the balance sheet date.

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16 Other equity*

Particulars	As at 31 March 2023	As at 31 March 2022
Securities premium account (refer note 16.1)	2,915.03	2,915.03
Other Equity- Corporate Guarantee (refer note 16.2)	20.00	20.00
Other comprehensive income (refer note 16.3)	9.22	(1.58)
Retained earnings	(41.02)	(462.71)
	2,903.23	2,470.53

16.1 Securities premium account

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013. It pertains to 49,00,000 shares subscribed by Quess Corp Ltd. for premium of Rs 50 per share in last year and 3,49,650 shared subscribed by Quess Corp Ltd. during the FY 19-20 at a premium of Rs 133 per share.

16.2 Corporate guarantee

It pertains to the Corporate guarantee given by Quess Corp Limited for cash credit facility taken from HDFC Bank.

16.3 Other comprehensive income

Remeasurement of defined benefit liability (asset) comprises actuarial gain and losses.

* For detailed movement of reserves refer Statement of Changes in Equity.

17 Non-current Employee benefit obligations

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for gratuity (unfunded) (refer note 39)	143.54	106.10
Provision for compensated absences (unfunded)	27.18	28.56
	170.72	134.66

18 Other non-current financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Long term maturities of finance lease obligations	321.35	576.44
	321.35	576.44

19 Current borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Loans from bank repayable on demand		
Secured		
Cash credit and overdraft facilities	-	297.73
Loan from Holding company	106.42	-
	106.42	297.73

20 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payable		
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises* #	2,266.47	739.13
	2,266.47	739.13
All trade payables are current.		
# payable to related party (refer note 37)	4.25	47.90

* Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 32.

Refer Note 20.1 In continuation to Schedule to Trade Payables

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Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2023:

Note 20.1

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	2,547	2,266.47	-	-	-	4,813
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-			-	-	-
Intercompany AP balance						
Quess Corp Limited	11.14	4.19	-	-	-	15.33
Allsec technologies limited	-	0.06	-	-	-	0.06
Terrier Security Services (India) Private Limited	6.00	-	-	-	-	6.00

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2022:

Particulars	Outstanding for the following periods from due date of payment					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	2,122.25	604.01	135.12	-	-	2,861.38
	-	-	-	-	-	-
Disputed	-	-	-	-	-	-
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-
	-	-	-	-	-	-
Intercompany AP balance	-	-	-	-	-	-
Quess Corp Limited	13.14	47.62	-	-	-	60.77
Allsec technologies limited	2.99	0.27	-	-	-	3.26
Terrier Security Services (India) Private Limited	6.97	-	-	-	-	6.97

21 Other current financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Amount payable to related parties	1,903.40	1,779.70
Other Payables		
Accrued salaries and benefits	374.62	383.00
Provision for bonus and incentive	195.84	202.35
	2,473.86	2,365.05

The Company's exposure to currency and liquidity risk related to other current financial liabilities is disclosed in note 32.

22 Current Employee benefit obligations

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for gratuity (unfunded) (refer note 39)	22.00	25.15
Provision for compensated absences (unfunded)	24.78	34.72
	46.78	59.87

23 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Income received in advance	1,212.38	794.27
Balances payable to government authorities	39.01	68.41
Provision for expenses#	2,546.51	2,122.25
Security deposits - Received from Vendors	752.61	469.84
	4,550.51	3,454.77

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24 Revenue from operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of services		
Sale of services (refer note 41)	8,527.51	6,916.86
Sale of goods (refer note 41)	29,345.43	16,692.03
	37,872.94	23,608.88

25 Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income on deposits with banks	38.37	28.75
Interest income under the effective interest method on:		
Interest income on present valuation of financial instruments	7.12	6.55
Interest on tax refunds due	5.82	-
	51.31	35.31

26 Cost of material, stores and spare parts consumed

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory at the beginning of the year	1,972.00	1,427.48
Add: Purchases	28,313.33	16,035.19
Less: Inventory at the end of the year	2,025.52	1,972.00
Cost of material, stores and spare parts consumed	28,259.80	15,490.67

27 Employee benefits expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages, bonus and other allowances	4,383.02	4,236.67
Contribution to provident and other funds	322.89	319.88
Expenses related to post-employment defined benefit plan (refer note 39)	38.14	38.00
Expenses related to compensated absences	-	12.33
Staff welfare expenses	53.10	50.87
	4,797.16	4,657.75

28 Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on financial liabilities at amortised cost	108.44	125.53
Other borrowing costs	10.18	19.17
	118.62	144.69

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29 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment (refer note 3)	612.15	584.10
Amortisation of intangible assets (refer note 4)	128.22	15.31
	740.37	599.41

30 Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sub-contractor charges	1,885.33	1,375.34
Rent (refer note 38)	209.27	192.52
Power and Fuel	157.02	122.08
Repairs & maintenance		
- buildings	203.46	177.22
- security charges of building	70.42	67.56
- plant and machinery	18.72	21.64
- others	13.31	27.09
Auditors' Remuneration (refer note 30.1)	15.00	13.00
Legal and professional fees	83.35	94.79
Rates and taxes	6.77	37.21
Printing and stationery	46.78	42.82
Freight charges	468.18	292.46
Travelling and conveyance	23.64	18.23
Communication expenses	59.64	82.55
Impairment loss allowance on financial assets, net [refer note 32(i)]	114.05	6.27
Deposits/Advances Written-off	-	-
Equipment hire charges	5.05	3.23
Insurance	15.54	5.47
Bank charges	86.33	53.25
Bad debts written off	-	-
Business promotion and advertisement expenses	3.39	0.14
Miscellaneous expenses	0.33	3.30
	3,485.56	2,636.15

30.1 Remuneration to auditors (exclusive of goods and services tax)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Statutory Audit	13.50	11.50
Tax Audit	1.50	1.50
	15.00	13.00

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31 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in INR Lac)

Particulars	Note	31 March 2023			31 March 2022		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets:							
Loans	5	-	-	153.08	-	-	253.12
Trade receivables	10	-	-	5,658.91	-	-	3,554.40
Cash and cash equivalents including other bank balances	11 and 12	-	-	1,775.94	-	-	956.91
Other financial assets	13	-	-	118.72	-	-	163.39
Total financial assets		-	-	7,706.65	-	-	4,927.81
Financial liabilities:							
Borrowings	19	-	-	106.42	-	-	297.73
Trade payables	20	-	-	2,266.47	-	-	739.13
Other financial liabilities	21	-	-	2,473.86	-	-	2,365.05
Total financial liabilities		-	-	4,846.75	-	-	3,401.91

Accounting classification and fair value
The Company has classified its financial assets and liabilities at carrying amount as per the below section.

Fair value hierarchy
The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:
a) recognised and measured at fair value
b) measured at amortised cost and for which fair values are disclosed in the financial statements

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

Fair value hierarchy
Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The Company is disclosing all the financial assets and liabilities at carrying value and the Company does not have any financial instrument like investment in equity shares, preference shares, debenture, convertible loan etc. which needs to fair valued or classified to the level prescribed under the Indian Accounting Standard.

32 Financial risk management

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

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

Risk management framework

The Board of Directors of the Company has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and current asset. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loan represents security deposits given to suppliers, employees and others. The credit risk associated with such deposits is relatively low.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by its customers. However, the management also considers the factors that may influence the credit risk of its customer base. The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to three months for customers. The Company does not have trade receivables for which no loss allowance is recognised because of collateral.

Expected credit loss assessment for corporate customers as at 31 March 2023 and 31 March 2022 are as follows:

Based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired) if the payments are due for more than specific number of days. Loss rates are based on actual credit loss experience over the last six quarters.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from customers:

As at 31 March 2023

(Amount in INR Lac)

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether trade receivable is credit impaired	Carrying amount of trade receivables
Not due	814.15	0.0%	0.00	No	814.14
1-90 days	3,205.69	0.0%	0.09	No	3,205.61
91-180 days	417.87	2.6%	10.75	No	407.12
181-270 days	231.36	32.2%	74.51	No	156.86
271-360 days	28.64	85.0%	24.34	No	4.30
Above 360 days	55.77	100.0%	55.77	No	-
	4,753.48		**165.46**		**4,588.03**

As at 31 March 2022

(Amount in INR Lac)

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether trade receivable is credit impaired	Carrying amount of trade receivables
Not due	1,024.84	0%	0.07	No	1,024.77
1-90 days	1,367.84	0%	0.79	No	1,367.05
91-180 days	88.80	13%	11.55	No	77.26
181-270 days	0.83	26%	0.21	No	0.62
271-360 days	35.36	61%	21.54	No	13.82
Above 360 days	17.24	100%	17.24	No	-
	2,534.92		**51.40**	-	**2,483.52**

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The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

(Amount in INR Lac)

Particulars	31 March 2023	31 March 2022
Balance as at the beginning of the year	51.40	45.13
Impairment loss allowances recognised/(reversed)	114.05	6.27
Balance as at the end of the year	**165.46**	**51.40**

ii) **Liquidity risk**

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

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually the excess of funds is invested in fixed deposit. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.

i) Financing arrangement

The Company maintains the following line of credit:

The Company has taken cash credit facilities having interest rate of 7% (3M repo+4%) quarterly reset. The facilities are repayable on demand and are secured primarily by way of exclusive charge on the entire current assets, both present and future, of the Company. Exclusive collateral charge on the entire movable fixed assets, both present and future, of the Company.

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(Amount in INR Lac)

Particulars	31 March 2023	31 March 2022
Expiring within one year (cash credit)	2,000	2,000

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023 and 31 March 2022. The amounts are gross and undiscounted contractual cash flows and includes contractual interest payment and exclude netting arrangements:

As at 31 March 2023

(Amount in INR Lac)

Particulars	Carrying amount	Contractual cash flows			
		0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	106.42	106.42			
Trade payables	2,266.47	2,266.47	-	-	-
Other financial liabilities	2,473.86	2,473.86	-	-	-
Other current liabilities	2,242.38	2,242.38	-	-	-

As at 31 March 2022

(Amount in INR Lac)

Particulars	Carrying amount	Contractual cash flows			
		0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	297.73	297.73	-	-	-
Trade payables	739.13	739.13	-	-	-
Other financial liabilities	2,830.17	2,830.17	-	-	-
Other current liabilities	2,660.50	2,660.50	-	-	-

iii) **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long-term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) **Currency risk**

The Company is not exposed to significant currency risk as the revenue and expenses are denominated only in Rupees.

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ii) **Interest rate risk**

The borrowings includes cash credit facilities which carries variable rate of interest.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in INR Lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	106.42	297.73
Total borrowings	**106.42**	**297.73**

(b) Sensitivity

Particulars	Profit and loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
31 March 2023				
Variable rate borrowings	0.11	(0.11)	0.08	(0.08)
31 March 2022				
Variable rate borrowings	0.30	(0.30)	0.23	(0.23)

iii) **Price risk**

(a) Price risk exposure

The Company does not have any investments held in mutual fund units which are classified as fair value through profit or loss in financial statements, hence the Company is not exposed to any price risk.

33 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of non-current borrowing, current borrowing, current maturities of long-term borrowings and current maturities of finance lease obligations less cash and cash equivalents.

The Company's policy is to keep the ratio below 2.5. The Company's adjusted net debt to equity ratio is as follows:

(Amount in INR Lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Gross debt	10,342	8,113
Less: Cash and cash equivalents	1,027	208
Adjusted net debt	**9,315**	**7,905**
Total equity	3,438	3,006
Equity	**3,438**	**3,006**
Net debt to equity ratio	**2.71**	**2.63**

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34 Capital commitments

Amount in INR Lac

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
	-	-

There are no other contingent liabilities and commitments which is not provided for.

35 Earnings per share

(Amount in INR except number of shares and per share data)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Nominal value of equity shares (amount per share)	10.00	10
Net profit/(loss) after tax for the purpose of earnings per share	42,162,211	14,355,193
Weighted average number of shares used in computing basic earnings per share	5,349,650	5,349,650
Basic earnings per share	**7.88**	**2.68**
Weighted average number of shares used in computing diluted earnings per share	5,349,650	5,349,650
Diluted earnings per share	**7.88**	**2.68**

Computation of weighted average number of shares

(Amount in numbers)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Number of equity shares outstanding at beginning of the year	5,349,650	5,349,650
Weighted average number of shares outstanding at the end of year for computing basic earnings per share	5,349,650	5,349,650
Add: Impact of potentially dilutive equity shares	-	-
Weighted average number of shares outstanding at the end of the year for computing diluted earnings per share	5,349,650	5,349,650

36 Earnings in foreign currency

There is no earning in foreign currency during the current year and previous year.

37 Related party disclosures

(i) Name of related parties and description of relationship:

- Holding Company	Quess Corp Ltd
- Entities having significant influence	Fairfax Financial Holdings Limited HWIC Asia Fund (w.e.f. 26 August 2019) Fairbridge Capital (Mauritius) Limited (w.e.f 6 December 2019) Thomas Cook (India) Limited (upto 6 December 2019) Fairfax (US) Inc National Collateral Management Services Limited
- Subsidiaries, associates and joint venture	Refer note (ii)
- Entity having common directors	Monster.com (India) Private Limited Terrier Security Services (India) Private Limited
- Entities in which key managerial personnel have significant influence	Careworks Foundation

Key executive management personnel

Srinivasan Guruprasad	Director
Lohit Bhatia	Director
Deven Sharma	Director and Chief Executive Officer

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(ii) List of subsidiaries (including step-subsidiaries), associates and joint venture

Name of the entity	Nature of relation	Country of domicile
Coachieve Solutions Private Limited*	Subsidiary	India
MFX Infotech Private Limited	Subsidiary	India
Aravon Services Private Limited*	Subsidiary	India
Brainhunter Systems Ltd	Subsidiary	Canada
Mindwire Systems Limited	Subsidiary	Canada
Quess (Philippines) Corp	Subsidiary	Philippines
Quess Corp (USA) Inc	Subsidiary	USA
Quesscorp Holdings Pte. Ltd	Subsidiary	Singapore
Quess Corp Vietnam LLC	Subsidiary	Vietnam
Quessglobal (Malaysia) SDN. BHD.	Subsidiary	Malaysia
Quess Corp Lanka (Private) Limited	Subsidiary	Sri Lanka
Comtel Solutions Pte. Ltd.	Subsidiary	Singapore
MFXchange Holdings, Inc	Subsidiary	Canada
MFXchange US, Inc	Subsidiary	USA
MFX Chile SpA	Subsidiary	Chile
Dependo Logistics Solutions Private Limited	Subsidiary	India
CentreQ Business Services Private Limited*	Subsidiary	India
Excelus Learning Solutions Private Limited	Subsidiary	India
Conneqt Business Solutions Limited	Subsidiary	India
Vedang Cellular Services Private Limited	Subsidiary	India
Master Staffing Solutions Private Limited*	Subsidiary	India
Golden Star Facilities and Services Private Limited	Subsidiary	India
Comtelpro Pte. Limited	Subsidiary	Singapore
Comtelink Sdn. Bhd	Subsidiary	Malaysia
Monster.com (India) Private Limited	Subsidiary	India
Monster.com SG PTE Limited	Subsidiary	Singapore
Monster.com HK Limited	Subsidiary	Hong Kong
Agensi Pekerjaan Monster Malaysia SDN. BHD.	Subsidiary	Malaysia
Quesscorp Management Consultancies	Subsidiary	Dubai, UAE
Quesscorp Manpower Supply Services LLC	Subsidiary	Dubai, UAE
Brainhunter Company LLC	Subsidiary	Canada
Greenpiece Landscapes India Private Limited	Subsidiary	India
Simplance Technologies Private Limited	Subsidiary	India
Allsec Technologies Limited	Subsidiary	India
Allsectech Inc., USA	Subsidiary	USA
Allsectech Manila Inc., Philippiness	Subsidiary	Philippines
Retreat Capital Management Inc., USA	Subsidiary	USA
Trimax Smart Infraprojects Private Limited	Subsidiary	India
Quess Corp Services Limited	Subsidiary	Bangladesh
Terrier Security Services (India) Private Limited	Subsidiary	India
Heptagon Technologies Private Limited	Subsidiary	India
Quess East Bengal FC Private Limited	Associate	India
Quess Recruit, Inc	Associate	Philippines
Agency Pekerjaan Quess Recruit SDN. BHD.	Associate	Malaysia
Stellars Lou Technovation Private Limited	Associate	India
Hitrust Industrial Services (M) SDN. BHD.	Joint venture	Malaysia

(iii) Related party transactions

Amount in INR Lac

Particulars	Name of the entity	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations			
	Quess Corp Limited	-	1.88
Other expenses			
	Quess Corp Limited	86.65	60.04
	Terrier Security Services (India) Private Limited	70.35	68.62
	Allsec Technologies Limited	7.33	19.23
Payment made by related parties on behalf of the Company			
	Quess Corp Limited	3,904.87	937.34

(iv) Balance receivable from and payable to related parties as at the balance sheet date:

Amount in INR Lac

Particulars	Name of the entity	As at 31 March 2023	As at 31 March 2022
Trade payables			
	Quess Corp Limited	4.19	47.62
	Allsec technologies limited	0.06	0.27
Other current financial liabilities			
	Quess Corp Limited	1,903.40	1,636.69
Provision for expense			
	Quess Corp Limited	11.14	13.14
	Terrier Security Services (India) Private Limited	6.00	6.97
	Allsec technologies limited	-	2.99
Interest payable			
	Quess Corp Limited	6.42	3.01
Short term loans and advances payable			-
	Quess Corp Limited	100.00	140.00
Guarantee taken			-
	Quess Corp Limited	5,000.00	5,000.00

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(v) Compensation of key managerial personnel

Amount in INR Lac

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and other employee benefits to whole-time directors and executive officers *		
Deven Sharma	160.07	144.50
	160.07	144.50

*Salary does not include cost of employee benefits such as gratuity and compensated absences and employee share-based payment since, provision for these are based on an actuarial valuation carried out for the Company as a whole

Terms and conditions
All transactions with these related parties are priced at arm's length basis and resulting outstanding balances are to be settled in cash within six months to one year of reporting date. None of the balances are secured.

38 Lease Liability

Amount in INR Lac

Particulars	As at 31 March 2023	As at 31 March 2022
Current lease liability	392.80	465.12
Non-current lease liability	321.35	576.44
Total	714.15	1,041.56

The following is the movement in lease liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Operating lease recognised on adoption of Ind AS	1,041.56	1,107.33
Add: Additions	182.42	394.29
Less: Deletion	(26.41)	-
Add: Finance cost accrued during the period	84.31	74.17
Less: Payment of lease obligation	(567.73)	(534.23)
Carrying amount as at 31 March 2023	714.15	1,041.56

Amount recognised in Profit and loss statement:

Particulars	For the year ended 31 March 2023	As at 31 March 2022
Interest expense (included in finance cost)	84.31	74.17
Expenses relating to short-term lease (included in other expenses)	209.27	192.52
Expenses relating to lease of low value assets that are not included above (included in other expenses)	-	-
	293.58	266.68

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2023 on an undiscounted basis:

Particulars	For the year ended 31 March 2023	As at 31 March 2022
Less than one year	467.71	543.62
One to five years	340.28	626.48
More than five years	-	-

39 Assets and liabilities relating to employee benefits

Amount in INR Lac

Particulars	As at 31 March 2023	As at 31 March 2022
Net defined benefit liability, gratuity plan	165.54	131.25
Liability for compensated absences	51.97	63.28
Total employee benefit liability	217.51	194.53
Current [refer note 22]	46.78	59.87
Non-current [refer note 17]	170.72	134.66
	217.51	194.53

The Company operates the following post-employment defined benefit plans
The Company has a defined benefit gratuity plan in India (Plan A), governed by the Payment of Gratuity Act, 1972. Plan A entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of 15 days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned
These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

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A Reconciliation of net defined benefit liability/ asset

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ asset and its components

Amount in INR Lac

Particulars	31 March 2023		31 March 2022	
	Core employees	Associate employees	Core employees	Associate employees
Reconciliation of present value of defined benefit obligation				
Obligation at the beginning of the year	78.84	52.41	57.81	27.19
Additions through business combination	-	-	-	-
Current service cost	14.10	27.63	13.86	19.92
Interest cost	4.37	2.62	2.89	1.33
Past service cost	-	-	-	-
Benefit settled	-	-	-	-
Actuarial (gains)/ losses recognised in other comprehensive income	-	-	-	-
- Changes in experience adjustments	(15.59)	12.12	5.71	4.20
- Changes in demographic assumptions	-	-	-	-
- Changes in financial assumptions	(4.31)	(6.65)	(1.43)	(0.23)
			-	-
Obligation at the end of the year	**76.42**	**88.12**	**78.84**	**52.41**
Net defined benefit liability	**76.42**	**88.12**	**78.84**	**52.41**

B i) Expense recognised in statement of profit or loss

Amount in INR Lac

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	41.73	33.78
Interest cost	6.99	4.22
Past service cost	-	
Interest income	-	
Net gratuity cost	**48.72**	**38.00**

ii) Re-measurement recognised in other comprehensive income

Amount in INR Lac

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Remeasurement of the net defined benefit liability	-	
Re measurement of the net defined benefit asset	(14.43)	8.25
	(14.43)	8.25

C Defined benefit obligation - Actuarial Assumptions

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Core employees	Associate employees	Core employees	Associate employees
Discount rate	7.20%	7.10%	5.55%	5.00%
Future salary growth	6.00%	7.00%	6.00%	7.00%
Attrition rate	30.00%	10.00%	30.00%	40.00%
Average duration of defined benefit obligation (in years)	5.8	5.8	5.8	5.8

D Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

Particulars	As at 31 March 2023		As at 31 March	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	75.01	79.98	76.37	81.47
Future salary growth (1% movement)	79.96	74.96	81.43	76.36
Attrition rate (50% movement)	74.41	80.04	73.42	86.20

Associate employees

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	85.21	91.19	50.17	54.80
Future salary growth (1% movement)	91.17	85.18	54.73	50.19
Attrition rate (50% movement)	55.94	125.12	22.24	101.42

Dues to micro, small and medium enterprises

40 Segment reporting

The Director of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The Company is in the business of after sales services i.e. repair and maintenance of handheld phones and consumer electronics under inwarranty and outwarranty which are covered under similar arrangements and is considered by CODM as the only reportable business segment taking into account the nature of the business, the organization structure, internal reporting structure and risk and rewards. All the assets of the Company are located in India. The Company caters to the needs of only the Indian market. Accordingly, there are no reportable secondary geographical segments

QDIGI SERVICES LIMITED

41 Revenue from Contracts with customers

(i) Disaggregation of revenue

The table below presents disaggregated revenues from contracts with customers by geography for the year ended 31 March 2023 and 31 March 2022. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Sale of services

(Amount in INR Lac)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenues by Geography		
India	37,872.94	23,608.88
Rest of the World	-	-
Total	**37,872.94**	**23,608.88**

Nature of Services	For the year ended 31 March 2023	For the year ended 31 March 2022
Electronics repairing maintainance	37,872.94	23,608.88
Total	**37,872.94**	**23,608.88**

Revenue By Contract type	For the year ended 31 March 2023	For the year ended 31 March 2022
Fixed Price	-	-
Time & Material	37,872.94	23,608.88
Total	**37,872.94**	**23,609**

(ii) Trade Receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Invoicing in excess of earnings are classified as unearned revenue.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(Amount in INR Lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Receivables, which are included in 'Trade and other receivables'	5,658.91	3,554.40
Contract assets (Unbilled revenue)	1,070.88	1,070.88
Contract liabilities (Unearned revenue & Advance r'd from customers)	1,212.38	794.27

The unbilled revenue (contract assets) primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customer, for which revenue is recognised on completion of contract terms.

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2023 and 31 March 2022:

(Amount in INR Lac)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning	1,070.88	573.46
Add : Revenue recognized during the period	37,872.94	23,608.89
Less : Invoiced during the period	37,872.93	23,111.47
Balance at the end	**1,070.88**	**1,070.88**

The following table discloses the movement in unearned revenue (contract liabilities) balances for the year ended 31 March 2023 and 31 March 2022

(Amount in INR Lac)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning	794.27	171.23
Less: Revenue recognized during the period	(96.28)	(96.28)
Add: Invoiced during the period but not recognized as revenues	514.40	719.32
Balance at the end	1,212.38	794.27

QDIGI SERVICES LIMITED

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.
However the Company is not required to disclose the value of remaining performance obligations for
(i) contracts with an original expected duration of one year or less and
(ii) contracts for which the Company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis),
The company has remaining performance obligation for which transaction price is yet to be recognised.
The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2023, other than those meeting the exclusion criteria mentioned above, is INR 1,252.28 lac (31 March 2022: Rs. 633.56 Lac) Out of this, the Company expects to recognize 36.19% of revenue within the next one year.

42 Bank Guarantees Outstanding

(Amount in INR Lac)

Particulars	As at 31 March 2023	As at 31 March 2022
Apple India Private Limited	80.00	80.00
Mepro Technology (India) Co Private Limited	-	-
Samsung India Electronics Private Limited	1,164.00	1,172.00
Xiaomi Technology India Private Limited	528.00	528.00
Mobitech Creations Private Limited	1,825.00	525.00
Harman International India Private Limited	-	20.00
Daikin Airconditioning India Private Limited	10.00	10.00
Kaercher Cleaning System Pvt. Ltd.	-	4.27
BSH Household Appliances Manufacturing Private Limited	-	15.00
Atomberg Technologies Pvt Ltd	4.00	4.00
	3,611.00	**2,358.27**

43 Crypto Currency

The Company does not have any transation or balance in crypto currency or virtual currency.

44 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

45 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

46 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

47 Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

48 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

31-03 2023

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference
Jun-22	HDFC Bank Ltd	Inventory and Book Debts	5,034.07	5,034.07	-
Sep-22	HDFC Bank Ltd		6,078.59	6,078.59	-
Dec-22	HDFC Bank Ltd		6,695.86	6,695.86	-
Mar-23	HDFC Bank Ltd		6,779.01	6,779.01	-

31-03 2022

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference
Jun-21	HDFC Bank Ltd	Inventory and Book Debts	3,122.10	3,122.10	-
Sep-21	HDFC Bank Ltd		4,835.24	4,835.24	-
Dec-21	HDFC Bank Ltd		5,580.52	5,580.52	-
Mar-22	HDFC Bank Ltd		4,455.51	4,455.51	-

QDIGI SERVICES LIMITED

49 **Dues to micro, small and medium enterprises**

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. However, the Company does not have any amounts payable to such enterprises as at 31 March 2023 and 31 March 2022 based on the information received and available with the Company.

Also the Company has not received any claim for interest from any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

50 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date.

for **MSKA & Associates**
Chartered Accountants
Firm's Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad, INDIA
Date: April 28, 2023

for and on behalf of the Board of Directors of
Qdigi Services Limited (formerly known as HCL Computing Products Limited)
CIN: U52100DL2012PLC238730

Deven Sharma
Director
DIN: 08987509

Place: Bengaluru, INDIA
Date:

Srinivasan Guruprasad
Director
DIN: 00075962

Place: Bengaluru, INDIA
Date:

CA. Lokesh Kumar
B.Com (A&F), ACA.
Chartered Accountant

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF **M/s. STELLARSLOG TECHNOVATION PRIVATE LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

I have audited the accompanying Standalone financial statements of **STELLARSLOG TECHNOVATION PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, the Statement of changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies, notes to the standalone financial statements and other explanatory information (hereinafter referred to as the "standalone financial statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its Loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

I conducted my audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of my report. I am 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 my audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report including Annexure to the Board's Report but does not include the standalone financial statements and my auditor's report thereon. My opinion on the standalone financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the standalone financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work i have performed, I conclude that there is a material misstatement of this other information. I am required to report that fact. I have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in exercise of powers conferred by section 143(11) of the Companies Act, 2013, I give in '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, I report to the extent applicable that:

(a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

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(b) In my opinion, proper books of account as required by law have been kept by the Company, so far as it appears from my examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, Statement of changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.

(d) In my opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

(f) Since the Company's turnover as per last audited standalone financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during year is less than Rs.25 Crores, the company is exempt from getting an audit opinion with respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2016 and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In my opinion and to the best of my information and according to the explanations given to me, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, as amended, in my opinion and to the best my information and according to the explanations given to me:
(i) The Company does not have any pending litigations which would its financial position.

(ii)The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii)There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the standalone financial statements, no funds(which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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(b) The management has represented, that, to the best of its knowledge and belief, no funds(which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under subclause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

(v) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

(vi). Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

Lokesh Kumar
Chartered Accountant
Membership No. 243276

UDIN: 23243276BGXPFJ7806

Place: Bangalore
Date: 05/05/2023

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Annexure A to Independent Auditor's Report
(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of my report to the members of Stellarslog Technovation Private Limited of even date):

To the best of my information and according to the explanations provided to me by the company and the books of account and records examined by me in the normal course of audit, I state that:

i) In respect of Company's Property, Plant and Equipment, right-of-use assets and Intangible Assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant, equipment, relevant details of right-of-use assets and Intangible assets.

(b) The Company has a regular programme of physical verification to cover all the items of Property, Plant and Equipment and right-of-use assets so to cover all the assets in a phased manner over a period of three years, which in my opinion, is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to me and the records examined by me, there are no immovable properties of land and buildings held in the name of the Company as at the balance sheet date.

(d) The company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) (a) The company does not have any inventory and hence reporting under clause 3(ii)(a) of the order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii) According to the information and explanation given to me, the company has not made any investments in and not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the order is not applicable.

iv) In my opinion and according to the information and explanations given to me, the Company has not granted any loans or provided guarantees or given any security or made investments to which the provisions of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the order is not applicable.

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v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi) The Central Government has not prescribed maintenance of cost records under Section 148(1) of the Act for any of the activities of the company and accordingly clause (vi) of the order is not applicable.

vii) In respect of Statutory Dues:

(a) According to the information and explanations given to me and on the basis of my examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues, including Goods and Services tax, provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, duty of excise, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

(b) According to the information and explanations given to me, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to me, there are no material dues of Statutory Dues referred to in sub clause(a) which have not been deposited with the appropriate authorities on account of any dispute.

viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) a) In my opinion and according to the information and explanations given to me, the Company has not been defaulted in repayment of loans taken from the bank and other lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The term loan was applied for the purpose for which the loan were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

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(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence reporting on clause 3(ix)(f) of the Order is not applicable.

x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The company has made Private placement of shares during the year and the requirement of section 42 and 62 of the Companies Act, 2013 and have been complied with and the funds raised have been used for the purposes for which the funds were raised.

xi) (a)To the best of my knowledge and according to the information and explanations given to me, no fraud by the Company or no material frauds on the Company by its officers or employees has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) There are no whistle-blower complaints received during the year by the company.

xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii) In my opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv) (a)As per Rule 13 of the Companies (Accounts) Rules, 2014, private limited company having turnover less than Rs.200 crores during the immediate preceding financial year or outstanding loans or borrowings from banks or financial institutions is less than Rs. 100 crores. Hence the Internal Audit is not applicable to the company. Hence reporting under clause 3(xiv)(a) of the Order is not applicable.

(b) The Internal Audit was not applicable to the company. Hence reporting under clause 3(xiv)(b) of the Order is not applicable.

xv) In my opinion during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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xvi) (a) In my opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b)In my opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii) The company has incurred cash losses in the financial year and in the immediately preceding financial year. Cash losses in FY 2022-23 is INR 75.99 Million and Cash loss in FY 2021-22 is INR. 60.39 Million.

xviii) There has been no resignation of the statutory auditors of the Company during the year.

xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and my knowledge of the Board of Directors and Management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which causes me to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and i neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) The Corporate Social Responsibility (CSR) as per section 135(1) Companies Act, 2013 is not applicable to the company. Hence reporting under clause 3(xx)(a) and(b) of the order is not applicable.

xxi) There is no requirement of Consolidated financial statements for the company. Hence reporting under clause 3(xxi) of the order is not applicable.

Lokesh Kumar
Chartered Accountant
Membership No. 243276

LOKESH KUMAR ★ M.No. 243276 ★ Chartered Accountant

UDIN: 23243276BGXPFJ7806

Place: Bangalore
Date: 05/05/2023

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1. Company overview

Stellarslog Technovation Private Limited ('Taskmo' or 'the Company') was incorporated on 8th December 2015 under the provisions of Companies Act, 2013, with its registered office in Bengaluru, India. The company is carrying on business under the brand name of Taskmo. Taskmo is a B2B gig marketplace that uses a digital-first approach in screening, training, deploying, and managing gig workers. Being a Task fulfilment platform, Taskmo connects businesses with vetted gig workers. It helps companies outsource on-ground, operational tasks to distributed gig workers on 'pay-based-task' modules and hire gig workers in hourly, monthly, and full-time roles on 'pay-per-hire' modules.

2. Basis of preparation

The company being a Subsidiary Company of M/s. Quess Corp Ltd., a company whose equity is listed in both Bombay Stock Exchange (BSE) & National Stock Exchange, (NSE). These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

The Ind AS financial statements are presented in Indian Rupees Millions ("INR Million"), Indian Rupee is a Company's functional currency.

2.1 Basis of measurement and significant accounting policies

The standalone financial statements have been prepared on historical cost basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments) and

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of Defined Benefit Obligations ("DBO").

Going concern:

The directors have, at the time of approving the standalone financial statements, a reasonable expectation that the company will continue to have operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the standalone financial statements.

2.2 Use of estimates and judgement

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

i. ***Income taxes:*** Significant judgements are involved in determining provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

ii. ***Measurement of defined benefit obligations:*** The cost of the defined benefit obligations are based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. All assumptions are reviewed on a periodic basis.

iii. ***Impairment of financial assets:*** The Company assesses on a forward-looking basis the expected credit losses associated with financial assets carried at amortised cost based on 12-month expected credit losses (ECL) at each reporting period, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

iv. ***Property, plant and equipment and Intangible assets:*** The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired, generated, and reviewed periodically.

v. ***Other estimates:*** The impairment of non-financial assets involves key assumptions underlying recoverable amounts including the recoverability of expenditure on internally generated intangible assets.

2.3 Measurement of fair values

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

Fair values are categorized into different levels in a fair value hierarchy based on the degree to which the fair value measurements are observable and significance of the inputs to fair value measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments

2.4 Property, plant and equipment

i) Recognition and measurement

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

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

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

The cost and related accumulated depreciation are derecognized from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'

ii) Depreciation

Depreciation is provided on a Straight-Line Method ('SLM') over the estimated useful lives of the property, plant and equipment as estimated by the Management and is generally recognized in the statement of profit and loss. The management believes that the useful lives as given below best represent the period over which the management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for some of these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of). The Company has estimated the useful lives for property, plant and equipment as follows:

Asset category	**Estimated useful life for 31 March 2023**
Building	20 years
Plant and machinery	3 years
Computer equipment	3 years
Furniture and Fixtures	5 years
Office equipment	5 years

Leasehold improvements are depreciated over the lease term or estimated useful life whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted if appropriate.

2.5 Goodwill and intangible assets

(i) Recognition and measurement

Internally generated: Research and development

Research costs are expensed as incurred. Costs associated with maintaining software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- It can be demonstrated how the software will generate probable future economic benefits
- Adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software includes employee costs and an appropriate portion of relevant overheads.

Capitalized development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Others

Other intangible assets such as computer software, copyright and trademarks are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brand, is recognized in the statement of profit and loss as and when incurred.

(iii) Amortisation

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The estimated useful lives of intangible assets are as follows:

Asset category	**Estimated useful life for 31 March 2023**
Software (owned)	5 years
Trademark	3 Years

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted if appropriate.

2.6 Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset/CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.7 Leases

Ind AS 116 replaced Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. The Company has adopted Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The Company's lease asset classes primarily consist of Land and Building. The group assesses whether a contract is a lease or not at the inception of each contract. A contract or a part of a contract is a lease if conveys the right to control the use of an asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimated of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use-asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate as the discount rate.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is change in future lease payments arising from a change in an index or rate, if there is change in the Company estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use-asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize right-of-use assets and liabilities for short-term leases of INR 100,000 that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Practical expedients adopted on initial recognition:

1. The agreements maturing within 12 months from the initial application of Ind AS 116, are not considered.
2. Single discount rate is applied to a portfolio of leases with reasonably similar characteristics on the date of initial application.
3. Value of initial direct costs (such as Stamp Duty, registration costs etc. already paid) excluded from the measurement of ROUA.

2.8 Revenue recognition

The Company has adopted Ind AS 115 “Revenue from Contracts with Customers” effective April 1, 2018 using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those services.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.

Revenue from fixed-price, fixed time frame contracts are recognized as per the terms of the arrangement with the customer where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. In fixed rate contracts, the performance obligation and control are being satisfied and transferred over time and revenue is being recognized by measuring progress towards completion of the performance

obligation. Certain arrangements are on time and material basis and are recognized as the services are performed as per the terms of the arrangement with the customer.

a) Policy in case of Unbilled revenue and unearned revenue

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

b) Policy in case of Contract modifications

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the selling price, or as a termination of the existing contract and creation of a new contract if not priced at the selling price.

c) Policy in case of variable consideration

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

d) Policy in case of cost of obtaining a contract

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognized as an asset when the Company expects to recover these costs and amortized over the contract term.

e) Policy in case of cost of fulfilling a contract

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of services to customer to which the asset relates.

2.9 Other income

Other income mostly comprises interest income on deposits, dividend income, gain/ (losses) on disposal of financial assets and non-financial assets and commission income. Interest income is recognized using the effective interest method.

2.10 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transaction. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit or loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in the statement profit

and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

The assets and liabilities of foreign operations (subsidiaries and joint venture) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

2.11 Financial instruments

a) Recognition and initial measurement

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

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

b) Financial assets

(i) Classification and subsequent measurement

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

- Amortized cost;
- Fair Value through other comprehensive income (FVOCI) - debt investment;
- Fair Value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit and loss (FVTPL)

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

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

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

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

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

iv. All financial assets not classified at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to statement of profit and loss.

(ii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on financial assets trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL

ECL impairment loss allowance (or reversal) is recognized as an income/expense in the Statement of Profit and Loss during the period.

(iii) Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

c) Financial liabilities

(i) Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit and loss. Other financial liabilities subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit and loss. Any gain or loss is also recognized in the statement of profit and loss.

(ii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because the specified party fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts are initially recognized at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative amortization.

(iii) Derecognition

A financial liability is derecognized when the Group's obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.12 Employee benefits

(a) Short-term benefit plans

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the amount of obligation can be estimated reliably.

(b) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit Method as at the reporting date.

(c) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(d) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the Statement of profit and loss does not include an expected return on plan assets. Instead net interest recognized in the Statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the Statement of profit and loss in subsequent periods.

(e) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

2.13 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction.
- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- -taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realised. Deferred tax assets, unrecognised or recognized, are reviewed at each reporting date and are recognized/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Minimum alternative tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Ind AS 12 defines deferred tax to include carry forward of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement is grouped with deferred tax assets (net) in the balance sheet.

2.14 Provisions

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the reporting date) at a pre -tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of discount is recognized as finance cost. Expected future operating losses are not provided for.

Onerous contract

A contract is considered to be onerous when the expected economic benefit to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with the contract.

2.15 Contingent liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

2.16 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.17 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.18 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

2.19 Segment reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. However, since the Company is in the business of providing gig based solutions to its clients, all of which are covered under similar arrangements and hence considered by CODM as the only reportable business segment.

Stellarslog Technovation Private Limited
CIN:U72200KA2015PTC084539
Balance sheet as at 31 March 2023

(Amount in INR Million)

Particulars	Note	31 Mar 2023	31 Mar 2022
ASSETS			
Non-Current assets			
Property, Plant and Equipment	3	2.23	3.05
Right-of-use-assets	3	58.98	-
Financial assets			
Other financial assets	4	4.18	0.74
Deferred tax assets (net)	5	0.26	0.17
Income tax assets (net)	5	10.41	1.96
Total Non-Current assets		**76.05**	**5.91**
Current assets			
Financial assets			
Trade receivables	6	41.42	48.36
Cash and cash equivalents	7	2.85	5.42
Bank balances other than cash and cash equivalents above	8	-	30.00
Loans & Advances	9	0.14	0.03
Other financial assets	10	-	0.51
Other Current assets	11	1.27	0.68
Total Current assets		**45.69**	**85.00**
Total Assets		**121.74**	**90.92**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	4.34	3.92
Other equity	13	(27.77)	25.84
Total equity		**(23.43)**	**29.76**
Liabilities			
Non-Current liabilities			
Financial liabilities			
Borrowings	14	-	0.86
Lease liabilities	15	46.96	-
Non-Current Provisions	16	0.75	-
Total Non-Current liabilities		**47.72**	**0.86**
Current liabilities			
Financial liabilities			
Borrowings	17	71.37	32.45
Lease liabilities	15	15.09	-
Trade payables	18	4.55	2.01
Other financial liabilities	19	4.02	18.86
Current Provisions	20	0.15	-
Other Current Liabilities	21	2.26	6.98
Total Current Liabilities		**97.45**	**60.30**
Total Liabilities		**145.17**	**61.16**
Total Equity and Liabilities		**121.74**	**90.92**

As per our report of even date attached

for and on behalf of Board of Directors of
Stellarslog Technovation Private Limited
CIN:U72200KA2015PTC084539

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 23243276BGXPFJ7806

Place: Bengaluru
Date: 05th May 2023

Naveen Ramachandra
Director
DIN: 07081719

Place: Bengaluru
Date: 05th May 2023

Prashant Janadri
Director
DIN: 07534421

Place: Bengaluru
Date: 05th May 2023

Stellarslog Technovation Private Limited

CIN:U72200KA2015PTC084539

Statement of Profit and Loss for the year ended 31 March 2023

(Amount in INR Million)

Particulars	Note	31 Mar 2023	31 Mar 2022
Income			
Revenue from operations	22	190.70	117.08
Other income	23	1.02	0.60
Total income		**191.72**	**117.68**
Expenses			
Employee benefit expenses	24	83.76	58.84
Finance costs	25	9.52	0.68
Depreciation and amortisation expenses	26	15.66	0.72
Other expenses	27	174.43	118.56
Total expenses		**283.36**	**178.80**
Loss before tax and exceptional items		**(91.64)**	**(61.11)**
Exceptional items			
Loss before tax		**(91.64)**	**(61.11)**
Tax expense			
Current tax		-	-
Income tax relating to earlier years		-	-
Deferred tax	5	0.09	0.03
Total tax expenses		**0.09**	**0.03**
Loss for the year		**(91.55)**	**(61.09)**
Total comprehensive loss for the year		**(91.55)**	**(61.09)**
Earnings /(Loss) per equity share (face value of Rs 10 each)			
Basic	34	(212)	(193)
Diluted		(212)	(193)

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for and on behalf of Board of Directors of
Stellarslog Technovation Private Limited
CIN:U72200KA2015PTC084539

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 23243276BGXPFJ7806

Place: Bengaluru
Date: 05th May 2023

Naveen Ramachandra
Director
DIN: 07081719

Place: Bengaluru
Date: 05th May 2023

Prashant Janadri
Director
DIN: 07534421

Place: Bengaluru
Date: 05th May 2023

Stellarslog Technovation Private Limited
CIN:U72200KA2015PTC084539
Statement of Changes in Equity for the year ended 31 March 2023

(A) Equity share capital *(Amount in INR Million)*

Particulars	Note	31 March 2023	31 March 2022
Opening balance	12	3.92	2.38
Changes in equity share capital	12	0.42	1.54
Closing balance		**4.34**	**3.92**

(B) Other equity *(Amount in INR Million)*

Particulars	Other equity		Total Equity attributable to Equity holders of the Company
	Reserves and Surplus		
	Securities Premium	Retained Earnings	
Balance as at April 1, 2021	**19.62**	**(11.16)**	**8.46**
Add: Profit / (Loss) for the year	-	(61.09)	(61.09)
Total comprehensive income/(loss)	19.62	(72.24)	(52.63)
Add: Premium received on issue of Equity Shares	78.46	-	78.46
Balance as at March 31, 2022	**98.08**	**(72.24)**	**25.84**
Balance as at April 1, 2022	**98.08**	**(72.24)**	**25.84**
Add: Profit / (Loss) for the year	-	(91.55)	(91.55)
Total comprehensive income/(loss)	98.08	(163.79)	(65.71)
Add: Premium received on issue of Equity Shares	37.94	-	37.94
Balance as at March 31, 2023	**136.02**	**(163.79)**	**(27.77)**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for and on behalf of Board of Directors of
Stellarslog Technovation Private Limited
CIN:U72200KA2015PTC084539

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 23243276BGXPFJ7806

Place: Bengaluru
Date: 05th May 2023

Naveen Ramachandra
Director
DIN: 07081719

Place: Bengaluru
Date: 05th May 2023

Prashant Janadri
Director
DIN: 07534421

Place: Bengaluru
Date: 05th May 2023

Stellarslog Technovation Private Limited
CIN:U72200KA2015PTC084539
Statement of Cash Flows for the year ended 31 March 2023

(Amount in INR Million)

Particulars	For the year ended	
	31 Mar 2023	**31 Mar 2022**
Cash flows from operating activities		
Profit / (Loss) after tax	(91.55)	(61.09)
Adjustments for:		
Tax Expense	(0.09)	(0.03)
Depreciation and amortisation	15.66	0.72
Interest income on term deposits	-	(0.59)
Interest on tax refunds due	(0.13)	(0.01)
Finance costs	9.52	0.68
Operating cash flows before working capital changes	**(66.60)**	**(60.32)**
Working Capital Changes		
(Increase) / decrease in Non-current Financial Assets	(3.44)	0.46
(Increase) / decrease in Other Non-current Assets	(8.55)	(1.05)
(Increase) / decrease in Trade Receivables	6.94	(39.77)
(Increase) / decrease in Current Financial Assets	30.40	(30.14)
(Increase) / decrease in Other Current Assets	(0.60)	(0.53)
Increase / (Decrease) in Non-current Provisions	0.75	-
Increase / (Decrease) in Trade Payables	2.54	1.64
Increase / (decrease) in Other Current Financial Liabilities	0.25	15.24
Increase / (decrease) in Other Current Liabilities	(4.56)	5.29
Cash generated from /(used in) operations	**(42.85)**	**(109.18)**
Income taxes paid, net of refund	-	-
Net cash provided by/ (used in) operating activities (A)	**(42.85)**	**(109.18)**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles, net of sale proceeds	(73.81)	(3.16)
Interest income on term deposits	-	0.59
Interest on tax refunds due	0.13	0.01
Deferred tax assets (net)	0.09	0.03
Net cash used in investing activities (B)	**(73.59)**	**(2.53)**
Cash flows from financing activities		
Proceeds from borrowings	(0.86)	0.15
Proceeds/ repayment under finance leases, net	46.96	-
Proceeds from issue of equity shares, net of issue expenses	38.36	80.00
Proceeds / (repayment) of short term borrowings, net	(27.03)	24.95
Loans from related parties, net of amounts repaid	65.96	0.01
Finance costs	(9.52)	(0.68)
Net cash provided by financing activities (C)	**113.86**	**104.44**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(2.57)	(7.27)
Cash and cash equivalents at the beginning of the year	5.42	12.69
Cash and cash equivalents at the end of the year	**2.85**	**5.42**

As per our report of even date attached

for and on behalf of Board of Directors of
StellarslogTechnologies Private Limited
CIN:U72200KA2015PTC084539

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 23243276BGXPFJ7806

Place: Bengaluru
Date: 05th May 2023

Naveen Ramachandra
Director
DIN: 07081719

Place: Bengaluru
Date: 05th May 2023

Prashant Janadri
Director
DIN: 07534421

Place: Bengaluru
Date: 05th May 2023

3 Property, Plant and Equipment

(Amount in INR Million)

Particulars	Tangible Assets				
	Furniture and fixtures	Office equipment	Computer equipment	Right to use asset- Building	Total Property, plant and equipment
Gross carrying amount as at 1 April 2021	**0.29**	**0.08**	**1.50**	**-**	**1.88**
Additions	1.67	1.33	0.16	-	3.16
Disposals	-	-	-	-	-
Balance as at 31 March 2022	**1.97**	**1.41**	**1.67**	**-**	**5.04**
Additions	-	0.04	0.05	73.72	73.81
Disposals	-	-	-	-	-
As at 31 March 2023	**1.97**	**1.45**	**1.72**	**73.72**	**77.85**
Accumulated Depreciation as at 1 April 2021	**0.07**	**0.06**	**1.14**	**-**	**1.26**
Depreciation for the year	0.13	0.37	0.23	-	0.72
Disposal	-	-	-	-	-
Accumulated Depreciation as at 31 March 2022	**0.20**	**0.42**	**1.37**	**-**	**1.99**
Depreciation for the year	0.41	0.37	0.14	14.74	15.66
Disposal	-	-	-	-	-
Accumulated Depreciation as at 31 March 2023	**0.60**	**0.79**	**1.51**	**14.74**	**17.64**
Net Carrying Amount					
As at 31 March 2023	**1.36**	**0.66**	**0.21**	**58.98**	**61.21**
As at 31 March 2022	**1.77**	**0.98**	**0.30**	**-**	**3.05**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

4 Other non-current financial assets

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Unsecured, considered good		
Security deposits	4.18	0.74
	4.18	**0.74**

5 Taxes

Amount recognised in profit or loss

(Amount in INR Million)

Particulars	For the year ended	
	31 Mar 2023	31 Mar 2022
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	0.09	0.03
Income tax expense reported in the statement of profit and loss	**0.09**	**0.03**

B) Amounts recognised directly in equity

No tax expense has been recognised directly in equity

C) The following table provides the details of income tax assets and income tax liabilities as of 31 March 2023 and 31 March 2022

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Income tax assets	10.41	1.96
Net income tax assets as at the end of year	**10.41**	**1.96**

D) Deferred tax assets (net)

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Deferred tax assets/(liabilities) are attributable to the following:		
Property, plant and equipment and intangible assets	0.20	0.11
Others	0.06	0.06
Net deferred tax assets	**0.26**	**0.17**

The movement of deferred tax aggregating to INR 90,729 for the year ended 31 March 2023 (31 March 2022: INR 28,632) comprises INR 90,729 (31 March 2022: INR 28,632) charged to statement of profit and loss

E) Recognised deferred tax assets and liabilities

Movement of deferred tax assets / liabilities presented in the balance sheet:

For the year ended 31 March 2023	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax Assets on:				
Property, plant and equipment and intangible assets	0.11	0.09	-	0.20
Others	0.06	-	-	0.06
	0.17	**0.09**	**-**	**0.26**

For the year ended 31 March 2022	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax Assets on:				
Property, plant and equipment and intangible assets	0.08	0.03	-	0.11
Others	0.06	-	-	0.06
	0.14	**0.03**	**-**	**0.17**

6 Trade receivables

i) Trade receivables - billed

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Unsecured		
Undisputed Trade receivables		
Considered good	6.45	21.72
Less: Allowance for expected credit loss	(0.13)	
Considered doubtful	1.76	0.32
Less: Allowance for expected credit loss	(0.35)	(0.32)
Credit Impaired	5.56	
Less: Allowance for expected credit loss	(5.56)	
	7.73	**21.72**

ii) Trade receivables - unbilled

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Unbilled revenue	33.69	26.65
Less: Provision for impairment of unbilled revenue	-	-
	33.69	**26.65**

Trade receivable ageing schedule as on 31 March 2023:

(Amount in INR Million)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	33.69		6.45					40.15
- Significant increase in credit risk	-	-	-	1.76	-	-	-	1.76
- Credit impaired	-	-	-	1.57	3.98	-	-	5.56

Trade receivable ageing schedule as on 31 March 2022:

(Amount in INR Million)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	26.65		21.57	0.15	-	-	-	48.36
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	0.32	-	-	-	0.32

7 Cash and cash equivalents

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Cash and cash equivalents		
Cash in hand	-	0.06
Balances with banks	2.85	5.36
Cash and cash equivalent in the statement of cash flow	**2.85**	**5.42**

8 Bank balances other than cash and cash equivalents

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
In deposit accounts (mature within 12 months from the reporting date)	-	30.00
Total Bank balances other than cash and cash equivalents	**-**	**30.00**

9 Loans & Advances

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Salary Advance to Employees	0.02	0.03
Salary Advance to Directors	0.12	-
Total Loans & Advances	**0.14**	**0.03**

10 Other current financial assets

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Interest accrued but not due	-	0.51
Total Other current financial assets	**-**	**0.51**

11 Other current assets

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Advances other than capital advances		
Prepaid expenses	0.80	0.28
Other	0.47	0.40
Total Other current assets	**1.27**	**0.68**

12 Equity share capital

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Authorised		
6,00,000 (31 March 2022: 6,00,000) equity shares of par value of Rs 10 each	6.00	6.00
	6.00	**6.00**
Issued, subscribed and paid-up		
433,943 (31 March 2022: 3,92,156) equity shares of par value of Rs 10 each, fully paid up	4.34	3.92
	4.34	**3.92**

12.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year

(Amount in INR Million)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the commencement of the year	3,92,156	3.92	2,38,431	2.38
Changes during the year	41,787	0.42	1,53,725	1.54
At the end of the year	**4,33,943**	**4.34**	**3,92,156**	**3.92**

12.2 Details of shareholders holding more than 5% shares in the Company (Amount in INR Million)

Particulars	As at 31 March 2023			As at 31 March 2022		
	Number of shares	Amount	%	Number of shares	Amount	%
Shares Capital						
Equity shares of par value Rs 10 each						
Naveen Ramchandra	1,00,000	1.00	23.0%	1,00,000	1.00	25.5%
Prashant Janadri	1,00,000	1.00	23.0%	1,00,000	1.00	25.5%
Quess Corp Limited	2,33,943	2.34	53.9%	1,92,156	1.92	49.0%
	4,33,943	**4.34**	**100.0%**	**3,92,156**	**3.92**	**100.0%**

12.3 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each equity holder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of shareholders in ensuring Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of preferential amounts if any, in proportion to their shareholding.

12.4 The Company has not made any buy back of shares or issued any shares for consideration other than cash, during the period of five years immediately preceding the

12.5 Details of shareholding of promoters:

Promoter name	31 March 2023			31 March 2022		
	Number of shares	% held	% change during the year	Number of shares	% held	% change during the year
Naveen Ramchandra	1,00,000	23.0%	-2.46%	1,00,000	25.5%	16.4%
Prashant Janadri	1,00,000	23.0%	-2.46%	1,00,000	25.5%	16.4%

13 Other equity

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Securities premium reserve	136.02	98.08
Retained earnings	(163.79)	(72.24)
Total Other equity	**(27.77)**	**25.84**

13.1 Securities premium account

Securities premium is used to record the premium received on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013.

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Balance as at the beginning of the	**98.08**	**19.62**
Add: Shares issued during the year	37.94	78.46
Less: Transferred to General	-	-
Balance as at the end of the year	**136.02**	**98.08**

13.2 Retained earnings

Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Balance as at the beginning of the	**(72.24)**	**(11.16)**
Add: Profit /(Loss) for the year	(91.55)	(61.09)
Less: Dividends paid during the year	-	-
Balance as at the end of the year	**(163.79)**	**(72.24)**

14 Borrowings

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Secured		
Canara Bank Term loan	-	0.62
Unsecured		
Canara Bank MSME Loan**	-	0.24
Total borrowings	**-**	**0.86**

* The company had a term loan facility from Canara Bank at an interest rate of 10.45% and hypothecated against the Laptops. The loan was foreclosed in Jan-23

** The company had taken MSME loan from Canara Bank at an interest rate of 9.4%. The loan was foreclosed in Nov-22

16 Non-current provisions

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Provision for employee benefits		
Provision for gratuity (refer note 32)	0.75	-
Total Non-current provisions	**0.75**	**-**

17 Current borrowings

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Secured ^		
Bank Overdraft*	2.03	28.55
Current maturities of long term debt	-	0.49
Unsecured		
Corporate credit cards	0.09	0.11
Loan from related parties		
Loan from Directors	-	3.30
Loan from holding Co. - Quess Corp Limited**	69.26	-
Total Current borrowings	**71.37**	**32.45**

* The Company has availed an overdraft facility from HDFC Bank at an interest rate of 8.75% (LIBOR+2.4%) and hypothecated against trade receivables
**The Company has availed a loan of INR 6.7 crore from Quess Corp Ltd. at the rate of 9% p.a which is repayable on demand.
^ Borrowings secured against
current assets

Statement dated	Name of the Bank	Particulars of security provided	Amount as per books	Amount as reported in the quarterly statement	Amount of difference	Reason for material discrepancy
19th July 2022	Canara Bank	Trade Receivable	21.81	23.07	(1.25)	Difference due to advance received from customers and Unbilled revenue
12th October 2022	Canara Bank	Trade Receivable	25.62	28.95	(3.32)	
28th December 2022	Canara Bank	Trade Receivable	18.48	28.73	(10.25)	
15th March 2023	HDFC Bank	Trade Receivable	16.67	26.08	(9.41)	

18 Trade payables

i) Trade payables - billed dues

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Undiputed dues		
Total outstanding dues of micro enterprises and small enterprises (refer note 33)	0.37	
Total outstanding dues of creditors other than micro enterprises and small enterprises	4.18	2.01
Total Trade Payables	**4.55**	**2.01**

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 29.

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2023:

(Amount in INR Million)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises (refer note 33)	-	0.37	-	-	-	**0.37**
- Others	-	4.18	-	-	-	**4.18**

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2022:

(Amount in INR Million)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises (refer note 33)	-	-	-	-	-	-
- Others	-	2.01	-	-	-	**2.01**

19 Other current financial liabilities

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Accrued Expense	3.90	8.49
Salary Payable	0.13	10.37
Total Other current financial liabilities	**4.02**	**18.86**

The Company's exposure to currency and liquidity risk related to other current financial liabilities is disclosed in note 29

20 Current provisions

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Provision for employee benefits		
Provision for compensated absences (refer note 32)	0.15	-
Total Current Provisons	**0.15**	**-**

21 Other current liabilities

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Duties & Taxes	2.26	6.98
Total Other current liabilities	**2.26**	**6.98**

15 Lease liability

(Amount in INR Million)

a)

Particulars	As at 31 March 2023
Current lease liability	15.09
Non-current lease liability	46.96
Total	**62.05**

b) The following is the movement in lease liabilities *(Amount in INR Million)*

Particulars	As at 31 March 2023
Operating lease recognised on adoption of Ind AS 116	-
Reclassification on adoption of Ind AS 116 - Fin lease obligation	-
Add: Additions	71.52
Less: Deletion	-
Add: Finance cost accrued during the period	6.39
Less: Payment of lease obligation	(15.85)
Carrying amount as at 31 March 2023	**62.05**

c) Amount recognised in PL *(Amount in INR Million)*

Particulars	For the year ended 31 March 2023
Interest expense (included in finance cost)	6.39
Expenses relating to short-term lease (included in other expenses)	-
	6.39

d) The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2023 on an undiscounted basis:

(Amount in INR Million)

Particulars	As at 31 March 2023
Less than one year	17.46
One to five years	57.80
More than five years	-
	75.26

22 Revenue from operations

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Sale of services (refer note 35)	190.70	117.08
Total Revenue from operations	**190.70**	**117.08**

23 Other income

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Interest income on deposits/Investments	-	0.59
Interest income under the effective interest method on:		
Interest income on present valuation of financial instruments	0.36	-
Interest on tax refunds due	0.13	0.01
Rent from letting out properties	0.47	-
Miscellaneous income	0.05	-
Total Other income	**1.02**	**0.60**

24 Employee benefits expense

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Salaries	78.48	53.63
Stipend Benefits	0.97	2.73
Contribution to Provident and Other funds	2.46	1.76
Retirement Benefits	0.75	-
Expenses related to compensated absences	0.15	-
Staff welfare expenses	0.94	0.71
Total Employee benefit expenses	**83.76**	**58.84**

25 Finance costs

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Interest on Borrowings	3.13	0.68
Interest on Lease Liability	6.39	
Total Finance costs	**9.52**	**0.68**

26 Depreciation and amortisation expense

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Depreciation of property, plant and equipment (refer note 3)	15.66	0.72
Total Depreciation and amortisation expense	**15.66**	**0.72**

27 Other expenses

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Advertising & Business Promotion	2.26	1.94
Computer Rental Charges	5.40	4.81
Electricity Charges	1.30	0.78
IT Server & Domain Charges	5.39	3.25
Repair Maintainance	4.38	2.98
Office rent	-	8.44
Travel Expense	0.18	0.25
Legal & Professional Fees	2.31	0.83
Impairment loss on financial assets	5.72	-
Tasker Payout	144.22	93.74
Bank charges	0.26	0.20
Rates & Taxes	1.02	0.19
Communication Charges	1.60	1.13
Other Miscellaneous Expenses	0.38	-
Total Other expenses	**174.43**	**118.56**

27.1 Payment to auditors (net of GST; included in legal and professional fees)

(Amount in INR Million)

Particulars	31 Mar 2023	31 Mar 2022
Statutory audit fees	0.20	0.20
Tax audit fees	0.10	0.10
Total Payment to auditors	0.30	0.30

28 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in INR Million)

Particulars	Note	31 March 2023		
		FVTPL	FVTOCI	Amortised Cost
Financial assets:				
Loans & Advances	9	-	-	0.14
Trade receivables	6	-	-	7.73
Cash and cash equivalents including other bank balances	7 and 8	-	-	2.85
Unbilled revenue	6	-	-	33.69
Other financial assets	10	-	-	4.18
Total financial assets		**-**	**-**	**48.59**
Financial liabilities:				
Borrowings	17	-	-	71.37
Trade payables	18	-	-	4.55
Other financial liabilities	19	-	-	4.02
Non-current borrowings	14	-	-	-
Lease liabilities	15			62.05
Total financial liabilities		**-**	**-**	**142.00**

*Current maturities of finance lease obligation forms part of other financial liabilities

(Amount in INR Million)

Particulars	Note	31 March 2022		
		FVTPL	FVTOCI	Amortised Cost
Financial assets:				
Loans & Advances	9	-	-	0.03
Trade receivables	6	-	-	21.72
Cash and cash equivalents including other bank balances	7 and 8	-	-	35.42
Unbilled revenue	6	-	-	26.65
Other financial assets	10	-	-	1.25
Total financial assets		**-**	**-**	**85.07**
Financial liabilities:				
Borrowings	17	-	-	32.45
Trade payables	18	-	-	2.01
Other financial liabilities	19	-	-	18.86
Non-current borrowings	14	-	-	0.86
Lease liabilities	15	-	-	-
Total financial liabilities		**-**	**-**	**54.18**

Accounting classification and fair value

The carrying value and fair value of financial instruments by categories as at 31 March 2023 and 31 March 2022 are as follows:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

As at 31 March 2023

(Amount in INR Million)

Particulars	Carrying value	Fair value		
Financial assets	**31 March 2023**	**Level 1**	**Level 2**	**Level 3**
Amortised cost				
Loans & Advances	0.14			
Trade receivables	7.73	-	-	-
Unbilled revenue	33.69	-	-	-
Cash and cash equivalents	2.85	-	-	-
Other financial assets	0.14	-	-	-
Total financial assets	**44.55**	**-**	**-**	**-**
Financial liabilities				
Amortised cost				
Borrowings	71.37	-	-	-
Trade payables	4.55	-	-	-
Lease liabilities	62.05			
Other financial liabilities	4.02	-	-	-
Non-current borrowings	-	-	-	-
Total financial liabilities	**142.00**	**-**	**-**	**-**

As at 31 March 2022 *(Amount in INR Million)*

Particulars	Carrying value	Fair value		
Financial assets	**31 March 2022**	**Level 1**	**Level 2**	**Level 3**
Amortised cost				
Loans & Advances	0.03			
Trade receivables	21.72	-	-	-
Unbilled revenue	26.65			
Cash and cash equivalents	5.42	-	-	-
Other financial assets	30.54	-	-	-
Total financial assets	**84.36**	**-**	**-**	**-**
Financial liabilities				
Amortised cost				
Borrowings	32.45	-	-	-
Trade payables	2.01	-	-	-
Lease liabilities	-			
Other financial liabilities	18.86	-	-	-
Non-current borrowings	0.86	-	-	-
Total financial liabilities	**53.68**	**-**	**-**	**-**

The management assessed that fair value of cash and short-term deposits, trade receivables, other current assets, borrowings, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in unquoted preference shares included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current \transaction between willing parties, other than in a forced or liquidation sale.

The management assessed that fair value of financials assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Hence there are no financials assets or liabilities revalued at fair value except below items.

29 Financial risk management

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

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

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loan represents security deposits given to suppliers, employees and others. The credit risk associated with such deposits is relatively low.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by its customers. However, the management also considers the factors that may influence the credit risk of its customer base. The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to three months for

Expected credit loss assessment for corporate customers as at 31 March 2023 and 31 March 2022 are as follows:

Based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired) if the payments are due for more than specific number of days. Loss rates are based on historical credit loss experience.

Movement in allowance for impairment in respect of trade receivables:

The movement in the allowance for impairment in respect of trade receivables during the year was as follows: *(Amount in INR Million)*

Particulars	31 March 2023	31 March 2022
Balance as at the beginning of the year	0.32	-
Impairment loss allowances recognised/ (reversed)	5.72	0.32
Less: Bad debts written off	-	-
Balance as at the end of the year	**6.04**	**0.32**

ii) Liquidity risk

The Company's principal source of liquidity are cash and cash equivalents and financial support from Quess Corp Ltd. Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

i) Financing arrangement

The Company maintains the following line of credit:

(i) The Company has taken loan from Quess Corp Ltd. at an interest rate of 9% p.a.

As at 31 March 2023 *(Amount in INR Million)*

Particulars		Contractual cash flows		
	Carrying amount	Less than 1 year	1-2 years	2 years and above
Non-current borrowings	-	-	-	-
Borrowings	71.37	71.37	-	-
Trade payables	4.55	4.55	-	-
Lease liabilities	62.05	15.09	14.48	32.48
Other financial liabilities	4.02	4.02	-	-

As at 31 March 2022

Particulars		Contractual cash flows		
	Carrying amount	Less than 1 year	1-2 years	2 years and above
Non-current borrowings	0.86	-	-	0.86
Borrowings	32.45	32.45	-	-
Trade payables	2.01	2.01	-	-
Lease liabilities	-	-	-	-
Other financial liabilities	18.86	18.86	-	-

Note on Financial risk management continued

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company is not exposed to Market risk as the Company does not have any major foreign transactions and interest rates are also fixed.

a) Currency risk

The Company is not significantly exposed to currency risk as the Company's functional currency in INR and revenues and costs are denominated in INR and therefore disclosure required under "Ind AS 107 - Financial Instruments Disclosure" have not been given.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company borrowings comprises of Bank Overdraft facility from HDFC Bank and working capital loan taken from Quess Corp Ltd. The overdraft facility from HDFC Bank is at floating rate of interest and loan from Quess Corp Ltd. is at fixed rate of interest

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows: *(Amount in INR Million)*

Particulars	March 31, 2023	March 31, 2022
Variable rate borrowings	2.03	28.55
Fixed rate borrowings	69.26	0.86
Total borrowings	**71.28**	**29.41**

30 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of borrowings and lease liabilities less cash and cash equivalents..

(Amount in INR Million)

Particulars	As at 31 March 2023	As at 31 March 2022
Gross debt	133.43	33.31
Less: Cash and cash equivalent	2.85	5.42
Adjusted net debt (borrowings net of cash and cash equivalent)	**130.58**	**27.89**
Total equity	(23.43)	29.76
Net debt (Total external liabilities) to equity ratio	**(5.57)**	**0.94**

31 Capital Commitments and commitments

The company does not have any capital commitments and contingent liability as at 31 March 2023 and 31 March 2022.

32 Assets and liabilities relating to employee benefits

A The Company operates post-employment defined benefit plan that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit. The Scheme is not funded. The Company accrued gratuity under the provisions of the Payment of Gratuity Act, 1972 as applicable as at the balance sheet date and the maximum payment is restricted to Rs 20 lakhs.

(Amount in INR Million)

Particulars	As at 31 March 2023	As at 31 March 2022
Net defined benefit liability, gratuity plan	0.75	-
Liability for compensated absences	0.15	-
Total employee benefit liability	**0.91**	**-**
Current	0.15	-
Non- Current	0.75	-
	0.91	**-**

For details about employee benefit expenses, refer note 24

B Reconciliation of net defined benefit liability/ asset

(Amount in INR Million)

Particulars	31 March 2023	31 March 2022
Change in defined benefit obligation		
Obligation at the beginning of the year	-	-
Current service cost	0.13	-
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	0.62	-
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	-	-
Obligation at end of the year	**0.75**	**-**

C i) Expense recognised in profit or loss

(Amount in INR Million)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Service cost	0.13	-
Net interest on net defined benefit liability/(asset)	-	-
Net gratuity cost	**0.13**	**-**

ii) Remeasurement recognised in other comprehensive income

Particulars	For the year ended	
	31 March 2023	31 March 2022
Remeasurement of the net defined benefit liability	0.62	-
Remeasurement of the net defined benefit asset	-	-
	0.62	**-**

D Defined benefit obligation - Actuarial Assumptions

Particulars	31 March 2023	31 March 2022
Discount rate	7.2%	0.0%
Salary increase	4.0%	0.0%
Attrition rate	80.0%	0.0%
Average duration of defined benefit obligation (in years)	1 Year	-

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

E Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	0.74	0.76	-	-
Future salary growth(1% movement)	0.76	0.74	-	-
Attrition rate (50% movement)	0.68	0.91	-	-
Mortality rate (10% movement)	0.75	0.75	-	-

Maturity profile of defined benefit obligation

Particulars	31 March 2023	31 March 2022
Within 1 year	0.61	-
2-5 years	0.21	-
6-10 years*	0.00	-
More than 10 years	-	-

*Represents less than INR 0.01 Million

F Compensated absence

The Company has accounted the cost of compensated absence based on the actuarial valuation report obtained on 31 March 2023 and has estimated a compensated absence liability of INR 153,875 (31 March 2022: Nil) under projected unit credit method as per Ind AS 19.

Key assumptions used in the valuation of compensated absence Liability are as given below:

Particulars	31 March 2023	31 March 2022
Discount rate	7.2%	0.0%
Salary increase	4.0%	0.0%
Attrition rate	80.0%	0.0%
Mortality rate	100% IALM (2012-14) published table of mortality rates	-

33 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. However, the Company does not have any amounts payable to such enterprises as at 31 March 2023 based on the information received and available with the Company. Also the Company has not received any claim for interest from

Particulars	31 March 2023	31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year;		
- Principal	0.37	-
- Interest	-	-
The amount of interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under	-	-

34 Computation of Earnings per share (EPS)

(Amount in INR Million except number of shares and per share data)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Nominal value of equity shares	10	10
Net profit after tax for the purpose of earnings per share	(91.55)	(61.09)
Weighted average number of shares used in computing basic earnings per share	4,31,722	3,17,007
Basic earnings per share	**(212.06)**	**(192.70)**
Weighted average number of shares used in computing diluted earnings per share	4,31,722	3,17,007
Diluted earnings per share	**(212.06)**	**(192.70)**

Computation of weighted average number of shares

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Number of equity shares outstanding at beginning of the year	**3,92,156**	**2,38,431**
Add: Weighted average number of equity shares issued during the year	39,566	78,576
Weighted average number of shares outstanding at the end of year for computing basic and diluted earnings per share	**4,31,722**	**3,17,007**

35 Revenue from Contracts with customers

(i) Trade Receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.
Invoicing in excess of earnings are classified as unearned revenue.
Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(Amount in INR Million)

Particulars	As at 31 March 2023	As at 31 March 2022
Receivables, which are included in 'Trade and other receivables'	7.73	21.72
Contract assets (Unbilled revenue)	33.69	26.65
Contract liabilities (Unearned revenue & Advance from customers)	-	-

The unbilled revenue (contract assets) primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customer, for which revenue is recognised on completion of contract terms.

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2023 and 31 March 2022:

(Amount in INR Million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning	26.65	-
Add : Revenue recognized during the period	190.70	117.08
Less : Invoiced during the period	(183.66)	(90.43)
Balance at the end	**33.69**	**26.65**

(ii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the company has not disclosed the value of remaining performance obligations for
(i) contracts with an original expected duration of one year or less and
(ii) contracts for which the company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2023, other than those meeting the exclusion criteria mentioned above, is Nil.

36 Related party disclosures

(A) Name of related parties and description of relationship:

- Ultimate Holding Company	Fairfax Financial Holdings Limited
- Holding Company	Quess Corp Limited
- Fellow Subsidiaries	Brainhunter Systems Ltd. Mindwire Systems Limited MFX Infotech Private Limited Quess (Philippines) Corp. Quess Corp (USA) Inc. Quess Corp Holdings Pte. Ltd. Quessglobal (Malaysia) Sdn. Bhd. MFXchange Holdings, Inc. MFXchange US, Inc. Quess Corp Lanka (Private) Limited Quesscorp Singapore Pte Ltd (formerly known as Comtel Solutions Pte. Limited) Quess East Bengal FC Private Limited Excelus Learning Solutions Private Limited Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited) Vedang Cellular Services Private Limited Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited) Quess Selection & Services Pte Ltd (formerly known as Comtelpro Pte. Ltd.) Comtelink Sdn. Bhd. Monster.com.SG PTE Limited Monster.com.HK Limited Agensi Pekerjaan Monster Malaysia Sdn. Bhd (formerly known as Monster Malaysia Sdn Bhd) Monster.com (India) Private Limited Quess Corp Vietnam LLC Simpliance Technologies Private Limited (till 20 October 2022) Qdigi Services Limited (formerly known as: HCL Computing Products Limited) Greenpiece Landscapes India Private Limited Quesscorp Management Consultancies (formerly known as Styracorp Management Services) Quesscorp Manpower Supply Services LLC [formerly known as S M S Manpower Supply Services (LLC)] Allsec Technologies Limited Allsectech Inc., USA Allsectech Manila Inc., Philippines Quess Services Limited Trimax Smart Infraprojects Private Limited Terrier Security Services (India) Private Limited Heptagon Technologies Private Limited Billion Careers Private Limited Quess Corp NA LLC (w.e.f 17 May 2022)
- Associates of the holding company	Quess Recruit, Inc. Agency Pekerjaan Quess Recruit Sdn. Bhd.
- Joint Venture of the holding company	Himmer Industrial Services (M) Sdn. Bhd.
- Entities having common directors	Conneqt Business Solutions Limited Heptagon Technologies Private Limited Qdigi Services Limited Vedang Cellular Services India Private Limited Excelus Learning Solutions Private Limited Quess Singapore Pte. Limited (formerly known as Comtel Pte. Ltd.) Quess Selection & Services Pte. Ltd. (formerly known as Comtel Pro Pte. Ltd.) Quess Services Limited Quess (Philippines) Corp Agency Pekerjaan Quess Recruit Sdn. Bhd. Terrier Security Services (India) Private Limited Trimax Smart Infraprojects Private Limited Quess International Services Private Limited

(B) Key executive management personnel

Prashant Janadri	Director
Naveen Ramachandra	Director
Lohit Bhatia	Director
Arjun Ramaraju	Director
Madhu Damodaran	Director

(C) Transactions with related parties

(Amount in INR Million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Issue of equity shares		
- Quess Corp Limited	0.42	1.54
Securities premium on equity shares issued		
- Quess Corp Limited	37.94	78.46
Unsecured loan received from Related Parties		
- Quess Corp Limited (Holding Company	67.00	-
- Directors	7.30	3.30
Unsecured loan repaid to Related Parties		
- Directors	10.60	-
Interest on unsecured loan received from holding company		
- Quess Corp Limited	2.51	
Rendering of services to holding company		
- Quess Corp Limited	0.25	14.05
Other expenses		
- Quess Corp Limited	4.43	-
Finance cost		
- Quess Corp Limited	2.51	-
Compensation of key managerial personnel		
Prashant Janadri	4.80	5.08
Naveen Ramachandra	4.80	5.08

*The above compensation paid does not include cost of employee benefits such as gratuity and compensated absences since provision for these are based on an actuarial valuation carried out for the Company as a whole.

(D) Balance receivable from and payable to related parties as at the balance sheet date:

(Amount in INR Million)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Trade payables		
- Quess Corp Limited	1.22	-
Borrowings		
- Quess Corp Limited	69.26	-
Unsecured loan payable		
-Prashant Janadri	-	1.80
-Naveen Ramachandra	-	1.50
	-	**3.30**
Accrued Expenses (Remuneration payable)		
-Prashant Janadri	-	0.01
-Naveen Ramachandra	-	0.01
	-	**0.02**

37 The main business of the Company is providing gig based solutions, hence, there are no separate reportable segments as per Ind AS 108 on 'Operating Segment'

38 Ratios

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	Variance	Reason for variance (greater than 25%)
Current ratio	Current assets	Current liabilities	0.5	1.4	-66.7%	Refer note 38.1
Debt-equity ratio	Total Debt	Shareholder's equity	(3.7)	1.1	-429.6%	Refer note 38.2
Debt service coverage ratio	Earnings available for debt service (EFDS)	Debt Service	(0.9)	(1.8)	-49.4%	Refer note 38.3
Return on equity ratio	Net profits after taxes	Average shareholder's equity	-2894.4%	-300.9%	861.9%	Refer note 38.4
Trade receivables turnover ratio	Revenue from operations	Average trade receivable	4.2	4.1	3.3%	
Trade payables turnover ratio	Purchases and adjusted other expenses	Average trade payables	52.0	92.6	-43.8%	Refer note 38.5
Net capital turnover ratio	Revenue from operations	Average working capital	(14.1)	7.0	-300.8%	Refer note 38.6
Net profit ratio	Net profits after taxes	Revenue from operations	-48.0%	-52.2%	-8.0%	
Return on capital employed	Earning before interest and taxes	Capital employed	-74.8%	-96.1%	-22.1%	

38.2 Decrease in current ratio is on account of increase in short term borrowings to meet working capital
38.3 Decrease in debt-equity ratio is on account of increase in borrowings and increased losses
38.4 Increase in debt service coverage ratio is on account of increase in depreciation and interest cost
38.5 Decrease in ROE is on account of increase in accumulated losses
38.6 Decrease in Trade Payable Turnover ratio is on account of reduced credit days
38.7 Decrease in Capital Turnover ratio is on account of negative working capital due to increase in borrowings

39 **Contingent Liabilities**
There are no such transactions entered into by the company during the period under reporting, which requires disclosure of any contingent Liability as on the reporting date.

39 **Foreign Exchange out flow & inflow:** (Amount in INR Million)

Particulars	**31-03-2023**	**31-03-2022**
Earnings in foreign exchange	-	-
Expenditure in foreign exchange	0.48	0.88

40 **Capital Work In Progress**
No such Capital Workin Progress exist in the companies books of accounts as at the reporting date.

41 **Intangible Assets under Development**
No such Intangible assets exist in the companies books of accounts as at the reporting date.

42 **Title deeds of Immovable Property not held in name of the Company**
There are no Immovable property in the name of company, hence disclosure under this clause will not applicable.

43 **Wilful Defaulter**
The company has been regular in repayment of loans to banks, hence the company is not a wilful defaulter.

44 **Layers of Companies**
The Company is a Subsidary of Quess Corp Limited

45 **Corporate Social Responsibilty related Disclosures**
CSR is not applicable to the company , as neither of companies turnover exceeded 1000 crores nor Networth exceeded 500 crores nor Net profit Exceeded 5 Crores During the Preceeding financial year.

46 **Derivative Instruments and Other Un-hedged Foreign Currency Exposure**
There are no derivative contracts oustanding at the close of the year.

47 **Details of Crypto Currency or Virtual Currency:**
The company has not traded or invested in crypto currency or virtual currency during the financial year, the disclosure on the same will not be applicable.

48 **Segment Reporting**
Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. However, since the Company is in the business of provising gig based solutions to its clients, all of which are covered under similar arrangements and hence considered by CODM as the only

49 **Sundry Debtors and Sundry Creditors Confirmations**
Balances of Sundry Debtors and Sundry Creditors as at 31st March 2023 are subject to confirmations.

50 **Rounding off and Regrouping:**
All the figures are rounded off to the nearest Millions. Previous year figures have been regrouped / recast, wherever necessary, so as to make them comparable with those of the current year.

As per our report of even date attached

for and on behalf of Board of Directors of
Stellarslog Technovation Private Limited
CIN:U72200KA2015PTC084539

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 23243276BGXPFJ7806

Place: Bengaluru
Date: 05th May 2023

Naveen Ramachandra
Director
DIN: 07081719

Place: Bengaluru
Date: 05th May 2023

Prashant Janadri
Director
DIN: 07534421

Place: Bengaluru
Date: 05th May 2023

INDEPENDENT AUDITOR'S REPORT

To,
The Members
Trimax Smart Infraprojects Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Trimax Smart Infraprojects Private Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2023**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw Attention to Note 37 of financial statements. During the period, efforts were made to obtain confirmation from SCADL and the same was not received. As on 31st March 2023, the management have comprehensively reviewed the overall receivables INR 42,78.73 lakh (previous year INR 62,94.01 lakh) and accordingly allowance for expected credit loss of INR 36,90.91 lakhs (previous year INR 37,84.37 lakh) is maintained against the same. An amount of INR 30,08.04 lakh(previous year INR 47,00.5 lakh) has been received from SCADL during the year.

We draw attention to Note 2.2 (iii) of the financial statements, which indicates uncertainty as regards to extension of SCDAL contract and negative net worth as at balance sheet date. Accordingly, the management has prepared the accounts and financial statements with the fundamental assumption of "Going concern" being no longer appropriate. Consequently, assets are stated at lower of their carrying value and net realizable values, and liabilities have been stated at the value at which they are expected to be discharged.

Our opinion is not modified in respect of these matters.

Information other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report.

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

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

Management's Responsibility

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 responsible for overseeing the Company's financial reporting process.

VARMA & SAMPATH LLP
BANGALORE
INDIA
CHARTERED ACCOUNTANTS

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.

2) As required by Section 143 (3) of the Act, we report that;

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement, and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standard specified under Section 133 of the Act;

   e. On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 B**";

   g. With respect to the matter to be included in the Auditors' Report under Section 197(16), in our opinion and according to the information and explanations given to us, the company is a private limited company and accordingly the provision of section 197 read with Schedule V to the Act are not applicable to the company;

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

      i. the Company does not have any pending litigations and accordingly there is no impact on its financial position;

      ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

      iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities

identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (h)(iv)(i) and (h)(iv)(ii) contain any material mis-statement.

(iv) The Company has not declared any dividend during the year and does not attract provisions of section 123 of the Companies Act, 2013.

for **Vasan & Sampath LLP**
Chartered Accountants
Firm Registration Number: 004542S/S200070

Unnikrishnan Menon
Partner
Membership number: 205703

Place: Bengaluru
Date: 16th May ,2023

UDIN: 23205703BGXEOI9747

ANNEXURE - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Trimax Smart Infraprojects Private Limited of even date)

i. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any Property, Plant and Equipment and Intangible Assets, Consequently, comment on clause (i)(a) to (i)(e) of the order is not applicable.

ii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company's operations does not involve inventory. Consequently, comment on clause (ii)(a) and (ii)(b) of the Order is not applicable;

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or other parties. Accordingly, paragraph 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable

iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans and investments, guarantees, and security covered by covered by provisions of Section 185 and 186 of the Act. Consequently, comment on clause (iv) of the order is not applicable

v. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits from the public. Consequently, comment on clause (v) of the order is not applicable;

vi. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Consequently, comment on clause (vi) of the order is not applicable;

vii.

a. According to the information and explanations given to us and on the basis of our examination of the records of the Company is regular in depositing material undisputed statutory dues including income-tax, goods and service tax, cess and other statutory dues, during the year with the appropriate authorities. As regards provident fund, employee state insurance, professional tax; remittances are made by the Quess Corp Limited and accordingly we are unable to comment on regularity of payments.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there are no dues of provident fund, employee state insurance, income-tax, goods and service tax, cess and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not surrendered any transactions or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account;

ix.

a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of any loans or borrowing from any financial institution, bank, Government or debenture holders during the year. Consequently, comment on clause (ix)(a) of the order is not applicable;

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been declared a willful defaulter by any bank or financial institution or other lender. Consequently, comment on clause (ix)(b) of the order is not applicable;

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not availed any term loans. Consequently, comment on clause (ix)(c) of the order is not applicable;

d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not utilized funds raised on short term basis for long term purposes. Consequently, comment on clause (ix)(d) of the order is not applicable;

e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Consequently, comment on clause (ix)(e) of the Order is not applicable;

f. According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the company has not raised loans on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Consequently, comment on clause (ix)(f) of the Order is not applicable;

x.

a. According to the information and explanations give to us and based on our examination of the records of the Company, Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Consequently, comment on clause (x) (a) of the Order is not applicable;

b. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Consequently, comment on clause (x) (b) of the Order is not applicable;

xi.

a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not received any whistle-blower complaints during the year.

xii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Nidhi company. Consequently, comment on clause (xii) of the Order is not applicable;

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of section 138 of Companies Act 2013. Consequently, comment on clause (xiv) of the Order is not applicable.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Consequently, comment on clause (xv) of the Order is not applicable;

xvi.

a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934, comment on clause (xvi) of the Order is not applicable;
b. According to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
c. According to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;
d. According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable;

xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the company has incurred cash losses (considering "Provision for balances with government authorities" and reversal of "Loss allowance on financial assets" as Non-cash transaction) of INR 17.92 lakh in the financial year and of INR 862.64 lakh in the immediately preceding financial year.

xviii. According to the information and explanations given to us, there has been no resignation of statutory auditors during the year. Consequently, comment on clause (xviii) of the Order is not applicable;

xix. According to the information and explanations given to us and on the basis of our examination of the records of the Company;
On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

xx. According to the information and explanations give to us and based on our examination of the records of the Company, as the Company does not attract the provision u/s 135 in relation to the applicability of CSR. Consequently, comment on clause (xx)(a) & (xx)(b) of the Order is not applicable.

xxi. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is not required to prepare consolidated financial statements. Consequently, comment on clause (xxi) of the Order is not applicable.

for **Vasan & Sampath LLP**
Chartered Accountants
Firm Registration Number: 004542S/S200070

Unnikrishnan Menon
Partner
Membership number: 205703

Place: Bengaluru
Date: 16th May, 2023

UDIN: 23205703BGXEOI9747

ANNEXURE -B to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Trimax Smart Infraprojects Private Limited of even date)

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 **Trimax Smart Infraprojects Private Limited ("the Company")** as of **March 31, 2023** in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.

VASAN & SAMPATH LLP BANGALORE INDIA CHARTERED ACCOUNTANTS

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

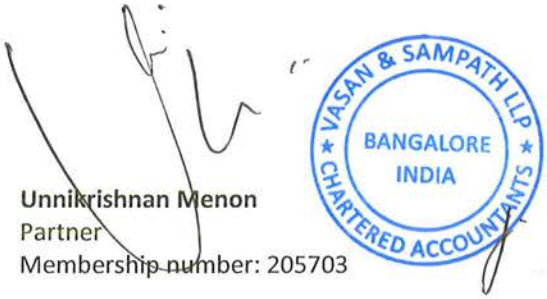
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **Vasan & Sampath LLP**
Chartered Accountants
Firm Registration Number: 004542S/S200070



Unnikrishnan Menon
Partner
Membership number: 205703

Place: Bengaluru
Date: 16th May, 2023

UDIN: 23205703BGXEOI9747

Trimax Smart Infraprojects Private Limited

BALANCE SHEET AS AT 31ST MARCH 2023

(Amount in lakhs)

Balance Sheet	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Financial assets			
Other financial assets	3	-	2,393.00
Deferred tax assets	4	-	0.00
Income tax assets (net)	5	-	51.26
Total non-current assets		**-**	**2,444.26**
Current Assets			
Financial assets			
(i) Trade receivables	6	679.91	2,623.80
(ii) Cash and cash equivalents	7	36.89	25.40
(iii) Other current financial assets	8	2,539.95	50.80
Other current assets	9	226.68	192.41
Total current assets		**3,483.44**	**2,892.41**
Total Assets		**3,483.44**	**5,336.67**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	1.00	1.00
Other equity instrument	11	9,130.00	10,400.00
Other equity	12	(8,738.02)	(8,763.69)
Total equity		**392.98**	**1,637.31**
Liabilities			
Non-current liabilities			
Financial liabilities			
Non-current Provisions	13	-	10.20
Total non-current liabilities		**-**	**10.20**
Current liabilities			
Financial liabilities			
(i) Current Borrowings	14	2,749.43	2,610.35
(ii) Trade payables	15	239.23	956.47
(iii) Other current financial liabilities	16	31.87	25.76
Current Provisions	17	68.18	57.42
Other current liabilities	18	1.75	39.16
Total current liabilities		**3,090.46**	**3,689.16**
Total Liabilities		**3,090.46**	**3,699.36**
Total Equity and Liabilites		**3,483.44**	**5,336.67**
Significant accounting policies	**1&2**		

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

As per our report of even date attached

for Vasan & Sampath LLP
Chartered Accountants
Firm's Registration No:004542S/S200070

Unnikrishnan Menon
Partner
Membership No: 205703

Place: Bengaluru
Date: 16th May 2023

VASAN & SAMPATH LLP * BANGALORE INDIA * CHARTERED ACCOUNTANTS

for and on behalf of Board of Directors of
Trimax Smart Infraprojects Private Limited

Madhu Damodaran
Director
DIN: 00424780

Place: Bengaluru
Date: 16th May 2023

Guruprasad Srinivasan
Director
DIN: 07596207

Place: Bengaluru
Date: 16th May 2023

TRIMAX SMART INFRAPROJECTS PVT. LTD.

Trimax Smart Infraprojects Private Limited

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2023

(Amount in lakhs)

Statement of profit and loss	Note	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Revenue from operations	19	819.26	1,611.03
Other income	20	144.07	59.94
Total Income		**963.32**	**1,670.97**
Expenses			
Cost of materials and services	21	594.16	1,359.29
Employee benefits expense	22	149.46	128.34
Finance costs	23	197.06	70.14
Other expenses	24	(2.96)	(3,555.11)
Total expenses		**937.72**	**(1,997.34)**
Profit/(loss) before tax		**25.60**	**3,668.31**
Tax expense			
Current tax		-	(0.01)
Deferred tax		-	-
Profit/(loss) for the period		**25.60**	**3,668.30**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans	25	0.07	0.21
Income tax relating to items that will not be reclassified to profit or loss		-	(0.05)
Other comprehensive income for the period		**0.07**	**0.16**
Total comprehensive income for the period		**25.67**	**3,668.46**
Earnings per equity share (face value of Rs 10 each)	31		
Basic (Rs.)		256.02	36,683.01
Diluted (Rs.)		31.45	4,016.64

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

As per our report of even date attached

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Firm's Registration No:004542S/S200070

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TRIMAX SMART INFRAPROJECTS PVT. LTD.

Trimax Smart Infraprojects Private Limited

Statement of Cash flow Statement for the year ended 31 March 2023

(Amount in lakhs)

Statement of Cash Flows	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities		
Profit for the period	25.60	3,668.30
Adjustments for:		
Loss allowance on financial assets, net	(93.46)	(4,530.79)
Bad debts written off	-	945.79
Finance costs	197.06	70.14
Provision for balances with government authorities	50.00	-
Finance income on fixed deposit	(106.99)	(56.44)
Interest income on refund	-	(0.50)
Other Comprehensive Income	0.07	0.16
Operating cash flows before working capital changes	**72.28**	**96.65**
(Increase)/Decrease in Unbilled revenue and Trade receivables	2,037.34	2,820.04
(Increase)/Decrease in other current assets	56.44	59.02
Increase/(Decrease) in trade payables and other financial liabilities	(761.13)	(431.00)
Increase/(Decrease) in other liabilities and provisions	(36.85)	(153.64)
Cash generated from operations	**1,368.09**	**2,391.08**
Income taxes paid, net of refund	(70.28)	(45.33)
Net cash (used in) / provided by operating activities (A)	**1,297.81**	**2,345.75**
Cash flows from investing activities		
Bank deposits (having original maturity of more than three months)	(65.32)	(2,393.00)
Interest income on term deposits	106.99	56.44
Net cash (used in) / provided by investing activities (B)	**41.67**	**(2,336.56)**
Cash flows from financing activities		
Proceeds from borrowings	139.07	2,581.06
Redemption of other equity instrument	(1,270.00)	(2,500.00)
Interest paid	(197.06)	(70.14)
Interest income on refund	-	0.50
Net cash (used in) / provided by financing activities (C)	**(1,328.00)**	**11.43**
Net increase in cash and cash equivalents (A+B+C)	11.49	20.62
Cash and cash equivalents at the beginning of the period	25.40	4.79
Cash and cash equivalents at the end of the period	**36.89**	**25.40**

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

As per our report of even date attached

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TRIMAX SMART INFRAPROJECTS PVT. LTD.

Trimax Smart Infraprojects Private Limited
Statement of Changes in Equity for the year ended 31 March 2023

Equity share Capital and Other Equity *(Amount in lakhs)*

Particulars	Share Capital	OTHER EQUITY		Total Equity attributable to Equity holders of the Company
		Retained Earnings	Other Comprehensive Income	
Balance as of 01 April 2021	1.00	(12,431.99)	(0.16)	(12,431.15)
Add: Profit for the year	-	3,668.30	-	3,668.30
Add: Other comprehensive income (net of tax)	-	-	0.16	0.16
Balance as of 31 March 2022	**1.00**	**(8,763.68)**	**(0.00)**	**(8,762.69)**

Particulars	Share Capital	OTHER EQUITY		Total Equity attributable to Equity holders of the Company
		Retained Earnings	Other Comprehensive Income	
Balance as of 01 April 2022	1.00	(8,763.68)	(0.00)	(8,762.69)
Add: Profit for the year	-	25.60	-	25.60
Add: Other comprehensive income (net of tax)	-	-	0.07	0.07
Balance as of 31 March 2023	**1.00**	**(8,738.08)**	**0.06**	**(8,737.02)**

The accompanying notes form an integral part of the financial statements.
As per our report of even date attached

for Vasan & Sampath LLP
Chartered Accountants
Firm's Registration No:004542S/S200070

Unnikrishnan Menon
Partner
Membership No: 205703

Place: Bengaluru
Date: 16th May 2023

VASAN & SAMPATH LLP * BANGALORE INDIA * CHARTERED ACCOUNTANTS

for and on behalf of Board of Directors of
Trimax Smart Infraprojects Private Limited

Madhu Damodaran
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Director
DIN: 07596207

Place: Bengaluru
Date: 16th May 2023

TRIMAX SMART INFRAPROJECTS PVT. LTD.

Trimax Smart Infraprojects Private Limited
Notes to the Financial Statements for the year ended 31 March 2023

1. Company overview

Trimax Smart Infraprojects Private Limited was incorporated on 14th July 2017 under the Companies Act, 2013. The Company is formed for the purpose of providing various solutions for smart city project from Smart City Ahmedabad Development Limited including but not limited to the said project. The company currently functions as an Implementation Agency for supply, installation, commissioning and operation and maintenance for a Pan City CIT Infrastructure and intelligent command and control centre for Ahmedabad Smart City and various other smart city projects.

2.Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Ind AS financial statements. Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Basis of preparation

2.1 Statement of compliance

These Ind AS financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS") and the provisions of the Companies Act, 2013 ("Act") and the relevant rules thereunder. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

The Company Standalone Ind AS financial statements are approved for issue by the Company's Board of Directors on 16/05/2023.

These Ind AS financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency.

2.2 Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following :
i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments);
ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of Defined Benefit Obligations ("DBO").

iii.TSIPL's O&M contract with SCADL (Ahmedabad government authority) which ended during February 2023 and thereafter extended for a limited term, i.e. till end June 2023. The contract with SCADL was TSIPL's only customer contract. At this point, the management is uncertain as regards any further extension of the contract by SCADL, nor is there visibility as regards alternate plans for continuity of business for period exceeding 12 months from the reporting date i.e. March 31, 2023. Net worth as on the Balance sheet date is also significantly negative. Due to aforesaid reasons, the management has prepared the accounts with the fundamental assumption of "Going concern" being no longer appropriate. Accordingly, the assets are stated at lower of their carrying value and net realizable values, and liabilities have been stated at the value at which they are expected to be discharged.

2.3 Use of estimates and judgment

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

i) **Contingent liability**: Contingent liabilities are not recognised in the financial statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs (except, in the extremely rare circumstances where no reliable estimate can be made).

ii) **Income taxes**: Significant judgements are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Availability of future taxable profits against which deferred tax amount can be used.

iii) **Recognition of deferred tax assets**: Availability of future taxable profit against which tax losses carried forward can be used.

iv) **Measurement of defined benefit obligations:** Key actuarial assumptions used for actuarial valuation.

v) **Impairment of financial assets:** The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost.

vi) **Property, plant and equipment:** The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically.

vii) **Other estimates**: The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

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TRIMAX SMART INFRAPROJECTS PVT. LTD.

2.4 Measurement of fair values

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

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Items included in the Ind AS financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency.

2.5 Property, plant and equipment

Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any.
Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the consolidated statement of profit and loss.
Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on cost of the items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight-Line Method ('SLM'), and is recognised in the statement of profit and loss. The Management believes that the useful lives as given below best represent the period over which management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act ,2013. Depreciation for assets purchased/ sold during the year is proportionately charged. The Company estimated the useful lives for items of property, plant and equipment as follows:

Category	Useful life
Buidling	20 years
Plant and machinery	3 years
Computer equipment	3 years
Furniture and fixtures	5 years
Office equipment	5 years
Vehicles	3 years
Leasehold improvements*	As per lease term

The assets residual values, useful lives and depreciation method are reviewed and adjusted if appropriate, at each financial year end. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses).

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in progress'.

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TRIMAX INFRAPROJECTS PVT. LTD.

2.6 Intangible assets

(i) Intangible Assets

Other intangible assets such as computer software, copyright and trademarks are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation expenses in the standalone statement of profit and loss.

Category	Useful life
Brand	15 years
Software (leasehold)	Lease term or estimated useful life whichever is lower
Software (owned)	3 years
Copy rights and trademarks	3 years
Customer contracts	3 years
Customer relationship	5-10 years

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted if appropriate.

2.7 Impairment of non financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset/CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are generally charged to profit or loss on a straight-line basis over the period of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

2.8 Other Income

Other income is comprised primarily of interest income and exchange gain/loss on translation of other assets and liabilities. Interest income is recognized using the effective interest method.

2.9 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates in effect on the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognised in the consolidated statement profit and loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

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2.10 Revenue Recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018 using the cumulative catch-up transition method. The application of Ind AS 115 did not have material impact on the financial statements. As a result, the comparative information has not been restated.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration it expects to receive in exchange for those services.

At contract inception, the Company assesses its promise to transfer services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.

Revenue from fixed-price, fixed time frame contracts are recognised as per the terms of the arrangement with the customer where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. In fixed rate contracts, the performance obligation and control are being satisfied and transferred over time and revenue is being recognized by measuring progress towards completion of the performance obligation. Certain arrangements are on time and material basis and are recognised as the services are performed as per the terms of the arrangement with the customer.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation The transaction price of goods sold and services rendered is net of variable consideration. The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

The Company accrues the estimated cost of warranties at the time when the revenue is recognized. The accruals are based on the Company's historical experience of service delivery costs.

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of services to customer to which the asset relates.

The Company assesses the timing of the transfer of services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

The Company may enter into arrangements with third party suppliers to provide services. In such cases, the Company evaluates whether it is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether it controls the service before it is transferred to the customer. If the Company control the service before it is transferred to the customer, it is the principal; if not, it is the agent.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

2.11 Financial instruments

a) Recognition and Intial measurement

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

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

b)Classification and subsequent measurement

Financial Assets

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

- amortised cost;
- Fair Value through other comprehensive income (FVOCI) - debt investment;
- Fair Value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit and loss (FVTPL)

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Financial assets are not reclassified subsequent to their initial recognition.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
-the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
-the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
-the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

All financial assets not classified and measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

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

c) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and unbilled revenues. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The management also considers adjustment to the provision based on forward looking estimates and case specific facts.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12 month ECL.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.

ECL impairment loss allowance (or reversal) is recognised as an income/expense in the statement of profit and loss during the period.

d) Derecognition of financial assets

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

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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Financial Liability

a)Initial recognition andmeasurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss (FVTPL) or amortised cost.
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.
Financial liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at FVTPL.

Amortised Cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

c) Derecognition

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

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.12 Employee benefit

(a) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognised in other comprehensive income. Remeasurement of the net defined benefit liability/ asset (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

(b) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(c) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability using the projected unit credit method as at the balance sheet date.

The Unlimited Vacation leave policy is specially curated to ensure they have a great work-life balance and can take care of their family life. The basis of this policy is the care and mutual trust between the organization and the employee. This policy is effective from 1st January 2023.

(d) Short term benefit plans

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g. shortterm cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employees, and the amount of obligation can be estimated reliably.

(e) Termination benefit

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

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2.13 Taxes

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted as on the balance sheet date.

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

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except for the cases mentioned below.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

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

2.14 Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre -tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous Contract

A contract is considered to be onerous when the expected economic benefit to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognizes any impairment loss on the assets associated with the contract.

2.15 Provision for warranty

Provision for warranty is on account of warranties given on products sold by the Company. The amount of provision is based on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence.
The timing and amount of cash flows that will arise from these matters will be determined at the time of receipt of claims.

2.16 Contingent liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

2.17 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.18 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

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2.19 Earnings per share

The basic earnings per share is computed by dividing the net profit/ (loss) attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

2.20 Ind AS 116 – Leases:

Ind AS 116 Leases replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting largely unchanged from the existing standard – i.e. lessors continue to classify leases as finance or operating leases.

Based on the preliminary assessment, the Company does not expect any significant impacts on transition to Ind AS 116. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information when the standard will be adopted. The quantitative impacts would be finalised based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

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3 Other non-current financial assets

(Amount in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Bank deposits (due to mature after 12 months from the reporting date)*	-	2,393.00
	-	**2,393.00**

*Fixed deposits to the tune of INR 2,393 lakhs (31 March 2022: 2,393 lakhs) are lien marked to bank guarentee.

4 Deferred tax asset

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred Tax asset are attributable to		
Deferred Tax - OCI*		
*refer note 25	-	0.00
	-	**0.00**

5 Income tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax assets*	-	51.26
	-	**51.26**

*refer note 2.2 (iii)

6 Trade receivables

i) Trade receivables - billed

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured		
Undisputed Trade receivables		
Considered good	587.82	2,509.64
Considered doubtful	3,690.91	3,784.37
Less: Allowance for expected credit loss (considered doubtful)*	(3,690.91)	(3,784.37)
	587.82	**2,509.64**
*refer note 37		
Disputed Trade receivables		
Considered good	-	-
Considered doubtful	-	-
Less: Allowance for expected credit loss (considered good)	-	-
Less: Allowance for expected credit loss (considered doubtful)	-	-
	-	-
Net trade receivables - Billed	**587.82**	**2,509.64**
All trade receivables are current.		

ii) Trade receivables - unbilled

Particulars	As at 31 March 2023	As at 31 March 2022
Unbilled revenue	92.10	114.16
Less: Provision for impairment of unbilled revenue	-	-
	92.10	**114.16**
Total of trade receivable	**679.91**	**2,623.80**

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TRIMAX SMART INFRAPROJECTS P. LTD.

Trimax Smart Infraprojects Private Limited
Notes to the financial statements for the year ended 31 March 2023
Trade receivable ageing schedule as on 31 March 2023:

(Amount in lakhs)

	Outstanding for the following periods from date of transaction							
Particulars	**Not billed**	**Not due**	**Less than 6 months**	**6 months - 1 year**	**1 - 2 year**	**2 - 3 year**	**More than 3 years**	**Total**
Undisputed trade receivables								
Considered good	92.10	279.00	50.27	-	20.34	-	238.21	**679.92**
Significant increase in credit risk	-	19.13	35.71	38.50	1,061.86	-	2,535.71	**3,690.91**
Credit impaired	-	(19.13)	(35.71)	(38.50)	(1,061.86)	-	(2,535.71)	**(3,690.91)**
Disputed trade receivables								
Considered good	-	-	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-

Trade receivable ageing schedule as on 31 March 2022:

	Outstanding for the following periods from date of transaction							
Particulars	**Not billed**	**Not due**	**Less than 6 months**	**6 months - 1 year**	**1 - 2 year**	**2 - 3 year**	**More than 3 years**	**Total**
Undisputed trade receivables								
Considered good	114.16	187.06	1,199.35	56.07	-	20.11	1,047.05	**2,623.80**
Significant increase in credit risk	-	15.00	-	-	-	71.31	3,698.06	**3,784.37**
Credit impaired	-	(15.00)	-	-	-	(71.31)	(3,698.06)	**(3,784.37)**
Disputed trade receivables								
Considered good	-	-	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-

TRIMAX SMART INFRAPROJECTS PVT. LTD.

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7 Cash and cash equivalents

(Amount in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents		
Balances with banks		
In current accounts	36.89	25.40
Cash and cash equivalents in balance sheet	**36.89**	**25.40**
Cash and cash equivalent in the statement of cash flow	**36.89**	**25.40**

Includes INR 804 as at 31st March 2023 (INR. 804 for March 2022) held in Escrow Account (in the name of Trimax IT Infrastructure & Services Limited)., erstwhile JV partner.

8 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Bank deposits (due to mature before 12 months from the reporting date)*	2,458.32	-
Interest accrued but not due	81.63	50.80
	2,539.95	**50.80**

*Fixed deposits to the tune of INR 2,393 lakhs (31 March 2022: 2,393 lakhs) are lien marked to bank guarentee.

9 Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Advances to employees	-	0.12
Prepaid expenses	6.75	25.17
Income tax assets	121.54	-
Balances with government authorities	148.39	167.12
Provision for balances with government authorities*	(50.00)	-
	226.68	**192.41**

*GST credit in excess of future expected liabilities has been provided thereof since the financials are provided in other than going concern.

10 Share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
10,000 (31 March 2022: 10,000) equity shares of par value of Rs 10	1.00	1.00
	1.00	**1.00**
Issued, subscribed and paid-up		
10,000 (31 March 2022: 10,000) equity shares of par value of Rs 10	1.00	1.00
	1.00	**1.00**

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10.1 Details of shareholding of promoters:

Promoter name	As at 31 March 2023			As at 31 March 2022		
	Number of shares	% held	% change during the year	Number of shares	% held	% change during the year
Ajit Isaac	1	0.01%	0.00%	1	0.01%	0.00%
Quess Corp Limited	9,999	99.99%	0.00%	9,999	99.99%	0.00%
	10,000	**100%**		**10,000**	**100%**	

10.2 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the commencement of the year	10,000	1.00	10,000	1.00
Shares issued during the year	-	-	-	-
At the end of the year	**10,000**	**1.00**	**10,000**	**1.00**

10.3 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, after distribution of all preferential amounts (if any) in proportion to the number of equity shares held.

10.4 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% held	Number of shares	% held
Equity shares				
Equity shares of par value Rs 10 each				
Quess Corp Limited	9,999	99.99%	9,999	99.99%
	9,999	99.99%	**9,999**	99.99%

As per the records of the Company, including its register of members/shareholders, the above shareholding represents both legal and beneficial ownership of the shares.

11 Other equity instrument

11.1 Compulsorily convertible debentures

(a) Reconciliation of the number of compulsorily convertible debentures outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023		As at 31 March 2022	
	No.	Amount	No.	Amount
Opening Balance	-	-	1,29,000	12,900
Issues during the year	-	-	-	-
Converstion to OCDs during the year	-	-	1,29,000	12,900
Number of compulsorily convertible debentures (CCDs)	-	-	-	-

(b) The rights, preferences and restrictions attaching to compulsorily convertible debentures issued to Quess Corp Limited, holding company including restirctions if any :

The Company had one class of compulsorily convertible debentures of Rs 10,000 per CCD. These CCDs are unsecured and carry a discretionary coupon of 10% per annum. The CCDs had a tenure of 10 years from the date of issue. The holder of these CCDs had the right to convert any or all of the CCDs, any time during the tenure of CCDs. CCDs outstanding at the end of the tenure shall be automatically be converted into Equity shares of the Company.

(c) Particulars of compulsorily convertible debentures held by holding, ultimate holding, subsidiaries or associates of the holding company or the ultimate holding company:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No.	Amount	No.	Amount
Quess Corp Limited, holding company	-	-	-	-

(d) CCD holders holding more than 5% of compulsorily convertible debentures along with the total number of CCDs held at the beginning and at the end of the reporting period is as given below

Particulars	As at 31 March 2023		As at 31 March 2022	
	% of holding	No.	% of holding	No.
Quess Corp Limited, holding company	-	-	-	-

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11.2 Optionally Convertible Debentures

(a) Reconciliation of the number of optionally convertible debentures outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023		As at 31 March 2022	
	No.	Amount	No.	Amount
Opening Balance	1,04,000	10,400	-	-
Converstion from CCDs to OCDs during the year*	-	-	1,29,000	12,900
Redeemed during the year**	12,700	1,270	25,000	2,500
(OCDs)	**91,300**	**9,130**	**1,04,000**	**10,400**

(b) The rights, preferences and restrictions attaching to optionally convertible debentures issued to Quess Corp Limited, holding company including restirctions if any :

The Company has one class of optionally convertible debentures of Rs 10,000 per OCD. These OCDs are unsecured and carry a discretionary coupon of 10% per annum. The OCDs shall have a tenure of 10 years from the date of issue.

(c) Particulars of optionally convertible debentures held by holding, ultimate holding, subsidiaries or associates of the holding company or the ultimate holding company:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No.	Amount	No.	Amount
Quess Corp Limited, holding company	91,300	9,130	1,04,000	10,400

(d) OCD holders holding more than 5% of optionally convertible debentures along with the total number of OCDs held at the beginning and at the end of the reporting period is as given below

Particulars	As at 31 March 2023		As at 31 March 2022	
	% of holding	No.	% of holding	No.
Quess Corp Limited, holding company	100	91,300	100	1,04,000

*During the EGM held on 2nd December 2021, the members have approved the restructuring of Compulsorily convertible debentures to Optionally convertible debentures.

**During the board meeting held on 9th December 2021, the company has approved the redemption of 25,000 Optionally convertible debentures at its issue price of INR 10,000/- aggregating to INR 25,00,00,000.

**During the board meeting held on 15th October 2022, the company has approved the redemption of 7,700 Optionally convertible debentures at its issue price of INR 10,000/- aggregating to INR 7,70,00,000.

**During the board meeting held on 30th January 2023, the company has approved the redemption of 5,000 Optionally convertible debentures at its issue price of INR 10,000/- aggregating to INR 5,00,00,000.

12 Other equity*

Particulars		*(Amount in lakhs)*
	As at 31 March 2023	As at 31 March 2022
Other comprehensive income	0.06	(0.00)
Retained earnings	(8,738.08)	(8,763.68)
	(8,738.02)	**(8,763.69)**

* For detailed movement of reserves refer Statement of changes in Equity

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13 Non-current provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefit		
Provision for gratuity	-	7.42
Provision for compensated absences	-	2.78
	-	**10.20**

14 Current borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Loan from related parties, unsecured		
From related party (refer note 32)	2,749.43	2,610.35
	2,749.43	**2,610.35**

Unsecured loan from related party having interest rate equal to govt yeild bond rate, repayable on demand.

15 Trade payables

i) Trade payables - billed dues

Particulars	As at 31 March 2023	As at 31 March 2022
Undisputed dues		
Trade payables to related parties (refer note 32)	209.02	866.35
Other trade payables	0.52	-
Dues to micro, small and medium enterprises	-	-
	209.54	**866.35**
Disputed dues		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	-	-
	-	-
Net billed trade payables	**209.54**	**866.35**

All trade payables are current.

ii) Trade payables - unbilled dues

Particulars	As at 31 March 2023	As at 31 March 2022
Undisputed dues		
Total outstanding dues of micro enterprises and small enterprises	2.50	2.50
Total outstanding to related parties	26.69	87.28
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	0.51	0.33
	29.70	**90.12**
Disputed dues		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	-	-
	-	-
Net unbilled trade payables	**29.70**	**90.12**
Total billed and unbilled trade payable	**239.23**	**956.47**

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Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2023:

(Amount in lakhs)

	Outstanding for the following periods from date of transaction					
Particulars	**Unbilled dues**	**Less than 1 year**	**1 - 2 year**	**2 - 3 year**	**More than 3 years**	**Total**
Undisputed						
- Micro enterprises and small enterprises	2.50	-	-	-	-	**2.50**
- Others	27.20	209.54	-	-	-	**236.73**
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2022:

	Outstanding for the following periods from date of transaction					
	Unbilled dues	**Less than 1 year**	**1 - 2 year**	**2 - 3 year**	**More than 3 years**	**Total**
Undisputed						
- Micro enterprises and small enterprises	2.50	-	-	-	-	**2.50**
- Others	87.62	866.35	-	-	-	**953.97**
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-

*Includes Related Party Balances (refer note 32)

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16 Other current financial liabilities

(Amount in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Other Payables		
Accrued salaries and benefits	15.06	11.48
Amount payable to related parties	16.80	14.27
	31.87	**25.76**

*Includes Related Party Balances (refer note 32)

17 Current provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for gratuity	10.11	0.12
Provision for compensated absences	1.69	0.93
	11.81	**1.05**
Others		
Provision for warranty	56.37	56.37
	56.37	**56.37**
	68.18	**57.42**

17.1 The disclosures of provisions movement as required under the provisions of Ind AS 37 as follows

Particulars	Provision for warranty Amount	Provision for Penalty Amount
Balance as at 1 April 2021	**54.76**	-
Provision recognized / (reversed)	1.61	-
Balance at the end of 31 March 2022	**56.37**	-
Provision recognized / (reversed)	-	-
Balance at the end of 31 March 2023	**56.37**	-

18 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Balances payable to government authorities	1.75	39.16
	1.75	**39.16**

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19 Revenue from operations

(Amount in lakhs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from execution of contracts for material and services	819.26	1,611.03
	819.26	**1,611.03**

20 Other income

Particulars	31 March 2023	31 March 2022
Interest on income tax refund	-	0.50
Interest income	106.99	56.44
Liabilities no longer payable	37.07	-
Miscellaneous income	-	3.00
	144.07	**59.94**

21 Cost of materials

Particulars	31 March 2023	31 March 2022
Cost of materials and services	594.16	1,359.29
	594.16	**1,359.29**

22 Employee benefits expense

Particulars	31 March 2023	31 March 2022
Salaries and wages	142.87	120.26
Contribution to provident and other funds	4.93	3.96
Expenses related to post-employment defined benefit plan	3.21	2.69
Expenses related to compensated absences	(2.02)	0.77
Staff welfare expenses	0.47	0.67
	149.46	**128.34**

23 Finance costs

Particulars	31 March 2023	31 March 2022
Interest on borrowings	197.06	70.14
	197.06	**70.14**

24 Other expenses

Particulars	31 March 2023	31 March 2022
Provision for balances with government authorities	50.00	-
Legal and professional fees	11.15	7.50
Loss allowance on financial assets	(93.46)	(4,530.79)
Bad debts written off	-	945.79
Bank charges	16.12	12.10
Miscellaneous expenses	4.90	3.09
Provision for warranty	-	1.61
Local Conveyance	8.31	4.25
Rates and taxes	0.02	1.33
	(2.96)	**(3,555.11)**

Payment to auditors

Statutory audit	4.00	4.00
	4.00	**4.00**

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25 Taxes

A. Amount recognised in profit and loss account

(Amount in lakhs)

Particulars	For the period ended 31 March 2023	For the period ended 31 March 2022
Statement of profit and loss account		
Current income tax:		
In respect of the current period	-	-
Income tax expense reported in the statement of profit and loss	-	-

B. Income tax recognised in other comprehensive income

Particulars	For the period ended 31 March 2023	For the period ended 31 March 2022
Remeasurement of the net defined benefit liability/ asset		
Before tax	0.07	0.21
Tax (expense)/ benefit	-	(0.05)
Net of tax	**0.07**	**0.16**

C. Reconciliation of effective tax rate

(Amount in lakhs)

Particulars	For the period ended 31 March 2023	For the period ended 31 March 2022
Profit/(loss) before tax	25.60	3,668.31
Tax using company's Domestic tax rate of March 2023 - 25.17% (March 2022 25.17%)	6.44	923.31
Effect of:		
Non-deductible expenses	(10.78)	(1,138.99)
Deferred Tax	-	-
Deferred Tax Not recognised	4.34	215.68
Income tax expense reported in the Statement of profit and loss	-	-

D. The following table provides the details of income tax assets and income tax liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax assets	121.54	51.26
Net income tax asset/(liability) at the end of the period	**121.54**	**51.26**

Deferred tax relates to the following:

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred Tax asset are attributable to		
Others	-	0.00
	-	**0.00**

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E. Recognised deferred tax assets and liabilities

Movement of deferred tax assets / liabilities presented in the balance sheet

For the period ended 31 March 2023	Opening balance	Additions through business combination	Recognized in profit and loss	Recognised in OCI	Closing balance
Deferred tax asset on:					
Others	0.00	-	-	(0.00)	-
Gross deferred tax assets	**0.00**	-	-	**(0.00)**	-

F. Unrecognized deferred tax assets/ (liabilities)

As at 31st March 2023,unrecognised deferred tax assets amount to INR 1,977.47 lakhs which can be carried forward up to a specified period. This relates primarily to buisness losses and other deductible temporary differences. The deferred tax asset has not been recognised on the basis that its recovery is not probable in the foreseeable future.

Unrecognised deferred tax assets expire unutilised based on the year of origination as follows:

As at 31 March 2023	Amount in lakhs
Carried forward losses	
2024	-
2025	-
2026	-
2027	362.76
Thereafter	1,614.71

26 Financial instruments - fair value and risk management

Financial instruments - by category

(Amount in lakhs)

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets:						
Trade receivables	-	-	679.91	-	-	2,623.80
Cash and cash equivalents including other bank balances	-	-	36.89	-	-	25.40
Other financial assets	-	-	2,539.95	-	-	50.80
Total financial assets	**-**	**-**	**3,256.76**	**-**	**-**	**2,700.00**
Financial Liabilities:						
Loans and borrowings	-	-	2,749.43	-	-	2,610.35
Trade payables	-	-	239.23	-	-	956.47
Other financial liabilities	-	-	31.87	-	-	25.76
Total financial liabilities	**-**	**-**	**3,020.52**	**-**	**-**	**3,592.58**

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

(Amount in lakhs)

Particulars	Carrying amount 31 March 2023	Fair value		
		Level 1	Level 2	Level 3
Financial assets not measured at fair value				
Trade receivables	679.91	-	-	-
Cash and cash equivalents including other bank balances	36.89	-	-	-
Other financial assets	2,539.95	-	-	-
Total financial assets	**3,256.76**	**-**	**-**	**-**
Financial liabilities not measured at fair value				
Loans and borrowings	2,749.43	-	-	-
Trade payables	239.23	-	-	-
Other financial liabilities	31.87	-	-	-
Total financial liabilities	**3,020.52**	**-**	**-**	**-**

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(Amount in lakhs)

Particulars	Carrying amount 31 March 2022	Fair value		
		Level 1	Level 2	Level 3
Financial assets not measured at fair value				
Trade receivables	2,623.80	-	-	-
Cash and cash equivalents including other bank balances	25.40	-	-	-
Other financial assets	50.80	-	-	-
Total financial assets	**2,700.00**	-	-	-
Financial liabilities not measured at fair value				
Loans and borrowings	2,610.35	-	-	-
Trade payables	956.47	-	-	-
Other financial liabilities	25.76	-	-	-
Total financial liabilities	**3,592.58**	-	-	-

Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

A Financial Assets:

Fair value of all these financial assets are measured at balance sheet date value, as most of them are settled within a short period and so their fair value are assumed to be almost equal to the balance sheet date value.

B Financial Liabilities:

1) **Trade payables and other liabilities:** Fair values of trade and other liabilities are measured at balance sheet value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the balance sheet values.

2) **Financial liability:** The fair value of financial liability has been determined by discounting consideration payable on commitment to sell. The probability of the estimate within the range can be reasonably assessed and are used in the management's estimates of fair value of this put option.

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27 Revenue from Contracts with customers

(i) Disaggregation of revenue

The table below presents disaggregated revenues from contracts with customers by geography for each of our business segments for the period ended 31 March 2023. The company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Period ended 31 March 2023 *(Amount in lakhs)*

Particulars	Smartcity	Total
Revenues by Geography		
India	819.26	819.26
Total	**819.26**	**819.26**

(ii) Trade Receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.
Invoicing in excess of earnings are classified as unearned revenue.

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(Amount in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Receivables, which are included in 'Trade and other receivables'	4,278.73	6,294.01
Contract assets (Unbilled revenue)	92.10	114.16

The unbilled revenue (contract assets) primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customer, for which revenue is recognised on completion of contract terms.

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2023

(Amount in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning	114.16	-
Add : Revenue recognized during the period	819.26	1,611.03
Less : Invoiced during the period	841.32	1,496.87
Balance at the end	**92.10**	**114.16**

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the company has not disclosed the value of remaining performance obligations for
(i) contracts with an original expected duration of one year or less and
(ii) contracts for which the company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2023, other than those meeting the exclusion criteria mentioned above, is Nil. Out of this, the entity expects to recognize revenue of around 100% within the next one year.

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28 Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk

Risk management framework

The Board of Directors of Trimax Smart Infraprojects Private Limited has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's principal financial liabilities comprise Provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and current asset. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by trade receivables and unbilled revenue. Trade receivables and unbilled revenue are typically unsecured and are derived from revenue from customers primarily located in India.

The Company has established a credit policy under which each customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. The Company does not have trade receivables for which no loss allowance is recognised because of collateral.

Expected Credit Loss

Based on the collection history, management has reason to estimate a minimum of 18-20% of more than 365 days shall be collected in the subsequent periods. Accordingly,management has considered to provide ECL provision of INR 3,690.91 lakhs. against the outstanding receivable.

The movement in the allowance for impairment in respect of trade receivables and unbilled revenue is as follows:

(Amount in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance as at the beginning of the year	3,784.37	8,315.16
Impairment loss recognised/(reversed) under expected credit loss model	(93.46)	(3,585.00)
Less: Bad debts written off	-	(945.79)
Balance as at the end of the year	**3,690.91**	**3,784.37**

ii) Liquidity risk

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

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually the excess of funds is invested in fixed deposit. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.The Company's objective is to maintain a balance between cash outflow and inflow. The company believes that the working capital is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

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i) Financing arrangement

The Company maintains the following line of credit:

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023:

As at 31 March 2023

(Amount in lakhs)

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	2,749.43	2,749.43	-	-	-
Trade payables	239.23	239.23	-	-	-
Other financial liabilities	31.87	31.87	-	-	-

As at 31 March 2022

(Amount in lakhs)

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	2,610.35	2,610.35	-	-	-
Trade payables	956.47	956.47	-	-	-
Other financial liabilities	25.76	25.76	-	-	-

iii) Market risk

i) Currency risk

The Company is not exposed to currency risk as there is no mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the Company.

ii) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowing comprises of working capital loan from related parties which carries variable rate of interest, which exposes it to interest rate risk.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	2,749.43	2,610.35
Total borrowings	**2,749.43**	**2,610.35**

(b) Sensitivity

(Amount in lakhs)

Particulars	Profit and loss		Equity, net of tax	
	1% Increase	1% decrease	1% Increase	1% decrease
31 March 2023				
Variable rate borrowings	(27.49)	27.49	(20.35)	20.35

(Amount in lakhs)

Particulars	Profit and loss		Equity, net of tax	
	1% Increase	1% decrease	1% Increase	1% decrease
31 March 2022				
Variable rate borrowings	(26.10)	26.10	(19.32)	19.32

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29 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of non-current borrowing, current borrowing, current maturities of long-term borrowings and current maturities of finance lease obligations less cash and cash equivalents.

The capital structure is as follows :-

(Amount in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Gross debt	2,749.43	2,610.35
Less: Cash and cash equivalents	(36.89)	(25.40)
Adjusted net debt	**2,712.54**	**2,584.95**
Total equity	392.98	1,637.31
Total equity	**392.98**	**1,637.31**
Net debt to equity ratio	**6.90**	**1.58**

30 Contingent liabilities and Capital commitment

(Amount in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Contingent liabilities	-	-
Capital commitments	-	-
	-	-

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31 Earnings per share

(Amount in lakhs)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Nominal value of equity shares (Rs. Per share)	10	10
Net profit after tax for the purpose of earnings per share	26	3,668
Weighted average number of shares used in computing basic earnings per share	10,000	10,000
Basic earnings per share (Rs.)	256.02	36,683.01
Weighted average number of shares used in computing diluted earnings per share	81,396	91,328
Diluted earnings per share (Rs.)	31.45	4,016.64

32 Related party disclosures

(i) Name of related parties and description of relationship:

Holding company	Quess Corp Limited
- Entities having significant influence	Quess Corp Limited Fairfax Financial Holdings Limited Fairbridge Capital (Mauritius) Limited FFHL Group Ltd Fairfax (Barbados) International Corp Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")
- Subsidiaries (including step subsidiaries) of Holding company	MFX Infotech Private Limited Brainhunter Systems Limited Mindwire Systems Limited Quess (Philippines) Corp. Quess Corp (USA) Inc. Quesscorp Holdings Pte. Ltd Quessglobal (Malaysia) Sdn. Bhd. Quess Corp Lanka (Private) Limited Quesscorp Singapore Pte Limited (formerly known as "Comtel Solutions Pte. Limited") MFXchange Holdings, Inc. MFXchange US, Inc. Quess Corp Vietnam LLC Excelus Learning Solutions Private Limited Conneqt Business Solution Limited Vedang Cellular Services Private Limited Golden Star Facilities and Services Private Limited Quess Selection & Services Pte Limited (formerly known as "Comtelpro Pte. Ltd ") Comtelink Sdn. Bhd. Monster.com (India) Private Limited Monster.com SG PTE Limited Monster.com HK Limited Agensi Pekerjaan Monster Malaysia Sdn. Bhd Qdigi Services Limited Greenpiece Landscapes India Private Limited Simpliance Technologies Private Limited Quesscorp Management Consultancies Quesscorp Manpower Supply Services LLC Quess Services Limited Allsec Technologies Limited Allsectech Inc. USA Allsectech Manila Inc. Philippines Terrier Security Services (India) Private Limited Quess East Bengal FC Private Limited (under liquidation effective 02 September 2020) Billion Careers Private Limited Heptagon Technologies Private Limited Quess Corp NA LLP (w.e.f 17 May 2022) Stellarslog Technovation Private Limited (w.e.f 7 April 2022)
- Associates of Holding company	Quess Recruit, Inc. Agency Pekerjaan Quess Recruit Sdn. Bhd. Stellarslog Technovation Private Limited (till 6 April 2022)
- Joint Ventures of Holding company	Himmer Industrial Services (M) Sdn Bhd
- Entity having common directors	Quess International Services Private Limited (Golden Star Facilities and Services Private Limited) Qdigi Services Limited Terrier Security Services (India) Private Limited Stellarslog Technovation Private Limited Monster.com (India) Private Limited Allsec Technologies Limited Conneqt Business Solution Limited

Key executive management personnel **Name**	**Designation**
Guruprasad Srinivasan	Director
Abhinandan Raghuthaman	Additional Director (Appointed w.e.f. 1st April 2021 and Resigned w.e.f. 26th November 2021)
Madhu Damodaran	Director (Appointed w.e.f. 26th November 2021)

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(ii) Related party transactions during the period

(Amount in lakhs)

Particulars		31 March 2023	31 March 2022
Procurement of Material/Services			
Professional fees	Quess Corp Limited	594.16	1,359.29
Finance costs	Allsec Technologies Limited	0.10	0.09
Payment made by related parties on behalf of the Company	Quess Corp Limited	197.06	70.14
Repayment of Loans to related parties	Quess Corp Limited	25.64	20.79
Redemption of OCD	Quess Corp Limited	211.00	29.95
Loans taken from related parties	Quess Corp Limited	1,270.00	2,500.00
	Quess Corp Limited	154.00	2,557.95

(iii) Balance receivable from and payable to related parties as at the balance sheet date:

(Amount in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payables		
Quess Corp Limited	209.02	866.34
Allsec Technologies Limited	0.01	0.01
Borrowings		
Quess Corp Limited	2,749.43	2,610.35
Other payable		
Quess Corp Limited	16.80	14.27
Optionally Convertible Debentures		
Quess Corp Limited	9,130.00	10,400.00
Compulsorily Convertible debentures		
Quess Corp Limited	-	-

(iv) Compensation of key managerial personnel*

(Amount in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Salaries and other employee benefits to whole-time directors and executive officers	-	-
Others if any, specify nature	-	-
	-	-

*Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences and employee share-based payment since, provision for these are based on an actuarial valuation carried out for the Company as a whole.

Terms and conditions

All transactions with these related parties are priced at arm's length basis and resulting outstanding balances are to be settled in cash within six months to one year of reporting date. None of the balances are secured.

33 Assets and liabilities relating to employee benefits

The following table sets out status of the gratuity and compensated Absences plans and the amounts recognized in the Company's financial statements as at 31 March 2023.

(Amount in lakhs)

Particulars	As at 31 March 2023	As at 31 March 2022
Net defined benefit liability: gratuity plan	10.11	7.54
Liability for compensated absences	1.69	3.71
Total employee benefit liability	**11.81**	**11.25**
Current	11.81	1.05
Non-current (refer note 2.2 (m))	-	10.20
	11.81	**11.25**

The Company does not have any assets relating to employee benefits.

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. It entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk

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Trimax Smart Infraprojects Private Limited
Notes to the financial statements for the year ended 31 March 2023
Reconciliation of net defined benefit liability/ asset
The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ asset and its components

(Amount in lakhs)

Particulars	31 March 2023	31 March 2022
Change in defined benefit obligation		
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	7.54	5.06
Additions through business combination	-	-
Current service cost	2.69	2.36
Interest cost	0.52	0.33
Past service cost	-	-
Benefit settled	-	-
Actuarial (gains)/ losses recognised in other comprehensive income	-	-
- Changes in experience adjustments	0.32	0.12
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	(0.39)	(0.33)
Obligation at the end of the year	**10.69**	**7.54**
Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	-	-
Additions through business combination	-	-
Interest income on plan assets	-	-
Remeasurement- actuarial gain/(loss)	-	-
Return on plan assets recognised in other comprehensive income	-	-
Contributions	-	-
Benefits settled	0.58	-
Plan assets as at the end of the year	**0.58**	-
Net defined benefit liability	**(10.11)**	**(7.54)**

Expense recognised in profit or loss

(Amount in lakhs)

Particulars	For the period ended 31 March 2023	For the period ended 31 March 2022
Current service cost	2.69	2.36
Interest cost	0.52	0.33
Past service cost	-	-
Past service cost	-	-
Interest income	-	-
Net gratuity cost	**3.21**	**2.69**

Remeasurement recognised in other comprehensive income

(Amount in lakhs)

Particulars	For the period ended 31 March 2023	For the period ended 31 March 2022
Remeasurement of the net defined benefit liability	(0.07)	(0.21)
Remeasurement of the net defined benefit asset	-	-
	(0.07)	**(0.21)**

Defined benefit obligation - Actuarial Assumptions

Particulars	For the period ended 31 March 2023	For the period ended 31 March 2022
Discount rate	7.35%	6.90%
Future salary growth	9.00%	9.00%
Attrition rate	10.00%	10.00%
Mortality rate (% of IALM 2012-14)	100%	100%
Rate of return on planned asset		
Average duration of defined benefit obligation (in years)		

Sensitivity analysis
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

(Amount in lakhs)

	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	9.34	11.00	6.89	8.29
Future salary growth (1% movement)	10.98	9.34	8.27	6.89
Mortality rate (10% movement)	10.11	10.12	7.54	7.54
Attrition rate (50% movement)	9.52	10.97	6.72	8.68

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34 Ratios

Ratios	Numerator	Denominator	Ratio 22-23	Ratio 21-22
Current ratio	3,483	3,090	1.13:1	0.78:1
Debt-equity ratio	2,749	393	7.00:1	1.59:1
Debt service coverage ratio	223	197.06	1.13:1	53.30:1
Return on equity ratio	26	1,015	0.03:1	3.48:1
Inventory turnover ratio	594	-	0.00:1	0.00:1
Trade receivables turnover ratio	819	1,652	0.50:1	0.70:1
Trade payables turnover ratio	594	598	0.99:1	1.98:1
Net capital turnover ratio	819	393	2.08:1	-2.02:1
Net profit ratio	26	819	0.03:1	2.28:1
Return on capital employed	223	3,143	0.07:1	1.43:1
Return on investment	26	393	0.07:1	2.24:1

A. Current Ratio = Current Assets divided by Current Liabilities
B. Debt-equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings and lease liabilities
C. Debt Service Coverage Ratio (DSCR) = Earnings available for debt services (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc) divided by Total interest and lease payments and principal repayments

D. Return on equity ratio : Net profit after tax less preference dividend divided by Average Shareholder Equity
E. Inventory turnover ratio : Cost of materials consumed divided by Average Inventory (Opening + Closing balance / 2)
F. Trade Receivables turnover ratio = Credit Sales (Total revenue from operations +Opening Unbilled- Closing Unbilled-Opening unearned revenue+ Closing Unearned revenue) divided by Average trade receivables ((Opening + Closing balance / 2)

G. Trade payables turnover ratio = Credit purchases (Cost of goods sold+ other expenses+ Opening provision for expenses- Closing Provision for expenses- Impairment loss allowance on financial asset- Loss on sale of fixed asset- forex gain loss-Expenditure on CSR-Bad debt/Deposits written off) divided by average trade payables

H. Net capital turnover ratio = Net Sales divided by Working Capital
I. Net profit ratio = Net profit after tax divided by Revenue from operations
J. Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes(EBIT) divided by Average Capital Employed- pre cash (Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability)

K. Return on investment: PAT divided by Total Equity

A. Current Ratio = Current Assets divided by Current Liabilities

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Current ratio	Current Assets (a) / Current Liabilities(b)	3,483 3,090	1.13:1	2,892 3,689	0.78:1	44%

Reason for change more than 25%: a. The increase in current ratio is due to receivables collected, FD movement from non-current to current during the year and creditors payments during the year.

B. Debt-equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Debt-equity ratio	Total debt (a) / Total Equity(b)	2,749 393	7.00:1	2,610 1,637	1.59:1	339%

Reason for change more than 25%: The increase in ratio is due to repayment of OCDs during the year.

C. Debt Service Coverage Ratio (DSCR) = Earnings available for debt services divided by Total interest and principal repayments

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Debt-equity ratio	EBITDA (a)/ Interest+ PrincipalRepayments(b)	223 197.06	1.13:1	3,738 70	53.30:1	98%

* EBITDA refers to profit for the year before tax+ Non cash Operating expense+ Finance cost
* Principal repayments considered for current year repayments

Profit for the year	26	3,668
Add: Non cash operating expenses and finance cost		
'- Depreciation and Amortization	-	-
'- Finance cost	197.06	70
Earnings available for debt services(EBITDA)	223	3,738

Reason for change more than 25%: c. The increase in ratio is due to reversal of provision for doubtful debt during last year and increase in interest for the period due to additional loan receipt

VASAN & SAMPATH LLP * BANGALORE INDIA * CHARTERED ACCOUNTANTS *

D. Return on equity ratio : Net profit after tax divided by Equity

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Return on equity ratio	PAT (a) / Avg Equity(b)	26 1,015	0.03:1	3,668 1,053	3.48:1	99%

Reason for change more than 25%: The increase in ratio is due to reversal of provision for doubtful debt during last year

E. Inventory turnover ratio : Cost of materials consumed divided by closing inventory

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Inventory turnover ratio	Cost of materials consumed (a)/Avg Inventory (b)	594 -	0.00:1	1,359 -	0.00:1	0%

Reason for change more than 25%: There is no inventory in books

F. Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Trade Receivables turnover ratio	Credit sales (a) / Avg Trade receivables(b)	819 1,652	0.50:1	1,497 2,127	0.70:1	30%

Reason for change more than 25%: The increase is due to receivables collected during the year

G. Trade payables turnover ratio = Credit purchases divided by closing trade payables

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Trade payables turnover ratio	Cr purchases(a) / Avg Trade payables(b)	594 598	0.99:1	2,335 1,176	1.98:1	50%

Reason for change more than 25%: The increase due to repayment to trade payable during the year

H. Net capital Turnover Ratio =Revenue from Operations divided by Net Working capital whereas net working capital= current assets - current liabilities

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Net capital Turnover Ratio	Revenue from operations(a) / Net Working capital (b)	819 393	2.08:1	1,611 (797)	-2.02:1	203%

Reason for change more than 25%: The decrease is due to negative working capital during the year

I. Net profit ratio = Net profit after tax divided by Revenue from operations

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Net profit ratio	PAT(a) / Revenue from operations(b)	26 819	0.03:1	3,668 1,611	2.28:1	99%

Reason for change more than 25%: 1. The increase due to provision for doubtful debt reversed during previous year and decrease in revenue from operations during the period.

J . Return on Capital employed- pre cash (ROCE)=Earnings before interest and taxes(EBIT) divided by Capital Employed- pre cash

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Return on Capital employed	EBIT (a) / Capital employed(b)	223 3,143	0.07:1	3,738 2,611	1.43:1	95%

Reason for change more than 25%: The increase due to provision for doubtfule debt reversed during previous year

K.Return on investment:

Ratio Name	Definition	31st March 2023	Ratio 22-23 (a/b)	31st March 2022	Ratio 21-22 (a/b)	% of change
Return on investment	PAT (a) / Avg Equity(b)	26 393	0.07:1	3,668 1,637	2.24:1	97%

Reason for change more than 25%: The increase due to provision for doubtfule debt reversed during previous year and redemption of OCDs

VASAN & SAMPATH LLP ★ BANGALORE INDIA ★ CHARTERED ACCOUNTANTS

TRIMAX SMART INFRAPROJECTS PVT. LTD.

35 Segment reporting

The Board of directors of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The Company is engaged in supply, installation, commissioning, operations and maintenance of smart city projects and is considered by CODM as the only reportable business segment taking into account the nature of the business, the organization structure, internal reporting structure and risk and rewards.

a) Revenue from major services

(Amount in lakhs)

Particulars	31 March 2023	31 March 2022
Revenue from execution of contracts for material and services	819.26	1,611.03
	819.26	**1,611.03**

b) Geographical information

All the assets of the Company are located in India. The Company caters to the needs of only the Indian market. Accordingly, there are no reportable geographical information.

36 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum.

(Amount in lakhs)

Particulars	31 March 2023	31 March 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2.5	2.5
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above		
	2.50	**2.50**

37 Trimax IT Settlement and Exit from Joint venture

Background and operations

Originally, the Company (TSIPL) through a subcontracting arrangement provided hardware, software, maintenance and technical support to Trimax IT Infrastructure & Services Limited ("Trimax"). The joint venture partner was Trimax along with Quess Corp Limited. Trimax executed an agreement with Smart City Ahmedabad Development Limited ("SCADL") a government undertaking, in 2017 for supply, installation, commissioning and operation and maintenance for a Pan CIT infrastructure and intelligent command and control center for the Ahmedabad Smart City ("Project").

On February 21, 2019, the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench had ordered the commencement of Corporate Insolvency Resolution Process for Trimax based on a petition filed by Corporation Bank which had declared Trimax as an NPA on March 31, 2018.

As per the earlier Tripartite agreement between the Company, Trimax and Axis Bank ("Escrow Agent"), amounts recoverable from SCADL were to be deposited into an escrow account and 99% of the money received was to be paid to the Company.

2. Current status

a.Quess Corp Limited and Trimax IT Infrastructure & Services Limited (Timax IT) has entered into a Settlement cum Share Purchase Agreement ("SSPA") dated 15 October 2019 with the approval of Committee of Creditor(CoC) for settlement of all rights and obligations between the parties. SSPA inter-alia provides that
(i) Trimax IT's Agreement with SCADL shall be unconditionally and irrevocably assigned in favor of Trimax Smart Infraprojects Private Limited (TSIPL) including the outstanding dues from SCADL. This position has been communicated by TrimaxIT's Insolvency Resolution Professional (RP) to SCADL vide letter dated 15th October 2019.
(ii) TSIPL would be owner of 100.00% of rights to the escrow account & possess complete title to all the funds therein, even though the bank account remains in the name of Trimax IT.
(iii) Acquisition of remaining 49.00% stake in TSIPL by Quess Corp Limited from Trimax IT.
(iv) Settlement of all Monetary claims inter-se between TSIPL and TrimaxIT.

b. The Assignment of the SCADL contract from Trimax IT to TSIPL, is completed on 10 June 2021. During the previous year, the supply phase of the project is completed and operations and maintenance (O&M) phase of the project was also formally commenced with Go-Live date as 1st November 2021. Further, based on specific approval obtained from SCADL, O&M charges (INR 788 lakhs) for earlier period i.e. Nov 2019 to Aug 2021 against FAT obtained on various dates has been invoiced to SCADL, and related revenue recognised during the previous year.

c. While efforts were made to obtain confirmation of the same from SCADL, we have not received for same. An amount of INR 30,08.04 Lakh (FY 2021-22 - INR 47,00.5 Lakh) has been received from SCADL during the year. During the period, the management have comprehensively reviewed the overall receivables of INR 42,78.73 Lakh (As at 31st March 2022- INR 62,94.01 Lakh) and subsequent realisation of INR 230.16 lakhs. Accordingly allowance for expected credit loss of INR 36,90.91 Lakhs (As at 31st March 2022 - INR 37,84.37 Lakh) is maintained.

d. During the quarter ended March 2022 the company had written off 945.79 lakhs related to GST and TDS which is not recoverable from trade receivable (Current period Nil).

e. During the FY 2021-22 we have given bank guarantee amount of INR 2,393.00 lakhs to SCADL as per novation agreement and the corresponding amount is lying in fixed deposit.

38 Previous year figures are reclassified/regrouped wherever necessary.

As per our report of even date attached
The notes referred to above form an integral part of the financial statements
for **Vasan & Sampath LLP**
Chartered Accountants
Firm's Registration No. 004542S/S200070

Unnikrishnan Menon
Partner
Membership No. 205703

Place: Bengaluru
Date: 16th May 2023

VASAN & SAMPATH LLP * BANGALORE INDIA * CHARTERED ACCOUNTANTS

for and on behalf of Board of Director's of
Trimax Smart Infraprojects Private Limited

Madhu Damodaran
Director
DIN: 00424780

Place: Bengaluru
Date: 16th May 2023

Guruprasad Srinivasan
Director
DIN: 07596207

Place: Bengaluru
Date: 16th May 2023

TRIMAX SMART INFRAPROJECTS PVT. LTD.

MSKA & Associates
Chartered Accountants

1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Telangana State, Hyderabad 500072, INDIA
Tel: +91 40 6814 2999

INDEPENDENT AUDITOR'S REPORT

To the Members of Vedang Cellular Services Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Vedang Cellular Services Private Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2023**, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow 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.

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

(1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

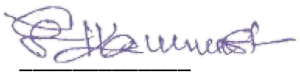
(3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under section 197 of the Act and the rules thereunder.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDVD4581

Place: Hyderabad, INDIA
Date: May 05, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF VEDANG CELLULAR SERVICES PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDVD4581
Place: Hyderabad, INDIA
Date: May 05, 2023

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VEDANG CELLULAR SERVICES PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.
(a)

A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, and relevant details of right-of-use assets.

The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment, and right of use assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) (a) of the Order are not applicable to the Company.

iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. According to the information and explanations given to us, there are no amounts outstanding which are in the nature of deposits as on March 31, 2023 and the Company has not accepted any deposits during the year.

vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities though there has been slight delay in a few cases.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues relating to Sales Tax, Value Added Tax, Service Tax, Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise, cess or other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix.

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, reporting under the Clause 3(ix)(f) of the order is not applicable to the Company.

x.

(a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi.

(a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii.

The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv.

In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act.

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.

xvi.

(a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Group does not have any CIC as part of its group. Hence the provisions stated in paragraph 3 (xvi) (d) of the order are not applicable to the Company.

xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that a material uncertainty exists as on the date of audit report. However, the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. As per provision of Sec 198 of companies act the Company is not required to make any contributions during the year as the average profit for the three years is negative and there are no unspent amounts which are required to be transferred either to a Fund or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII. Accordingly, reporting under Clause 3(xx)(a) and Clause 3(xx)(b) of the Order is not applicable to the Company.

xxi. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under Clause 3(xxi) of the Order is not applicable.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDVD4581

Place: Hyderabad, INDIA
Date: May 05, 2023

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF VEDANG CELLULAR SERVICES PRIVATE LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Vedang Cellular Services Private Limited on the Financial Statements for the year ended March 31, 2023]

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

Opinion

We have audited the internal financial controls with reference to financial statements of **Vedang Cellular Services Private Limited** ("the Company") as of March 31, 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls With reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDVD4581

Place: Hyderabad, INDIA
Date: May 05, 2023

Vedang Cellular Services Limited

Notes to the financial statements for the year ended 31st March 2023
Company overview and Significant accounting policies

1. Company Overview

Vedang Cellular Services Private Limited was incorporated in India as a Private Limited Company on 05th of April, 2010.The Company is engaged in the business of Providing Network Planning, Network Optimization in Building Solution, Installation & Commissioning & Skilled Manpower Supply Services to Wireless Telecom operator & Venders.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Ind AS financial statements. Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Basis of preparation:

2.1 Statement of compliance:

These Ind AS financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS") and the provisions of the Companies Act, 2013 ("Act") and the relevant rules thereunder. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Effective 1 April 2016, the Company has adopted all the Ind AS standards and the first-time adoption was carried out in accordance with Ind AS 101, First time adoption of Indian Accounting Standards with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

The Company Ind AS financial statements are approved for issue by the Company's Board of Directors on 05 May 2023.

These Ind AS financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency.

2.2 Basis of preparation of financial statements

The financial statements have been prepared on historical cost basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments) and

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of Defined Benefit Obligations ("DBO")

2.3 Use of estimates and judgement

The preparation of the Ind AS financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular,

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information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the Ind AS financial statements is included in the following notes:

i. ***Contingent liabilities:*** Contingent liabilities are not recognised in the financial statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs (except, in the extremely rare circumstances where no reliable estimate can be made).

ii. ***Income taxes:*** Significant judgements are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Availability of future taxable profits against which deferred tax amount can be used.

iii. ***Recognition of deferred tax assets:*** Availability of future taxable profit against which tax losses carried forward can be used.

iv. ***Measurement of defined benefit obligations:*** Key actuarial assumptions used for actuarial valuation.

v. ***Impairment of financial assets:*** The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost.

vi. ***Property, plant and equipment:*** The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically.

vii. ***Other estimates:*** The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

2.4 Measurement of fair values

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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2.5 Functional and presentation currency

Items included in the Ind AS financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency.

2.6 Property, plant and equipment:

Recognition and measurement

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

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on cost of the items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight-Line Method ('SLM'), and is recognised in the statement of profit and loss. The Management believes that the useful lives as given below best represent the period over which management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act ,2013. Depreciation for assets purchased/ sold during the year is proportionately charged. The Company estimated the useful lives for items of property, plant and equipment as follows:

Category	Useful Life (years)
Plant and Machinery	3 years
Office equipment	3 years
Furniture & Fittings	3 years
Computer Hardware	3 years

The assets residual values, useful lives and depreciation method are reviewed and adjusted if appropriate, at each financial year end. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/ (losses)

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in progress'.

2.7 Intangible assets

(i) Intangible assets

Other intangible assets such as computer software, copyright and trademarks are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation expenses in the statement of profit and loss.

The estimated useful lives of intangible assets are as follows:

Asset category	Estimated useful life for 31 March 2023
Software	3 years

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted if appropriate.

2.8 Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset/CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

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2.9 Leases

Ind AS 116 replaced Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. The Company has adopted Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The Company's lease asset classes primarily consist of Land and Building. The Company assesses whether a contract is a lease or not at the inception of each contract. A contract or a part of a contract is a lease if conveys the right to control the use of an asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimated of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use-asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate as the discount rate (As at 1 April 2021 - 9.5%).

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is change in future lease payments arising from a change in an index or rate, if there is change in the Company estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use-asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize right-of-use assets and liabilities for short-term leases of INR 100,000 that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Practical expedients adopted on initial recognition:

1. The agreements maturing within 12 months from the initial application of Ind AS 116, are not considered.
2. Single discount rate is applied to a portfolio of leases with reasonably similar characteristics on the date of initial application.
3. Value of initial direct costs (such as Stamp Duty, registration costs etc. already paid) excluded from the measurement of ROUA.

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2.10 Revenue recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018 using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration it expects to receive in exchange for those services.

At contract inception, the Company assesses its promise to transfer services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.

Revenue from fixed-price, fixed time frame contracts are recognised as per the terms of the arrangement with the customer where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. In fixed rate contracts, the performance obligation and control are being satisfied and transferred over time and revenue is being recognized by measuring progress towards completion of the performance obligation. Certain arrangements are on time and material basis and are recognised as the services are performed as per the terms of the arrangement with the customer.

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

The Company accrues the estimated cost of warranties at the time when the revenue is recognized. The accruals are based on the Company's historical experience of service delivery costs.

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of services to customer to which the asset relates.

The Company assesses the timing of the transfer of services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

The Company may enter into arrangements with third party suppliers to provide services. In such cases, the Company evaluates whether it is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether it controls the service before it is transferred to the customer. If the Company control the service before it is transferred to the customer, it is the principal; if not, it is the agent.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Refer Note 35 for disclosure related to revenue from contracts with customers.

2.11 Other income

Other income mostly comprises interest income on deposits, dividend income and gain/ (losses) on disposal of financial assets and non-financial assets. Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

2.12 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates in effect on the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognised in the statement profit and loss, except exchange differences arising from the translation of the following items which are recognised in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

2.13 Financial instruments

a) Recognition and Initial measurement

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

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at
- amortised cost;
- Fair Value through other comprehensive income (FVOCI) - debt investment;
- Fair Value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit and loss (FVTPL)

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Company overview and Significant accounting policies

Financial assets are not reclassified subsequent to their initial recognition

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

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

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

All financial assets not classified and measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

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

c) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 31 details how the Company determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track

changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL

d) Derecognition of financial assets

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

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities

a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss (FVTPL) or amortised cost.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at FVTPL.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

c) Derecognition

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

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

2.14 Employee benefits

(a) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognised in other comprehensive income. Remeasurement of the net defined benefit liability/ asset (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

(b) Short-term benefit plans

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g. shortterm cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employees, and the amount of obligation can be estimated reliably.

(c) Compensated absences

VEDANG CELLULAR SERVICES PRIVATE LIMITED ★ MUMBAI

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit Method as at the reporting date.

(d) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(e) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

2.15 Taxes

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted as on the balance sheet date.

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

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except for the cases mentioned below.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

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

2.16 Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre -tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of discount is recognised as finance cost. Expected future operating losses are not provided for.

Onerous contract

A contract is considered to be onerous when the expected economic benefit to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognizes any impairment loss on the assets associated with the contract.

2.17 Contingent liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

2.18 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.19 Cash flow statement

Cash flows are reported using the indirect method, whereby profit/ loss for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.20 Earnings per share

The basic earnings per share is computed by dividing the net profit/ (loss) attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

VEDANG CELLULAR SERVICES PRIVATE LIMITED ★ MUMBAI

2.21 Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2022.

2.22 There are no new Standards that became effective during the year. The Company has applied certain amendments that became effective during the year which are discussed below:

A. Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020
These amendments have no impact on the financial statements of the Company.

B. Amendment to Ind AS 105, Ind AS 16 and Ind AS 28
In the definition of "Recoverable amount" the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments have no impact on the financial statements of the Company.

Vedang Cellular Services Private Limited
(A Subsidiary of Quess Corp Limited)
Balance Sheet as at 31 March 2023

(Amount in Lakh)

Balance Sheet	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	182.51	139.60
Capital work-in-progress			
Investment properties			
Goodwill			
Right of use asset	3	165.45	172.09
Intangible assets	4	240.53	93.92
Intangible assets under development			
Deferred tax assets (net)	5	122.58	110.77
Income tax assets (net)	6	-	592.91
Other non-current assets		-	-
Total non-current assets		711.08	1,109.28
Current Asset			
Inventories			
Financial assets			
Investments			
(i) Trade receivables	7	6,373.01	2,850.44
(ii) Cash and cash equivalents	8	0.36	2.76
(iii) Bank balances other than cash and cash equivalents	9	30.30	30.30
(iv) Current loans	10	76.94	51.03
(v) Other current financial assets	11	5.55	3.73
Current Income Tax Assets (net)			
Other current assets	12	77.80	73.26
Total current assets		6,563.95	3,011.51
Total Assets		7,275.04	4,120.80
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	18.21	18.21
Other equity	14	3,508.76	2,094.68
Total equity attributable to equity holders of the Company			
Non-controlling interests			
Total equity		3,526.97	2,112.89
LIABILITIES			
Non-current liabilities			
Provisions	15	34.92	36.81
Other non-current liabilities			
Lease Liability	36	85.01	115.08
Total non-current liabilities		119.94	151.89
Current liabilities			
Financial liabilities			
(i) Bank overdraft	16	37.20	341.70
(i) Borrowings	36	89.60	55.52
(ii) Lease Liability	17		
(iii) Trade payables			
- Total Outstanding dues of Micro enterprises and Small Enterprise and		-	-
- Total Outstanding dues other than Micro enterprises and Small Enterprise		949.25	372.82
(iv) Other current financial liabilities	18	2,071.03	934.02
Income tax liabilities (net)	19	207.75	-
Current provisions	20	66.41	55.48
Other current liabilities	21	206.89	96.48
Total current liabilities		3,628.13	1,856.02
Total Liabilities		3,748.07	2,007.91
Total Equity and Liabilities		7,275.04	4,120.80
Company Overview and Significant Accounting Policies	1 & 2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached
for MSKA & Associates
Chartered Accountants
Firm registration number: 105047W

Ananthakrishnan G
Partner
Membership No. 205226

Place: Hydrabad
Date: May 05, 2023

for and on behalf of the Board of Directors of
Vedang Cellular Services Private Limited
CIN: U32309MH2010PTC201638

Ashish Kapoor
Director
DIN.02752632

Place: Bangalore
Date: May 05, 2023

Vijay Sivaram
Director
DIN.07990452

Place: Bangalore
Date: May 05, 2023

Vedang Cellular Services Private Limited
(A Subsidiary of Quess Corp Limited)

Statement of Profit and Loss for the year ended 31 March 2023

(Amount in Lakh)

Statement of Profit and Loss	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	22	16,487.35	10,246.04
Other income	23	61.70	2.97
Total income		**16,549.05**	**10,249.01**
Expenses			
Direct Service Cost	24	6,566.20	3,867.88
Employee benefit expenses	25	6,480.79	4,883.80
Finance costs	26	95.89	101.68
Depreciation and amortisation expenses	27	272.87	258.88
Other expenses	28	1,156.22	486.05
Total expenses		**14,571.98**	**9,598.29**
Profit / (Loss) before tax		**1,977.07**	**650.72**
Tax expense			
Current tax	29	(570.65)	(99.42)
Deferred tax		11.92	12.79
Total tax expenses		**(558.73)**	**(86.63)**
Profit / (Loss) for the year		**1,418.34**	**564.09**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability/ asset		(4.26)	0.44
Income tax relating to items that will not be reclassified to profit or loss		-	(0.11)
Other comprehensive income/(Expense) for the Year, net of tax		**(4.26)**	**0.33**
Total comprehensive income for the year		**1,414.08**	**564.42**
Earnings per equity share (face value of R 10 each)			
Basic earnings /(loss) per share (INR)	34	778.96	309.80
Diluted earnings /(loss) per share (INR)	34	778.96	309.80
Company Overview and Significant Accounting Policies	1 & 2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for MSKA & Associates
Chartered Accountants
Firm registration number: 105047W

Ananthakrishnan G
Partner
Membership No. 205226

Place: Hydrabad
Date: May 05, 2023

for and on behalf of the Board of Directors of
Vedang Cellular Services Private Limited
CIN: U32309MH2010PTC201638

Ashish Kapoor	**Vijay Sivaram**
Director	Director
DIN.02752632	DIN.07990452
Place: Bangalore	Place: Bangalore
Date: May 05, 2023	Date: May 05, 2023

VEDANG CELLULAR SERVICES PRIVATE LIMITED
(A Subsidiary of Quess Corp Limited)
Statement of cash flows for the year ended 31 March 2023

(Amount in Lakh)

Particulars	For the Year Ended 31.03.2023	For the Year Ended 31.03.2022
Cash flows from operating activities		
Profit before taxation	1,977.07	650.72
Adjustments for non-cash and non-operating items:		
Depreciation and amortisation expenses	272.87	258.88
Finance Cost	95.89	101.68
Interest Income	(1.82)	(1.79)
Deferred Tax Expenses	11.92	12.68
Income Tax Expense	(570.65)	(99.42)
Gratuity passed through OCI	(4.26)	0.44
Operating cash flows before working capital changes	**1,781.02**	**923.19**
Working capital changes:		
(Increase) / decrease in Other non-current assets	-	-
(Increase) / decrease in Trade Receivables	(3,522.57)	(164.07)
(Increase) / decrease in Current Loans	(25.92)	(22.89)
(Increase) / decrease in Other current financial assets	(1.82)	(0.99)
(Increase) / decrease in Other current assets	(4.54)	(36.68)
(Increase) / decrease in Bank Balance other than cash and cash equivalent	-	(0.30)
Increase / (decrease) in Non current Provisions	(1.89)	0.89
Increase / (decrease) in Income tax asset	-	-
Increase / (decrease) in Trade payables	576.43	81.81
Increase / (decrease) in Other current financial liabilities	1,137.01	(34.23)
Increase / (decrease) in Other current liabilities	144.49	(8.06)
Increase / (decrease) in Deferred tax Asset	(11.81)	(13.12)
Increase / (decrease) in Other non- current financial liabilities	(30.06)	115.08
Increase / (decrease) in Current provisions	10.93	7.91
Cash generated from operating activities	**51.27**	**848.55**
Income taxes	800.65	(30.31)
Net cash flow provided by/ (used in) operating activities (A)	**851.92**	**818.23**
Cash flows from investing activities		
Business acquisitions, net of cash acquired		
Purchase of property, plant and equipment	(380.19)	(135.18)
Asset Addition ROU on building	(75.57)	(200.56)
Interest received on term deposits	1.82	1.79
Net cash flow from investing activities (B)	**(453.94)**	**(333.95)**
Cash flows from financing activities		
Proceeds from Other current Borrowings	(304.49)	(400.73)
Interest Paid	(95.89)	(101.68)
Net cash flow from financing activities (C)	**(400.39)**	**(502.41)**
Net increase in cash and cash equivalents (A+B+C)	**(2.40)**	**(18.13)**
Cash and cash equivalents at beginning of period	**2.76**	**20.89**
Cash and cash equivalents at the end of the year (refer note 8)	**0.36**	**2.76**

Company Overview and Significant Accounting Policies (Note 1 & 2)

As per our report of even date attached
for MSKA & Associates
Chartered Accountants
Firm registration number: 105047W

Ananthakrishnan G
Partner
Membership No. 205226

Place: Hydrabad
Date: May 05, 2023

for and on behalf of the Board of Directors of
Vedang Cellular Services Private Limited
CIN: U32309MH2010PTC201638

Rishish Kapoor
Director
DIN No. 07596207

Place: Bangalore
Date: May 05, 2023

Vijay Sivaram
Director
DIN.07990452

Place: Bangalore
Date: May 05, 2023

Vedang Cellular Services Private Limited
(A Subsidiary of Quess Corp Limited)
Statement of Changes in Equity for the year ended 31 March 2023

(A) Equity share capital (All amount in INR, unless otherwise stated)

Particulars	Note	31 March 2023
Opening balance	13	18,20,830
Changes in Equity Share Capital due to prior period errors	13	-
Restated balance at the beginning of the current reporting period		18,20,830
Changes in equity share capital		
Closing balance		**18,20,830**

(B) Other equity (Amount in Lakh)

Particulars		Equity share capital	Attributable to owners of the Company						Total attributable to equity holders of the Company
			Other equity						
				Reserves and surplus		Other equity	Other comprehensive income		
			Capital reserve	Retained earnings	Other Reserve	Securities premium account	Foreign currency translation reserve	Remeasurement of the net defined benefit liability/ asset	
Balance as of 1 April 2022	-	-	-	1,753.02	7.50	299.04	-	35.12	2,094.68
Add: Profit for the year	-	-	-	1,418.34	-	-	-	(4.26)	1,414.08
Add: Other comprehensive income (net of tax)	-	-	-	-	-	-	-		-
	-	-	-	-			-	-	-
Balance as of 31st March 2023	-	-	-	3,171.36	7.50	299.04	-	30.86	3,508.76

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

for MSKA & Associates
Chartered Accountants
Firm registration number: 105047W

Ananthakrishnan G
Partner
Membership No. 205226

Place: Hydrabad
Date: May 05, 2023

for and on behalf of the Board of Directors of
Vedang Cellular Services Private Limited
CIN: U32309MH2010PTC201638

Ashish Kapoor
Director
DIN No. 07596207
Place: Bangalore
Date: May 05, 2023

Vijay Sivaram
Director
DIN.07990452
Place: Bangalore
Date: May 05, 2023

3 Property, plant and equipment

(Amount in Lakh)

Particulars	Furniture and fixtures	Plant and machinery	Computer equipment	Office equipment	Total Property, plant and equipment	Right of Use Assets
Cost						
Balance as at 31st Mar 2022	31.01	449.73	567.19	8.49	1,056.41	314.17
Addition during the year	(0.76)	112.48	5.68	25.16	142.55	75.57
Balance as at 31st Mar 2023	30.25	562.20	572.87	33.65	1,198.97	389.74
Accumulated depreciation and impairment losses						
Balance as at 31st Mar 2022	29.10	341.41	544.90	1.41	916.81	142.09
Depreciation for the Period	0.96	78.39	14.90	5.38	99.64	82.21
Balance as at 31st Mar 2023	30.06	419.81	559.80	6.78	1,016.45	224.29
Net Carrying Amount						
As at 31st Mar 2023	**0.19**	**142.39**	12.57	**26.87**	**182.51**	**165.45**
As at 31st Mar 2022	**1.91**	**108.31**	**22.29**	**7.08**	**139.60**	**172.09**

4 Intangible Assets (Amount in Lakh)

Particulars	Softwares
Cost	
Balance as at 31st Mar 2022	885.60
Addition during the year	237.64
Revaluation During the year	-
Disposals During The year	-
Balance as at 31st Mar 2023	1,123.24
Amortisation	
Balance as at 31st Mar 2021	791.68
Amortisation during the year	91.02
Balance as at 31st Mar 2022	882.21
As at 31st Mar 2023	**240.53**
As at 31st Mar 2022	**93.92**

Note:

a The Company has not revalued its Property, Plant and Equipment (including Right-of Use Assets) and intangible assets as at the balance sheet date.

b The Company doesn't have title deeds which are held other than in the company's name as at the balance sheet date.

c The Company has no Capital Work in Progress and Intangibles under Development.

d The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

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5 Deferred tax assets (net)

(Amount in Lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset on liabilities:		
Impairment loss allowance on financial assets	9.74	3.89
Provision on employee benefits- Compensated absences	2.01	1.52
Provision on employee benefits- Gratuity	23.50	21.82
Deferred tax on fixed assets	87.33	83.54
Net deferred tax assets	122.58	110.77

6 Income tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Income Tax Assets	-	715.32
Income Tax Liabilities	-	(122.42)
	-	592.91

7 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured		
Considered good	4,559.44	1,788.40
Considered doubtful	-	-
	4,559.44	1,788.40
Loss allowance		
Unsecured considered good	(38.72)	(6.12)
Considered doubtful	-	-
	(38.72)	(6.12)
Net trade receivables	4,520.72	1,782.28

All trade receivables are current.

Trade Receivable Unbilled

Particulars	As at 31 March 2023	As at 31 March 2022
Unbilled revenue	1,852.29	1,077.51
Less: Loss Allowance		(9.35)
	1,852.29	1,068.16
Total Trade Receivable	6,373.01	2,850.44

The Company's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 31

Trade receivable ageing schedule as on 31 March 2023: (Amount in Lakh)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables (Gross)								
- Considered good	1,852.29	3,224.61	1,309.10	13.62	12.11	-	-	6,411.72
- Having significant credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	2.02	18.00	6.59	12.11	-	-	38.72
Disputed trade receivables (Gross)								
- Considered good	-	-	-	-	-	-	-	-
- Having significant credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

Trade receivable ageing schedule as on 31 March 2022:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables (Gross)								
- Considered good	1,077.51	1,485.75	257.36	42.68	2.61	-	-	2,865.91
- Having significant credit risk	-	-	-	-	-	-	-	-
- Credit impaired	9.35	0.01	0.19	3.31	2.61	-	-	15.47
Disputed trade receivables (Gross)								
- Considered good	-	-	-	-	-	-	-	-
- Having significant credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

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8 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents		
Cash on hand	0.01	0.26
In current accounts	0.35	2.50
In deposit accounts (with original maturity of less than 3 months)	-	-
Cash and cash equivalents in the statement of cash flow	**0.36**	**2.76**

9 Bank balances other than cash and cash equivalents above

Particulars	As at 31 March 2023	As at 31 March 2022
In deposit accounts (due to mature within 12 months from the reporting date)	30.30	30.30
	30.30	**30.30**

Deposit with Axis Bank is in lien with them for issuing Bank gurantee worth 25 lac to one of the customer.

10 Current loans

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Security deposits	76.83	51.03
Advances to employees	0.11	-
	76.94	**51.03**

* Loans granted to promoters, directors, KMPs and related parties is NIL during FY 22-23 (FY 21-22 - NIL)

11 Other current financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due	5.55	3.73
	5.55	**3.73**

12 Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	77.80	73.26
	77.80	**73.26**

13 Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
250,000 (31 March 2022: 250,000) equity shares of par value of Rs 10 each	25.00	25.00
	25.00	**25.00**
Issued, subscribed and paid-up		
182,083 (31 March 2022: 182,083) equity shares of par value of Rs 10 each, fully paid up	18.21	18.21
	18.21	**18.21**

13.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023	As at 31 March 2022
Equity shares		
Outstanding at the beginning of the year	1,82083	1,82083
Add: Issued during the year		
Outstanding at the end of the year	**1.82083**	**1.82083**

13.2 Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, after distribution of all preferential amounts (if any) in proportion to the number of equity shares held.

13.3 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% Held	Number of shares	% Held
Equity shares				
Equity shares of par value Rs 10 each				
Quess Corp Limited	1,68,367	92.5%	1,68,367	92.5%
Ashish Kapoor	13,706	7.5%	13,706	7.5%
	1,82,073	100.0%	1,82,073	100.0%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

13.4 Details of shareholding of promoters:

Name of Promoter	31 March 2023			31 March 2022		
	Number of Shares	% of Total Shares	% Change during the year	Number of Shares	% of Total Shares	% Change during the year
Mr. Ashish Banarasilal Kapoor	13,706	7.50%	Nil	13,706	7.50%	Nil

14 Other equity*

Particulars	As at 31 March 2023	As at 31 March 2022
Securities premium account (refer note 14.1)	299.04	299.04
Other Reserves	7.50	7.50
Retained earnings	3,171.36	1,753.02
Other comprehensive income (refer note 14.2)	30.86	35.12
	3,508.76	2,094.68

* For detailed movement of reserves refer Statement of Changes in Equity.

14.1 Securities premium account
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

14.2 Other comprehensive income
Remeasurement of defined benefit liability (asset) comprises actuarial gain and losses and return on plan assets (excluding interest income).

14.3 A corporate guarantee was issued by holding company Quess Corp Limited against the Cash Current account drawing limit of 20 Crores

15 Non-current provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for gratuity (refer note 37)	33.00	35.18
Provision for compensated absences (refer note 37)	1.92	1.63
	34.92	36.81

16 Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
Cash credit and overdraft facilities	37.20	341.70
	37.20	341.70

Information about the Company's exposure to interest rate and liquidity risk is included in note 31.

16.1 The Company has taken cash credit facilities having interest rate of 12m MCLR. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Company on both present and future and collateral by way of pari passu first charge on the entire fixed assets of the Company including capital goods and capital work in progress excluding charge on vehicles both present and future of the Company.

17 Trade payables

Trade Payables	As at 31 March 2023	As at 31 March 2022
- Total Outstanding dues of Micro enterprises and Small Enterprise and	-	-
- Total Outstanding dues other than Micro enterprises and Small Enterprise	949.25	372.82
Total Trade Payable	949.25	372.82
Payable to Related Party	37.80	43.21

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 30

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2023: (Amount in Lakh)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	1,415.73	944.89	4.36	-	-	2,364.98
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Intercompany AP balance	-	-	-	-	-	-
Quess Corp Ltd	2.53	35.26	-	-	-	37.80

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2022:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	592.05	355.89	16.93	-	-	964.87
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Intercompany AP balance	-	-	-	-	-	-
Quess Corp Ltd	26.76	12.54	-	-	-	39.30
Allsec Technologies Limited	-	0.10	-	-	-	0.10
Terrier Security Services (India) Private Limited	-	3.81	-	-	-	3.81

18 Other current financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Current maturities of finance lease obligations	655.30	341.97
Accrued salaries and benefits	1,415.73	592.05
Provision for Expenses	2,071.03	934.02

19 Income tax liabilities (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Income Tax Assets	(461.57)	-
Income Tax Liabilities	669.31	-
	207.75	-

20 Current provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Provision for gratuity (unfunded) (Refer note 37)	60.36	51.09
Provision for compensated absences (unfunded) (Refer note 37)	6.05	4.39
	66.41	55.48

21 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Balances payable to government authorities	206.89	96.48
	206.89	96.48

The Company's exposure to currency and liquidity risk related to other current liabilities is disclosed in note 30

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22 Revenue from operations

(Amount in Lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from Contracts with customers		
Sale of services	16,487.35	10,246.04
	16,487.35	10,246.04
* Changes in Unbilled Revenue (Unbilled Revenue - Net)		
Opening Unbilled Revenue	1,077.51	1,108.91
Closing Unbilled Revenue	1,852.29	1,077.51
	774.78	(31.41)

23 Other Income

Particulars	31 March 2023	31 March 2022
Interest income under the effective interest method on:		
Deposits with banks	1.82	1.79
Interest income on present valuation of financial instruments	4.58	1.18
Interest on tax refunds	55.30	-
	61.70	2.97

24 Direct Service Cost

Particulars	31 March 2023	31 March 2022
Installation charges	5,384.73	2,634.89
Equipment hire charges	301.15	263.70
Travelling and conveyance	659.16	609.53
Vehicle Hire Charges	221.16	359.76
	6,566.20	3,867.88

25 Employee benefit expenses

Particulars	31 March 2023	31 March 2022
Salaries and wages	6,232.44	4,683.92
Contribution to provident and other funds	199.29	170.07
Expenses related to defined benefit plans	19.14	19.08
Expenses related to compensated absences	1.95	0.01
Staff welfare expenses	27.97	10.72
	6,480.79	4,883.80

26 Finance costs

Particulars	31 March 2023	31 March 2022
Interest expense on financial liabilities measured at amortised cost	95.89	101.68
	95.89	101.68

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27 Depreciation and amortisation expenses

Particulars	31 March 2023	31 March 2022
Depreciation of property, plant and equipment	181.84	178.63
Amortisation of intangible assets	91.02	80.25
	272.87	258.88

28 Other expenses

Particulars	31 March 2023	31 March 2022
Rent	92.78	51.79
Power and fuel	32.71	4.32
Repairs & maintenance	-	
- buildings	17.09	-
- plant and machinery	2.57	1.00
- Software & others	183.87	67.17
Legal and professional fees (refer note 28.1)	89.60	95.62
Expenses on business combination	-	-
Rates and taxes	22.53	7.84
Printing and stationery	99.13	63.58
Consumables	502.77	116.60
Travelling and conveyance	-	-
Communication expenses	26.80	11.04
Provision for Cash Sales Receivable	-	-
Impairment loss allowance on financial assets, net	23.25	15.00
Provision for Doubtful Retention Money Receivable	-	-
Allowance for bad and doubtful deposits	-	-
Deposits/advances written off	-	-
Insurance	12.38	25.78
Database access charges	-	-
Bank charges	0.33	0.60
Bad debts written off	-	-
Business promotion and advertisement expenses	4.29	-
Loss on sale of property, plant and equipment and intangible assets, net	-	-
Foreign exchange loss, net	0.06	0.23
Expenditure on corporate social responsibility	-	-
CSR expenses	-	-
Miscellaneous expenses	46.06	25.48
Services reimbursement expenses	-	-
	1,156.22	486.05

28.1 Payment to auditors (net of service tax; included in legal and professional fees)

Particulars	31 March 2023	31 March 2022
Statutory audit fees	8.00	5.50
	8.00	5.50

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29 Taxes

A Amount recognised in profit or loss

(Amount in Lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax:		
In respect of the current period	570.65	99.42
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	(11.92)	(12.79)
Income tax expense reported in the Statement of Profit and Loss	**558.73**	**86.63**

B Income tax recognised in other comprehensive income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Remeasurement of the net defined benefit liability/ asset		
Before tax	(4.26)	0.44
Tax (expense)/ benefit	-	(0.11)
Net of tax	**(4.26)**	**0.33**

C Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Rate		Rate	
Profit before tax		1,977.07		650.72
Tax using the Company's domestic tax rate	25.17%	497.75	25.18%	163.80
Effect of:				-
Deferred Tax Credit	-0.60%	(11.92)	3.59%	(12.79)
Income tax relating to items that will not be reclassified to profit or loss	0.00%		0.00%	-
Others	3.69%	72.90	-25.18%	(64.38)
Effective tax rate		**558.72**		**86.63**
Income tax expense reported in the Statement of Profit and Loss	**28.26%**	**558.72**	**13.31%**	**86.63**

D The following tables provides the details of income tax assets and income tax liabilities

Non-current tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax assets	(461.57)	715.32
Income tax liabilities	669.31	(122.42)
Net income tax assets at the end of the year	**207.75**	**592.91**

E Deferred tax assets, net

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax:		
Provision on employee benefits- Gratuity	23.50	21.82
Provision on employee benefits- Compensated absences	2.01	1.52
Impairment on financial asset	9.74	3.89
Deferred tax on fixed assets	87.33	83.54
Net deferred tax Asset	**122.58**	**110.77**

F Recognised deferred tax assets and liabilities

Movement of deferred tax assets / liabilities presented in the balance sheet

For the year ended 31 March 2023	Opening balance	Additions through business combinations	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax assets on:					
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax laws	90.48	-	3.91	-	94.39
Provision for employee benefits, compensated absences	19.53	-	2.16	-	21.70
Impairment on financial asset	(0.73)	-	5.85	-	5.12
Remeasurements gains / (losses) on defined benefit plans	1.49	-	-	(0.11)	1.38
Gross deferred tax assets	**110.77**		**11.93**	**(0.11)**	**122.58**

30 Financial instruments - fair value and risk management

Financial instruments by category (Amount in Lakh)

Particulars	Note	31 March 2023			31 March 2022		
		FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets:							
Loans	10	-	-	76.94	-	-	51.03
Trade receivables	7	-	-	6,373.01	-	-	2,850.44
Cash and cash equivalents including other bank balances	8	-	-	30.66	-	-	33.06
Other financial assets	11	-	-	5.55	-	-	3.73
Total financial assets		-	-	6,486.16	-	-	2,938.25
Financial Liabilities:							
Trade payables	17	-	-	949.25	-	-	372.82
Current borrowings	16	-	-	37.20	-	-	341.70
Other financial liabilities	18	-	-	2,071.03	-	-	934.02
Total financial liabilities		-	-	3,057.48	-	-	1,648.54

*Current maturities of long-term borrowings forms part of other financial liabilities

Accounting classification and fair value
The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Fair value hierarchy
The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:
a) recognised and measured at fair value.
b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

Fair value of Financial Instruments as at 31 March 2023

(All amount in INR, unless otherwise stated)

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets measured at amortised cost				
Loans	76.94	-	-	-
Trade receivables	6,373.01	-	-	-
Cash and cash equivalents including other bank balances	30.66	-	-	-
Other financial assets	5.55	-	-	-
Total financial assets	6,486.16	-	-	-
Financial liabilities measured at amortised cost				
Trade payables	949.25	-	-	-
Current borrowings	37.20	-	-	-
Other financial liabilities	2,071.03	-	-	-
Total financial liabilities	3,057.48	-	-	-

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Fair value of Financial Instruments as at 31 March 2022

Amounts in Lakhs

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets measured at amortised cost				
Loans	51.03	-	-	-
Trade receivables	2,850.44	-	-	-
Cash and cash equivalents	33.06	-	-	-
Other financial assets	3.73	-	-	-
Total financial assets	2,938.25	-	-	-
Financial liabilities measured at amortised cost				
Trade payables	372.82	-	-	-
Current borrowings	341.70	-	-	-
Other financial liabilities	934.02	-	-	-
Total financial liabilities	1,648.54	-	-	-

** The fair value of these financial instruments is determined by using level 3 inputs of the fair value hierarchy.*

Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

A Financial Assets:

The Company has not disclosed the fair values for loans, trade receivables, cash and cash equivalents including other bank balances, unbilled revenue and other financial assets because their carrying amounts are a reasonable approximation of their fair value.

B Financial Liabilities:

Borrowings: It includes cash credit and overdraft facilities, working capital loan and bill discounting facilities. These short-term borrowings are classified and subsequently measured in the financial statements at amortized cost. Considering that the interest rate on the loan is reset on a monthly/quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.

Trade payables and other liabilities: Fair values of trade and other liabilities are measured at balance sheet value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the balance sheet values.

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31 Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk;
- Liquidity risk; and
- Market risk

The Company's principal financial liabilities comprise loans and borrowings, Provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers.

Risk management framework

The Company's has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee

I) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and current asset. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loan represents security deposits given to suppliers, employees and others. The credit risk associated with such deposits is relatively low.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by its customer. However, the management also considers the factors that may influence the credit risk of its customer base. The Company has established a credit policy under which each new customer is analyzed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to three months for customers.

At 31 March 2023, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows.

Particulars	As at	
	31 March 2023	31 March 2022
India	4,559.44	1,788.40
	4,559.44	1,788.40

Expected credit loss assessment for corporate customers as at 31 March 2023 are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivable from customers. Based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired) if the payments are more than 360 days past due. Loss rates are based on actual credit loss experience over the last six quarters. These rates have been adjusted to reflect the management's view of economic conditions over the expected lives of the receivables.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from customers:
As at 31 March 2023

(Amount in Lakh)

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	3,224.61	0.06%	2.02	No	3,222.59
Past due 1–90 days	1,282.19	1.15%	14.69	No	1,267.50
Past due 91–180 days	26.91	12.31%	3.31	No	23.60
Past due 181–270 days	13.20	47.05%	6.21	No	6.99
Past due 271–360 days	0.42	89.53%	0.38	No	0.04
Above 360 days	12.11	100.00%	12.11	Yes	-
	4,559.44		38.72		4,520.72

As at 31 March 2022

(Amount in Lakh)

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	1,485.75	0.00%	0.01	No	1,485.74
Past due 1–90 days	257.36	0.07%	0.19	No	257.18
Past due 91–180 days	32.77	2.31%	0.76	No	32.02
Past due 181–270 days	6.36	12.41%	0.79	No	5.57
Past due 271–360 days	3.55	49.81%	1.77	No	1.78
Above 360 days	2.61	100.00%	2.61	Yes	-
	1,788.40		6.12		1,782.28

Movement in allowance for impairment in respect of trade receivables:
The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

(Amount in Lakh)

Particulars	31 March 2023	31 March 2022
Balance as at the beginning of the year	6.12	0.47
Impairment loss allowances recognised/ (reversed)	32.60	5.65
Balance as at the end of the year	38.72	6.12

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Cash and cash equivalents includes investment in fixed deposits with banks.

ii) Liquidity risk

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

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually the excess of funds is invested in fixed deposit. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.

I) Financing arrangement

The Company maintains the following line of credit:

(i) The Company has taken cash credit having interest rate of 3m MCLR. These facilities are repayable on demand and are secured primarily by way of pari paasu first charge on the entire current assets of the Company on both present and future and collateral by way of pari passu first charge on the entire fixed assets of the Company including capital goods and capital work in progress excluding charge on vehicles both present and future of the Company. The facility is supported with Quess Corp's guarantee.

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(Amount in Lakh)

Particulars	31 March 2023	31 March 2022
Expiring within one year (cash credit and overdraft facilities)	1,962.80	1,658.30
Expiring within one year (bill discounting facility)	-	-

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023. The amounts are gross and undiscounted contractual cash flows and includes contractual interest payment and exclude netting arrangements:

As at 31 March 2023

Particulars	Carrying amount	Contractual cash flows			
		0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	37.20	37.20	-	-	-
Trade payables	949.25	944.89	4.36	-	-
Other financial liabilities	2,071.03	2,071.03	-	-	-

As at 31 March 2022

Particulars	Carrying amount	Contractual cash flows			
		0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	341.70	341.70	-	-	-
Trade payables	372.82	372.82	-	-	-
Other financial liabilities	934.02	934.02	-	-	-

As disclosed in note 16 and note 16.1, the Company has a secured bank loan that contains a loan covenant. A future breach of covenant may require Company to repay the loan earlier than indicated in the above table. Except for these financial liabilities, it is not expected that cash flows included in maturity analysis could occur significantly earlier.

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long-term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

iv) Currency Risk

The Company is not exposed to significant currency risk as the revenue and expenses are denominated only in Rupees.

v) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowing comprises of invoice discounting facility which carries fixed rate of interest and borrowings from holding company, which do not expose it to significant interest rate risk.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Variable rate borrowings	37.20	341.70
Total borrowings	**37.20**	**341.70**

(b) Sensitivity

Particulars	Profit and loss		Equity, net of tax	
	1% Increase	1% decrease	1% Increase	1% decrease
31 March 2023				
Variable rate borrowings	(0.37)	0.37	(0.28)	0.28
31 March 2022				
Variable rate borrowings	(3.42)	3.42	(2.56)	2.56

32 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of Non-current borrowing and current borrowing, less cash and cash equivalents.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

The Company's policy is to keep the ratio below 2.50. The Company's adjusted net debt to equity ratio are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Total liabilities	3,748.07	2,007.91
Less: Cash and cash equivalents	0.36	2.76
Adjusted net debt	**3,747.71**	**2,006.15**
Total equity	3,526.97	2,112.89
Less: Effective portion of cash flow hedges and cost of hedging	-	-
Total equity	**3,526.97**	**2,112.89**
Net debt to equity ratio	**1.06**	**0.95**

33 Contingent Liability and Capital Commitments

(Amount in Lakh)

Particulars	As at	
	31 March 2023	31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for - Software Heptagon)	-	9.20

33.1 The company has no Contingent Liability as on 31-03-2023 and 31-03-2022

33.2 Contingent Assets are neither recorded nor disclosed in the financial statements

34 Earnings per share

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Nominal value of equity shares	10.00	10.00
Net profit after tax for the purpose of earnings per share	1,418.34	564.09
Weighted average number of shares used in computing basic earnings per share	1.82	1.82
Basic earnings per share	**778.96**	**309.80**
Weighted average number of shares used in computing diluted earnings per share	1.82	1.82
Diluted earnings per share	**778.96**	**309.80**

35 Related party disclosures

(i) Name of related parties and description of relationship:

- Entities having significant influence	Fairfax Financial Holdings Limited Fairfax (US) Inc. HWIC Asia Fund Fairbridge Capital (Mauritius) Limited (w.e.f 6 December 2019) Thomas Cook (India) Limited (upto 6 December 2019) National Collateral Management Services Limited
- Subsidiaries, associates and joint venture	Refer note (ii)
- Entities having common directors	Qdigi Services Limited Monster.Com (India) Private Limited Simpliance Technologies Private Limited Comtel Solutions Pte. Ltd. (Singapore) Comtel Pro Pte. Ltd. (Singapore) Quess Services Ltd. (Bangladesh) Allsec Technologies Limited Coromandel Agro Products and Oils Limited Conneqt business Solutions Limited Hyderabad Crime & Legal Solutions Private Limited MFX Infotech Private Limited Excelus Learning Solutions Private Limited Monster.Com (India) Private Limited Greenpiece Landscapes India Private Limited Trimax Smart Infraprojects Private Limited Terrier Security Services (India) Private Limited

Key management personnel:
The Company has also entered into transactions with the key management personnel. The Key management personnel are mentioned below:

- Entity in which key managerial personnel have significant influence	Careworks foundation

Key executive management personnel

Name	Designation
Ashish Banarasilal Kapoor	Whole Time director
Ayyagari Rajeswara Rao	Independent Director
Vijay Sivaram	Director (With Effect from 14-02-2022)
Rallabhandi Lakshmi Sarada	Independent Director
Lohit Bhatia	Director

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(ii) List of subsidiaries (including step-subsidiaries), associates and joint venture

- Fellow subsidiaries	MFX Infotech Private Limited
	Aravon Services Private Limited1
	Brainhunter Systems Ltd.
	Mindwire Systems Limited
	Quess (Philippines) Corp.
	Quess Corp (USA) Inc.
	Quesscorp Holdings Pte. Ltd.
	Quess Corp Vietnam LLC
	Quessglobal (Malaysia) SDN. BHD.
	Quess Corp Lanka (Private) Limited
	Comtel Solutions Pte. Ltd.
	MFXchange Holdings, Inc.
	MFXchange US, Inc.
	MFX Chile SpA
	Dependo Logistics Solutions Private Limited
	CentreQ Business Services Private Limited
	Excelus Learning Solutions Private Limited
	Connect Business Solution Limited
	Master Staffing Solutions Private Limited1
	Golden Star Facilities and Services Private Limited
	Comtelpro Pte. Limited.
	Comtelink Sdn. Bhd
	Monster.com (India) Private Limited
	Monster.com SG PTE Limited
	Monster.com HK Limited
	Agensi Pekerjaan Monster Malaysia SDN. BHD.
	Quesscorp Management Consultancies
	Quesscorp Manpower Supply Services LLC
	Qdigi Services Limited
	Greenpiece Landscapes India Private Limited
	Simpliance Technologies Private Limited
	Allsec Technologies Limited
	Allsectech Inc., USA
	Allsectech Manila Inc., Philippines
	Retreat Capital Management Inc., USA
	Trimax Smart Infraprojects Private Limited
	Quess Corp Services Limited
	Terrier Security Services (India) Private Limited
	Heptagon Technologies Private Limited
- Associates of Holding Company	Quess Recruit, Inc.
	Agency Pekerjaan Quess Recruit SDN. BHD.
	Stellars Log Technovation Private Limited
- Joint Venture of Holding Company	Himmer Industrial Services (M) SDN. BHD.

1. Merged w.e.f 1 April 2019 pursuant to approval from the Regional Director, South East Region, MCA.

(iii) Related party transactions during the year

Particulars		31 March 2023	31 March 2022
Revenue from operations			
	Quess Corp Ltd	-	3.74
Other expenses			
	Quess Corp Ltd	111.13	265.94
	Terrier Security Services (India) Private Limited	6.06	12.30
	Allsec Technologies Limited	0.46	0.30
Purchase of intangible asset			
	Heptagon Technologies Pvt Ltd.	9.44	7.11
Guarantees received			
	Quess Corp Ltd	2,000.00	2,000.00

(iv) Balance receivable from and payable to related parties as at the balance sheet date:

Particulars		As at 31 March 2023	As at 31 March 2022
Guarantees Outstanding			
	Quess Corp Ltd	2,100.00	2,100.00
Trade payables			
	Quess Corp Ltd	35.26	12.54
	Allsec Technologies Limited	-	0.10
	Terrier Security Services (India) Private Limited	-	3.81

(v) Compensation of key managerial personnel*

Particulars	For the period ended 31st March 2023	For the period ended 31st March 2022
Salaries Including Bonuses	141.95	92.70
	141.95	92.70

*Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences since provision for these are based on an actuarial valuation carried out for the Company as a whole.

Terms and conditions

All transactions with these related parties are priced at arm's length basis and resulting outstanding balances are to be settled in cash within six months to one year of reporting date . None of the balances are secured. For the year ended 31 March 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: Nil, 1 April 2022: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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36 Leases IND AS 116

Lease liability

Particulars	As at 31 March 2023	As at 31 March 2022
Non Current lease	85.01	55.52
Current lease	89.60	115.08
Total	174.62	170.60

The following is the movement in lease liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Operating lease recognised on adoption of Ind AS 116	170.60	9.85
Reclassification on adoption of Ind AS 116 - Fin lease obligation	-	-
Add: Additions	102.37	200.97
Add: Additions through business combination	-	-
Less: Deletion	(29.30)	-
Add: Finance cost accrued during the period	16.45	7.59
Less: Payment of lease obligation	(85.49)	(47.81)
Translation loss / (gain)	-	-
Carrying amount as at 31 March 2023	174.62	170.60

Amount recognised in PL

Particulars	As at 31 March 2023	As at 31 March 2022
Interest expense (included in finance cost)	16.45	7.59
Expenses relating to short-term lease (included in other expenses)	92.78	51.79
Expenses relating to lease of low value assets that are not included above (included in other expenses)		-
	109.23	59.38

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2023 on an undiscounted basis;

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	98.01	55.52
One to five years	94.78	-
More than five years	-	-
	192.79	55.52

37 Assets and liabilities relating to employee benefits

A

(Amount in Lakh)

Particulars	As at 31 March 2023	As at 31 March 2022
Net defined benefit liability, gratuity plan	93.37	86.27
Liability for compensated absences	7.97	6.02
Total employee benefit liability	101.34	92.29
Current	66.41	55.48
Non-current	34.92	36.81
	101.34	92.29

B Reconciliation of net defined benefit liability/ asset of gratuity plan

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ asset and its components:

Particulars	As at 31 March 2023	As at 31 March 2022
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	86.27	77.48
Additions through business combination	-	-
Current service cost	15.39	16.02
Interest cost	3.75	3.06
Past service cost	-	-
Benefit settled	(16.31)	(9.84)
Actuarial (gains)/ losses recognized in other comprehensive income	-	-
- Changes in experience adjustments	8.64	0.14
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	(4.38)	(0.58)
Obligation at the end of the year	93.37	86.27

C I) Expense recognized in statement of profit or loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	15.39	16.02
Interest cost	3.75	3.06
Past service cost	-	-
Interest income	-	-
Net gratuity cost	19.14	19.08

II) Re-measurement recognized in other comprehensive income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Remeasurement of the net defined benefit liability	4.26	(0.44)
Remeasurement of the net defined benefit asset	-	-
	4.26	(0.44)

D Plan assets

(All amount in INR, unless otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
Funds managed by insurer	-	-
	-	-

E Defined benefit obligation - Actuarial Assumptions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Discount rate	7.20%	4.35%
Future salary growth	6.00%	6.00%
Attrition rate	65.00%	65.00%

F Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

Employees

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	91.92	94.86	84.85	87.74
Future salary growth (1% movement)	94.61	92.14	87.65	84.89
Attrition rate (-/+50%% movement)	86.59	117.00	75.63	115.69

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38 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. However, the Company does not have any amounts payable to such enterprises as at 31 March 2023 and 31 March 2022 based on the information received and available with the Company.

Also the Company has not received any claim for interest from any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

39 Segment reporting

The Director of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The Company is in the business of Providing Network Planning, Network Optimization in Building Solution, Installation & Commissioning & Skilled Manpower Supply Services to Wireless Telecom operator & Venders for group companies and other external clients which are considered by CODM as the only reportable business segment taking into account the nature of the business, the organization structure, internal reporting structure and risk and rewards. All the assets of the Company are located in India. The Company caters to the needs of only the Indian market. Accordingly, there are no reportable secondary geographical segments.

40 Revenue from Contracts with customers

(I) Disaggregation of revenue

The table below presents disaggregated revenues from contracts with customers by geography for each of our business segments for the year ended 31 March 2023. The company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Year ended 31 March 2023 (Amount in Lakh)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Geographic Revenue		
India	16,487.35	10,246.04
Total	16,487.35	10,246.04

Nature of Services	For the year ended 31 March 2023	For the year ended 31 March 2022
Active Telecom Services	16,487.35	10,246.04
Total	16,487.35	10,246.04

Revenue By Contract Type	For the year ended 31 March 2023	For the year ended 31 March 2022
Fixed Price	16,487.35	10,246.04
Time & Material	-	-
Total	16,487.35	10,246.04

Revenue disaggregation as per segment and geography has been included in segment information (Refer note 39).

(II) Trade Receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.
Invoicing in excess of earnings are classified as unearned revenue.
Trade receivable and unbilled revenues are presented net of impairment in the Standalone Balance Sheet.

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

Particulars	As at 31 March 2023	As at 31 March 2022
Receivables, which are included in 'Trade and other receivables'	4,520.72	1,782.28
Contract assets (Unbilled revenue)	1,852.29	1,068.16
Contract liabilities (Unearned revenue & Advance r'd from customers)	-	-

The unbilled revenue (contract assets) primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customer, for which revenue is recognised on completion of contract terms.

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2023

Particulars	For the year ended 31 March 2023
Balance at the beginning	1,068.16
Add : Revenue recognized during the period	16,487.35
Less : Invoiced during the period	(15,703.23)
Less : Impairment / (reversal) during the period	-
Add: Changes due to Business Combinations	-
Add : Translation gain/(Loss)	-
Balance at the end	1,852.29

(III) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the company has not disclosed the value of remaining performance obligations for
(i) contracts with an original expected duration of one year or less and
(ii) contracts for which the company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2023, other than those meeting the exclusion criteria mentioned above, is NIL.

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41. Ratios

S No.	Ratio	Formula	Particulars		March 31, 2023		March 31, 2022		Ratio as on	Ratio as on	Variance	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	31-Mar-23	31-Mar-22		
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	6,564	3,628	3,012	1,856	1.81	1.62	12%	There has been improvement in operating profits and cash flows for the year ended 31st March, 2023 as compared to earlier years. Increased in AR & UBR majorly contributed as numerator.
(b)	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	37	3,527	342	2,113	0.01	0.16	-93%	Increased in profit added in denominator & numerator lowered by appox by 300 lakh resulted in lower D/E ratio
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	2,346	96	1,011	102	24.5	9.9	146%	There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity	Net Income= Net Profits after taxes – Preference Dividend	Shareholder's Equity	1,414	3,527	564	2,113	40%	27%	50%	There has been improvement in operating profits and cash flows during the year ended 31st March, 2023 as compared to earlier years
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	NA	NA	NA	NA	NA	NA	NA	NA
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	16,487	4,612	10,246	2,768	3.58	3.70	-3%	-
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	1,156	661	486	332	1.75	1.46	19%	-
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets – Current liabilities	16,487	2,046	10,246	852	8.06	12.02	-33%	-
(i)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	1,418	16,487	564	10,246	0.09	0.06	56%	Current year Profit is increased due to favourable business with operators resulted in better margine.
(j)	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	2,250	3,647	910	2,265	0.62	0.40	54%	Current year Profit is increased due to favourable business with operators resulted in better margine.
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	1,418	3,527	564	2,113	0.40	0.27	51%	Current year Profit is increased due to favourable business with operators resulted in better margine.

VEDANG CELL (I) SERVICES PRIVATE LIMITED * MUMBAI

42 Crypto Currency

The Company does not have any transation or balance in crypto currency or virtual currency.

43 Undisclosed Income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

44 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

45 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

46 Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

47 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

31-03 2023

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-22	IDFC First Bank Ltd	Account Receivable (gross) net of Account payable	4,021.51	3,661.51	360.00	Refer Note 47.2
Sep-22	IDFC First Bank Ltd		4,895.65	4,464.70	430.95	
Dec-22	IDFC First Bank Ltd		6,747.95	6,148.49	599.46	
Mar-23	IDFC First Bank Ltd		6,373.00	6,243.31	129.69	

31-03 2022

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-21	IDFC First Bank Ltd	Account Receivable (gross) net of Account payable	2,399.82	2,271.58	128.25	Refer note 47.2
Sep-21	IDFC First Bank Ltd		2,782.08	2,688.18	93.89	
Dec-21	IDFC First Bank Ltd		3,173.90	2,929.21	244.69	
Mar-22	IDFC First Bank Ltd		2,850.44	2,597.24	253.20	

47.1 The company changed its CC facility from Axis Bank Ltd to IDFC First Ltd in FY 20-21

47.2 The Company has been required by IDFC First Bank Limited to submit documents related to Accounts Receivable which are aged less than 120 days. Therefore, Accounts Receivable Balance aged more than 120 days is not considered in the statement submitted to Bank which has resulted in the difference between Amount as per books of account and Amount as reported in the quarterly return/ statement.

48 Earnings in foreign currency

There is no earning in foreign currency during the current year and previous year.

49 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached
for MSKA & Associates
Chartered Accountants
Firm registration number: 105047W

Ananthakrishnan G
Partner

Place: Hydrabad
Date: May 05, 2023

for and on behalf of the Board of Directors of
Vedang Cellular Services Private Limited
CIN: U32309MH2010PTC201638

Ashish Kapoor
DIN.02752632

Place: Bangalore
Date: May 05, 2023

Vijay Sivaram
DIN.07990452

Place: Bangalore
Date: May 05, 2023

Comtelink Balance Sheet as at 31st March 2023

(Amount in MYR)

Balance Sheet	Not	Mar-23	Mar-22
ASSETS			
Property, plant and equipment		-	-
Current assets Financial assets			
(i) Trade receivables	1	999,801	999,801
(ii) Cash and cash equivalents	2	70,742	235,785
(iv) Current loans	3	-	-
(vi) Unbilled Revenue		-	-
Other current assets	5	126,102	5,652
Total current assets		**1,196,645**	**1,241,238**
Total assets		**1,196,645**	**1,241,238**
EQUITY AND LIABILITIES			
Equity	6	1,000,000	1,000,000
Equity share capital			
Other equity	7	187,095	208,830
Total equity attributable to equity holders of the Company		**1,187,095**	**1,208,830**
Total equity		**1,187,095**	**1,208,830**
Liabilities			
Current liabilities Financial liabilities			
(iv) Other current financial liabilities	8	15,937	15,937
Income tax liabilities (net)	9	-650	22,208
Other current liabilities	10	-5,737	-5,737
Total current liabilities		**9,550**	**32,408**
Total Liabilities		**9,550**	**32,408**
Total Equity and Liabilities		**1,196,645**	**1,241,238**
		0	0

Management account need to be signed by Director

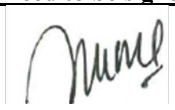
Mei Shien Mok

Date: 17 May 2023

Comtelink Profit & Loss account

Statement of profit and loss		For the year ended Mar-23	For the year ended Mar-22
Income			
Revenue from operations		-	658,647
Other income, net		-	1,238
Total income		**0**	**659,885**
Expenses			
Employee benefit expenses		-	490,500
Other expenses		16,029	1,362
Total expenses		**16,029**	**491,862**
Profit before tax		**(16,029)**	**168,023**
Tax expense			
Current tax	1	(5,706)	(29,544)
Total tax expenses		**(5,706)**	**(29,544)**
Profit for the period		**(21,735)**	**138,479**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Items that will be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign		-	-
Total other comprehensive income, net of tax		**-**	**-**
Total comprehensive income		**(21,735)**	**138,479**
Profit attributable to			
Owners of the Company		(21,735)	138,479
Non controlling interests		-	-
Total profit for the year		(21,735)	138,479
Other comprehensive income attributable to			
Owners of the Company		-	-
Non controlling interests		-	-
Total other comprehensive income attributable to			
Total comprehensive income attributable to :			
Equity holders of the parent		(21,735)	138,479
Non controlling interests		-	-

Management account need to be signed by Director



Mei Shien Mok

Date: 17 May 2023

Company Registration No: 200001010874 (513480 X)

AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

REPORTS AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

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AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Company for the financial year ended 31st March 2023.

PRINCIPAL ACTIVITY

The Company is principally engaged as provider of online recruitment solutions, to carry on the activities of employment placement and to carry on the activities of private employment agency to recruit and/to place a worker to another employer. There has been no significant change in this activity during the financial year.

FINANCIAL RESULTS

	RM
Net loss for the financial year after income tax	(3,215,030)

DIVIDENDS

The directors did not propose any final dividends for the financial year ended 31st March 2023.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year under review.

ISSUE OF SHARES

The Company did not issue any new shares during the financial year.

DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to date of the report are:-

Vijay Sivaram	
Muhunthan a/l Krishnan	(Resigned on: 1.2.2023)
Rajesh Kharidehal	(Resigned on: 8.12.2022)
Chandra Sekhar Reddy Garisa	(Appointed on: 8.12.2022)
Elaine Natalie Fortescue	(Appointed on: 1.2.2023)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit by reason of a contract made by the Company or by a related corporation with the director or with a firm of which the director is a member or with a company in which the director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Company a party to any arrangements whose object was to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES

According to the register of directors' shareholdings, required to be kept under Section 59 of the Companies Act 2016, the interests of directors in office at the end of the financial year in shares of the Company and its related corporations were as follows:-

	Number of Ordinary Shares			
	As at 1.4.2022	Bought	Sold	As at 31.3.2023
Elaine Natalie Fortescue	-	255,000	-	255,000

Shares held by Elaine Natalie Fortescue is on behalf of Monster.Com SG Pte Limited.

No other directors in office held any interest in shares of the Company or its related corporation at the end of the financial year.

DIRECTORS'REMUNERATION

No director's remuneration was paid or payable for directors and past directors of the Company during the financial year.

No indemnities have been given or insurance premium paid for director or officers of the Company during the financial year.

HOLDING COMPANY

The directors regard Monster.Com SG Pte Limited [Company Registration No: 200004227-N] a company incorporated in Malaysia, as the holding company.

ULTIMATE HOLDING COMPANY

The directors regard Quess Corp Limited (Company No: U74140KA2007PLC043909), a company incorporated in India as the ultimate holding company.

OTHER FINANCIAL INFORMATION

Before the financial statements of the Company were made out, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and have satisfied themselves that all known bad debts have been written off and adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values.

At the date of this report, the directors are not aware of any circumstances:

(a) which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Company inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Company misleading.

At the date of this report, there does not exist:

(a) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability in respect of the Company which has arisen since the end of the financial year.

No contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

In the opinion of the directors:

(a) the results of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION

Total amount paid to or receivable by auditors as remuneration for their services as auditors is disclosed as follow:-

	RM
Audit fee	25,800

There are no indemnity and insurance purchased for the auditors of the Company during the financial year.

Company Registration No: 200001010874 (513480 X)

AUDITORS

The auditors, Messrs HALS & Associates have expressed their willingness to accept re-appointment as auditors.

This report was approved by the Board of Directors on 28 APR 2023

Signed in accordance with a resolution of the directors:

CHANDRA SEKHAR REDDY GARISA

ELAINE NATALIE FORTESCUE

Directors

AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2023

	Note	2023 RM	2022 RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	247,514	272,832
Website domain	8	24,826	-
Total non-current assets		272,340	272,832
CURRENT ASSETS			
Trade and other receivables	9	3,325,164	3,448,820
Tax recoverable		1,672,939	1,381,603
Cash and cash equivalents	10	688,222	1,633,411
Total current assets		5,686,325	6,463,834
TOTAL ASSETS		5,958,665	6,736,666
EQUITY			
Share capital	11	500,000	500,000
(Accumulated loss)/Retained profit		(347,149)	2,867,881
Total equity		152,851	3,367,881
CURRENT LIABILITIES			
Trade and other payables	12	3,744,292	1,597,592
Deferred revenue	13	2,061,522	1,771,193
Total current liabilities		5,805,814	3,368,785
TOTAL LIABILITIES		5,805,814	3,368,785
TOTAL EQUITY AND LIABILITIES		5,958,665	6,736,666

The above statement is to be read in conjunction with the notes to the financial statements on pages 9 to 22.

AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST MARCH 2023

	Note	2023 RM	2022 RM
REVENUE	14	4,424,752	3,920,420
Other operating income		-	1,914
		4,424,752	3,922,334
Less:			
Administrative expenses		(7,639,782)	(3,893,113)
(Loss)/Profit before taxation	15	(3,215,030)	29,221
Taxation	16	-	111,287
(Loss)/Profit for the year		(3,215,030)	140,508

The above statement is to be read in conjunction with the notes to the financial statements on pages 9 to 22.

AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2023

	Share Capital RM	(Accumulated loss)/ Retained Profit RM	Total Equity RM
Balance at 1st April 2021	500,000	2,727,373	3,227,373
Non-owner changes in equity			
Profit for the year	-	140,508	140,508
Total comprehensive income for the year	-	140,508	140,508
Balance at 31st March 2022	500,000	2,867,881	3,367,881
Non-owner changes in equity			
Loss for the year	-	(3,215,030)	(3,215,030)
Total comprehensive loss for the year	-	(3,215,030)	(3,215,030)
Balance at 31st March 2023	500,000	(347,149)	152,851

The above statement is to be read in conjunction with the notes to the financial statements on pages 9 to 22.

AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2023

	Note	2023 RM	2022 RM
CASH FLOW FROM OPERATING ACTIVITIES			
(Loss)/Profit before taxation		(3,215,030)	29,221
Adjustments for:-			
Allowance/(Recovery) from doubtful debts		10,276	(19)
Bad debts written off		513	424
Depreciation		62,195	30,336
Unrealised loss/(gain) on foreign currency		137,883	(93)
OPERATING (LOSS)/PROFIT BEFORE WORKING CAPITAL CHANGES		(3,004,163)	59,869
Decrease in receivables		112,867	55,298
Increase in payables		2,437,029	993,556
CASH (USED IN)/GENERATED FROM OPERATIONS		(454,267)	1,108,723
Tax paid		(291,336)	(383,040)
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES		(745,603)	725,683
CASH FLOW FROM INVESTING ACTIVITY			
Purchase of property, plant and equipment		(61,703)	-
NET CASH USED IN INVESTING ACTIVITY		(61,703)	-
Unrealised (loss)/gain in cash and cash equivalents		(137,883)	93
Net (decrease)/increase in cash and cash equivalents		(807,306)	725,683
Cash and cash equivalents at beginning of the year		1,633,411	907,635
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	10	688,222	1,633,411

The above statement is to be read in conjunction with the notes to the financial statements on pages 9 to 22.

AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31ST MARCH 2023

1. GENERAL

The financial statements of the Company are presented in Ringgit Malaysia (RM) which is the Company's functional currency. All financial information is presented in RM.

The Company was incorporated and domiciled in Malaysia as a private company limited by shares. It is resident in Malaysia with its registered office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur and the principal place of business at Level 16 and 17, The Bousteador, No.10, Jalan PJU 7/6, Mutiara Damansara, 47800 Petaling Jaya, Selangor Darul Ehsan.

2. PRINCIPAL ACTIVITY

The Company is principally engaged as provider of online recruitment solutions, to carry on the activities of employment placement and to carry on the activities of private employment agency to recruit and/to place a worker to another employer. There has been no significant change in this activity during the financial year.

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with Malaysian Private Entities Reporting Standard ("MPERS") issued by Malaysian Accounting Standards Board's ("MASB") and the provisions of the Companies Act 2016.

4. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements of the Company have been approved by the Board of Directors for issuance on....28 APR 2023...

5. BASIS OF PREPARATION

5.1 Basis of Measurement

The financial statements of the Company have been prepared using cost bases (which include historical cost and amortised cost) and fair value bases.

5.2 Critical Judgements and Estimates Uncertainty

The preparation of the financial statements in conformity with MPERS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognized in the financial statements other than as disclosed below:-

A. Estimation Uncertainty

(a) **Loss Allowance of Financial Assets**

The Company recognizes impairment losses for loans and receivables using the incurred loss model. Individually significant loans and receivables are tested for impairment separately by estimating the cash flows expected to be recoverable. All others are grouped into credit risk classes and tested for impairment collectively, using the Company's past experience of loss statistics, ageing of past due amounts and current economic trends. The actual eventual losses may be different from the allowance made and this may affect the Company's financial position and results.

(b) **Depreciation of Property, Plant and Equipment**

The cost of an item of property, plant and equipment is depreciated on the straight line method or another systematic method that reflects the consumption of the economic benefits of the asset over its useful life. Estimates are applied in the selection of the depreciation method, the useful lives and the residual value. The actual consumption of the economic benefits of the property, plant and equipment may differ from the estimates applied and this may lead to a gain or loss on an eventual disposal of an item of property, plant and equipment.

(c) **Measurement of Income Taxes**

Significant judgement is required in determining the Company's provision for current and deferred taxes because the ultimate tax liability for the Company as a whole is uncertain. When the final outcome of the taxes payable is determined with the tax authorities in each jurisdiction, the amounts might be different for the initial estimates of the taxes payables. Such differences may impact the current and deferred taxes in the period where such determination is made. The Company will adjust for the differences as over or under provision of current or deferred taxes in the current period in which those differences arise.

6. SIGNIFICANT ACCOUNTING POLICIES

(a) **Property, Plant and Equipment**

(i) **Recognition and Measurement**

All property, plant and equipment are initially measured at cost.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located. The cost of self constructed assets also includes the cost of direct and indirect cost of construction.

For an exchange of non-monetary assets that has a commercial substance, cost is measured by reference to the fair value of the asset received.

All property, plant and equipment are subsequently measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

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

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amounts of property, plant and equipment and is recognized net within "other income" or "other expenses" respectively in profit or loss.

(ii) **Subsequent costs**

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognized to profit or loss. The costs of the day to day servicing of property, plant and equipment are recognized in profit or loss as incurred.

(iii) **Depreciation**

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognized in profit or loss on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. The annual rates used are as follows:-

Computer	3 years
Computer software	3 years
Office equipment	3 years
Software	6 years

At the end of each reporting period, the residual values, useful life and depreciation method for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current period.

(b) **Intangible Asset**

(i) Website domain

All internally generated intangible assets, including research and development costs are recognized as an expense in profit or loss when incurred, except for development cost that form part of the cost of another asset, in which case, the cost is capitalized in that asset. Other acquired intangible assets are measured at cost less any accumulated amortization and any accumulated impairment losses.

Amortisation of acquired intangible assets is based on the cost of an asset less its residual value. Amortisation is recognized in profit or loss on a straight line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives are as follows:-

Domain resgistration	5 years

If there is an indication that there has been a change in the residual value or useful life of an intangible asset since the last annual reporting date, the Company would review its previous estimates and, if current expectations differ, the Company would amend the residual value, amortization method or useful life.

(c) **Impairment of non-financial assets**

The carrying amounts of non-financial assets (ie. property, plant and equipment) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

If an individual asset generates independent cash inflows, it is tested for impairment as a stand-alone asset, if an asset does not generate independent cash inflows, it is tested for impairment together with other assets in a cash-generating unit, at the lowest level in which independent cash inflows are generated and monitored for internal management purposes.

The recoverable amount of an asset or a cash generating unit is the higher of its fair value less costs to sell and the value in use. The Company determines the fair value less costs to sell of an asset or a cash-generating unit in a hierarchy based on: (i) price in a sale agreement, (ii) market price traded in an active market; and (iii) estimate of market price using the best information available. The value in use is estimated by discounting the net cash inflows (by an appropriate pre-tax discount rate) of the asset or unit, using reasonable and supportable management's budgets and forecast cash flows.

An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

For an asset measured on a cost-based model, any impairment loss is recognized in profit or loss. For a property, plant and equipment measured on the revaluation model, any impairment loss is treated as a revaluation decrease.

The Company reassesses the recoverable amount of an impaired asset or a cash-generating unit if there is any indication that an impairment loss recognized previously may have reversed.

Any reversal of impairment loss for an asset carried at a cost-based model is recognized in profit or loss, subject to the limit that the revised carrying amount does not exceed the amount that would have been determined had no impairment loss been recognized previously.

(d) **Financial instruments**

(i) **Initial recognition and measurement**

A financial asset or financial liability is recognised in the statement of financial position when, and only when the Company becomes a party to the contractual provisions of the instruments.

A financial instrument is recognised initially at the transaction price (including transaction costs except in the initial measurement of a financial asset or financial liability that is measured at fair value through profit or loss, transaction cost are expensed to profit or loss when incurred) unless the arrangement constitutes, in effect, a financing transaction. If the arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instruments.

(ii) **Subsequent measurement**

For the purpose of subsequent measurement, the Company classifies financial assets into two categories, namely: (i) financial assets at fair value through profit or loss, and (ii) financial assets at amortised costs.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment in accordance with Note 6d(v).

After initial recognition, the Company measures all financial liabilities at amortised cost using the effective interest method.

(iii) **Fair Value Measurement of Financial Instruments**

All other financial assets or liabilities not measured at amortised cost or cost less impairment are measured at fair value with changes recognised in profit or loss.

The fair value is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique.

(iv) **Recognition of Gains and Losses**

Fair value changes of financial assets and financial liabilities classified as at fair value through profit or loss are recognized in profit or loss when they arise.

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognized in profit or loss only when the financial asset or financial liability is derecognized or impaired, and through the amortization process of the instruments.

(v) **Impairment and Uncollectibility of Financial Assets**

The Company applies the incurred loss model to recognise impairment losses of financial assets. At the end of each reporting period, the Company examines whether there is any objective evidence that a financial asset (except for financial assets measured at fair value through profit or loss) or a group of financial assets is impaired.

An impairment loss is measured as follows:-

* For an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

* For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

(vi) **Derecognition**

A financial asset or part of it is derecognized when, and only when, the contractual rights to the cash flows from the financial asset expire or are settled, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of financial asset, the difference between the carrying amount of the financial asset derecognized and the consideration received, including any newly created rights, and obligations, is recognized in profit or loss.

A financial liability or part of it is derecognized when, and only when, the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

(e) **Equity instruments**

Ordinary shares classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(f) **Revenue Recognition**

Revenue from services rendered is recognized in profit or loss upon services rendered and acceptance by customers. Revenue spanning more than one financial year is recognised on time apportioned basis over the duration of the services to be rendered.

(g) **Income Tax**

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to business combination or items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is provided by the balance sheet liability method based on all taxable temporary differences by comparing carrying amounts of assets and liabilities and their corresponding tax bases. Deferred tax is not recognized if the temporary differences arises from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time the transaction, affects neither accounting profit nor taxable profits.

Deferred tax is measured at the tax rates that is expected to be applied to the temporary differences when they reverse, based on tax rates that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits to the extent that is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credit can be utilized.

Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

(h) **Cash and Cash Equivalents**

Cash and cash equivalents consists of cash in hand, bank balances, deposits with bank and highly liquid investments with maturing within three months from the date of acquisition which are readily convertible to known amount of cash which are subject to an insignificant risk of change in value. For the purpose of statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(i) **Employee Benefits**

(i) **Short term employee benefits**

Short term employee benefits in respect of wages, salaries, social security contributions, paid annual leaves, paid sick leaves, bonuses and non-monetary benefits are measured on an undiscounted basis and are expensed in the financial period when employees have rendered their services to the Company.

Bonuses are recognised as an expense when there is a present, legal or constructive obligations to make such payments, as a result of past services provided by employees and when a reliable estimate can be made of the amount of the obligations.

(ii) **Defined contribution plan**

The Company makes contributions to a statutory provident fund and recognise the contribution payable as an expense in the financial year in which the employees render their services. Once the contributions have been paid, the Company have no further payment obligations.

(j) **Currency Conversion**

Transactions denominated in foreign currencies are translated and recorded at the exchange rates prevailing at the transaction dates. At the end of each reporting period, monetary items denominated in foreign currency are retranslated at the rates prevailing at the end of the period (ie. closing rate). Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the dates the fair value were determined. Non-monetary items that are measured at their historical costs amounts continue to be translated at their respective historical rates and are not retranslated.

All exchange gain or losses, including those arising from translation, are taken up in profit or loss.

7. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:-

2023 Cost:	At 1st April 2022 RM	Addition RM	At 31st March 2023 RM
Computer	115,941	35,020	150,961
Computer software	13,349	-	13,349
Office equipment	1,479	-	1,479
Software	290,575	-	290,575
Total	421,344	35,020	456,364

Accumulated Depreciation:	At 1st April 2022 RM	Charge for the year RM	At 31st March 2023 RM	Carrying amount at 31st March 2023 RM	Carrying amount at 31st March 2022 RM
Computer	109,402	11,906	121,308	29,653	6,539
Computer software	13,349	-	13,349	-	-
Office equipment	1,479	-	1,479	-	-
Software	24,282	48,432	72,714	217,861	266,293
Total	148,512	60,338	208,850	247,514	272,832

8. WEBSITE DOMAIN

	2023 RM	2022 RM
At 1st April	-	-
Add : Addition	26,683	-
	26,683	-
Less : Depreciation during the year	(1,857)	-
At 31st March	24,826	-

9. TRADE AND OTHER RECEIVABLES

	2023 RM	2022 RM
Current:		
Trade receivables	1,189,958	1,158,467
Other receivables	26,934	36,441
Deposits and prepayments	274,132	276,212
Amount due from related companies	1,844,988	1,978,183
Total at cost	3,336,012	3,449,303
Less:		
Bad debts written off - trade receivables	513	424
Accumulated impairment losses (**) - trade receivables	10,335	59
	3,325,164	3,448,820

** Movement of impairment losses:

	2023 RM	2022 RM
Balance at beginning of the year	59	78
Allowance/(Recovery) of doubtful debts	10,276	(19)
Balance at end of the year	10,335	59

Other receivables represent non trade advances/loan made and are unsecured, interest free and payable on demand.

Amount due from related companies represent trade balances and non trade advances made and are unsecured, interest free and repayable on demand.

10. CASH AND CASH EQUIVALENTS

	2023 RM	2022 RM
Cash and bank balances	688,222	1,633,411

11. SHARE CAPITAL

	2023 RM	2022 RM
Issued and fully paid:		
500,000 Ordinary shares	500,000	500,000

The share capital of the Company has no par value. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per share at meetings of the Company.

12. TRADE AND OTHER PAYABLES

	2023 RM	2022 RM
Trade payables	261,120	124,199
Other payables and accruals	798,407	685,151
Amount due to related companies	2,684,765	788,242
	3,744,292	1,597,592

Included in other payables is an amount of RM63,896 (2022: RM Nil) that is owing to a director as commission payable.

Amount due to related companies represent loan/advances made and are unsecured, interest free and payable on demand.

13. DEFERRED REVENUE

Deferred revenue represents deferred fees and is recognised as revenue on a time apportionment basis over the remaining period of the respective agreements in line with the services to be rendered.

14. REVENUE

Revenue represents the invoiced value of services rendered net of discounts.

15. (LOSS)/PROFIT FROM OPERATIONS

	2023 RM	2022 RM
(Loss)/Profit from operations before taxation is stated after charging/(crediting):-		
Audit fee		
- current year	25,800	15,000
- overprovision in prior year	-	(1,948)
Employee benefits:-		
- salaries and other benefits	1,718,916	1,218,467
- EPF	139,832	119,173
Unrealised loss/(gain) on foreign exchange	137,883	(93)

16. TAXATION

	2023 RM	2022 RM
Overprovision in prior year	-	(111,287)

Income tax is calculated at the Malaysian Statutory tax rate of 24% of the estimated assessable profit for the year.

A reconciliation of income tax expense applicable to (loss)/profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follows:-

	2023 RM	2022 RM
(Loss)/Profit before taxation	(3,215,030)	29,221
Taxation at Malaysian Statutory tax rate at 24%	(771,607)	7,013
Expenses not deductible for tax purposes	104,175	19,091
Overprovision in prior year	-	(111,287)
Deferred tax asset/(liabilities) not recognised	667,432	(26,104)
Tax income for the year	-	(111,287)

The Company has unabsorbed losses approximately of RM3,610,000 (2022:RM892,000) and unabsorbed capital allowances of approximately RM25,000 (2022:RM Nil) for utilisation against future taxable income.

Pursuant to the Finance Act 2021 (Act 833), unabsorbed tax losses can only be carried forward up to 10 consecutive years of assessment and any amount not utilized will be disregarded.

The unabsorbed losses of the Company will be expire as follows:-

The unabsorbed losses up to YA 2019 will be expire in year of assessment 2029 amount to RM489,000.

The unabsorbed losses up to YA 2021 will be expire in year of assessment 2031 amount to RM403,000.

The unabsorbed losses up to YA 2023 will be expire in year of assessment 2033 amount to RM2,718,000.

Deferred tax assets have not been recognised in respect of the following item:-

	2023 RM	2022 RM
Unabsorbed tax losses	866,400	214,080
Unabsorbed capital allowances	6,000	-
Excess of capital allowance over depreciation	(56,476)	(65,479)
	815,924	148,601

The effect of the above differences were not included in the financial statements as there is no assurance that future taxable income will be sufficient to allow the benefits to be realised.

The above are subject to the approval of the tax authorities.

17. FINANCIAL INSTRUMENTS

17.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorized as follows:-

(a) Financial assets and financial liabilities measured at amortised cost ("AC").

2023 **Financial assets**	Carrying Amount RM	AC RM
Deposits	265,790	265,790
Trade and other receivables	3,051,032	3,051,032
Cash and cash equivalents	688,222	688,222
	4,005,044	4,005,044
Financial liability		
Trade and other payables	3,744,292	3,744,292

2022 Financial assets	Carrying Amount RM	AC RM
Deposits	267,910	267,910
Trade receivables	3,448,820	3,448,820
Cash and cash equivalents	1,633,411	1,633,411
	5,350,141	5,350,141
Financial liability		
Trade and other payables	1,597,592	1,597,592

18. RELATED PARTIES

The significant related parties transactions of the Company are disclosed below:-

	2023 RM	2022 RM
a. Entities controlled by the holding company		
Monster India		
- Global revenue transfer to	819,943	986,818
- Professional fee	1,856,102	770,492
- Telecalling service cost	425,589	371,632
Quessglobal (Malaysia) Sdn Bhd		
- Cost of sales	-	82,700

The related parties balances are disclosed in Note 9 and 12 to the financial statements.

19. GOING CONCERN

At the year end, the Company had accumulated losses of RM347,149 and its current liabilities exceeded its current assets by RM119,489 as at that date. The Company incurred a net loss of RM3,215,030 during the financial year.

The financial statements of the Company have been prepared on a going concern basis in view of:-

(i) the availability or continued financial support from its shareholders;

(ii) realisation of assets by the Company is expected to be undertaken in the ordinary course of business; and

(iii) the Company is not expected to materially curtail or cease its operation in the foreseeable future.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

20. EMPLOYEES

The number of employees at the end of the financial year are as follows:-

	2023 No.	2022 No.
Directors	3	3
Employees	8	7
	11	10

Company Registration No: 200001010874 (513480 X)

AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

**STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2)
OF THE COMPANIES ACT 2016**

We, ELAINE NATALIE FORTESCUE and CHANDRA SEKHAR REDDY GARISA, being two of the directors of AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD., do hereby state that in our opinion, the financial statements set out on pages 5 to 22 are drawn up so as to give a true and fair view of the financial position of the Company as at 31st March 2023 and financial performance of the Company for the financial year ended 31st March 2023 in accordance with the Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated
28 APR 2023

ELAINE NATALIE FORTESCUE

CHANDRA SEKHAR REDDY GARISA

**STATUTORY DECLARATION PURSUANT TO SECTION 251(1)
OF THE COMPANIES ACT 2016**

I, ELAINE NATALIE FORTESCUE, IC No. 781216-04-5406, being the director primarily responsible for the accounting records and financial management of AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD., do solemnly and sincerely declare that the financial statements set out on pages 5 to 22 of the Company are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in Wilayah Persekutuan on
28 APR 2023

Before me,

ELAINE NATALIE FORTESCUE

PESURUHJAYA SUMPAH
W 583
THIRUNAVUKARASU A/L MUNUSAMY
01.12.2022 - 31.12.2024
COMMISSIONER FOR OATHS
MALAYSIA

No. 43, Lebuh Ampang,
50100 City Centre, Kuala Lumpur

HALS & Associates
Chartered Accountants
AF No: 0755

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Agensi Pekerjaan Monster Malaysia Sdn. Bhd. which comprise the statement of financial position as at 31st March 2023 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 5 to 22.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31st March 2023 and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (*on Professional Ethics, Conduct and Practice*) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

* Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

* Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

* Evaluate the overall presentations, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

HALS & ASSOCIATES
A.F. 0755
CHARTERED ACCOUNTANTS

Lim Kian Keong
Bil 02043/09/2024 J
Partner

KUALA LUMPUR

DATE: 28 APR 2023

AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

The pages which follow do not

form part of the Statutory

financial statements of the Company

AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2023

	2023 RM	2022 RM
REVENUE	4,424,752	3,920,420
Add: OTHER INCOME		
Miscellaneous income	-	1,802
Recovery of doubtful debts	-	19
Unrealised gain on foreign exchange	-	93
	4,424,752	3,922,334
Less:		
ADMINISTRATIVE EXPENSES (Schedule I)	(7,639,782)	(3,893,113)
(LOSS)/PROFIT BEFORE TAXATION	(3,215,030)	29,221

Schedule I

AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31ST MARCH 2023

	2023 RM	2022 RM
Accounting fee	19,899	26,192
Allowance for doubtful debts	10,276	-
Audit fee		
- current year	25,800	15,000
- overprovision in prior year	-	(1,948)
Bank charges	7,136	4,400
Bad debts written off	513	424
Commission	308,643	172,178
Courier and postage	1,997	16
Depreciation	62,195	30,336
EPF and Socso	147,131	124,835
Insurance	20,496	32,800
Merchant bank charges	7,316	-
Miscellaneous expenses	6,858	-
Office maintenance	660	1,129
Office rental	94,253	90,556
Printing and stationery	2,642	770
Professional fee	1,856,102	770,189
Promotions and advertisement	2,644,996	566,559
Reseller distribution services purchase	819,943	986,818
Salaries, bonus and allowances	1,402,974	1,040,627
Secretarial fee	6,887	4,748
Service tax	1,279	-
Staff refreshment	-	178
Stamp and other duties	5,810	25,094
Taxation fee	31,505	10,368
Telephone and fax	5,919	(8,651)
Travelling expenses	10,669	495
Unrealised loss on foreign exchange	137,883	-
	7,639,782	3,893,113

MONSTER.COM.HK LIMITED

REPORTS AND FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2023

H.F. LEUNG & CO.

CERTIFIED PUBLIC ACCOUNTANTS

MONSTER.COM.HK LIMITED

REPORTS AND FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2023

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MONSTER.COM.HK LIMITED
REPORT OF THE DIRECTORS

The directors have pleasure in submitting their annual report together with the audited financial statements for the year ended 31st March 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of online recruitment website, "www.monster.com.hk", which offers various recruitment services, including placement of job postings, access to resume database and other career related contents.

THE STATE OF THE COMPANY'S AFFAIRS AND APPROPRIATIONS

The results of the company for the year ended 31st March 2023 and the state of the company's affairs at that date are set out in the annexed financial statements.

The director do not recommend the payment of a dividend.

RESERVES

No transfer to reserves has been made or proposed for the year.

PROPERTY, PLANT AND EQUIPMENT

The movements in property, plant and equipment during the year are set out in note 9 to the financial statements.

SHARE CAPITAL

Details of share capital of the company are set out in note 13 to the financial statements.

DIRECTOR

The directors who held office during the year and up to date of this report were:

Vijay Sivaram	
Kharidehal Rajesh	(Resigned at 8th December 2022)
Garisa Chandra Sekhar Reddy	(Appointed at 8th December 2022)

There being no provision in the Company's Articles of Association to the contrary, all exisiting directors continue in office for the coming year.

DIRECTORS' INTEREST IN CONTRACTS

No significant transactions, arrangements and contracts to which the company was a party and in which a director of the company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' RIGHT TO ACQUIRE SHARES AND DEBENTURES

At no time during the year was the company or its holding company a party to any arrangements to enable the directors of the company to acquire benefits by means of the acquisition of shares in, or debentures of, the company or any other body corporate.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the company were entered into or existed during the year.

PERMITTED INDEMNITY PROVISIONS

There were no permitted indemnity provisions being in force for the benefit of the directors of the Company during the financial year or up to the date of this Directors' Report.

HOLDING AND ULTIMATE HOLDING COMPANY

As at 31st March 2023, the Company's immediate holding company was Monster.Com.SG Pte Limited (a company incorporated in Singapore) and the ultimate holding company was Quess Corp Limited (a public company incorporated in India and listed its shares on National Stock Exchange of India Limited).

AUDITORS

The financial statements has been audited by Messrs. H.F. Leung & Co., Certified Public Accountants, who retire and being eligible, offer themselves for re-appointment.

On behalf of the Board

Vijay Sivaram
Chairman
Hong Kong, 26th April 2023

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MONSTER.COM.HK LIMITED

(incorporated in Hong Kong with limited liability)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Monster.com.hk Limited set out on pages 5 to 14 which comprise the statement of financial position as at 31st March 2023, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31st March 2023, and of its financial performance and its cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis of Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. 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 HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the directors' report, but does not include the financial statements and our auditor's report thereon.

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

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

Material Uncertainty Related to Going Concern

We draw attention to note 2 to the financial statements, which indicates that as at 31st March 2023, the Company had net current liabilities of HK$1,684,125 (2022: HK$1,251,003) and capital deficiency of HK$1,684,125 (2022: HK$1,251,003). These conditions indicate that a material uncertainty exists that may cast doubt on the Company's ability to continue as a going concern which is dependent upon the continuing financial support of its ultimate holding company. We consider that appropriate estimates and disclosures have been made and our opinion is not qualified in respect of this matter.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

H.F. LEUNG & CO.
Certified Public Accountants
Room 1004, Xing Hua Centre,
433 Shanghai Street
Mongkok,
Kowloon.
Date : 26th April 2023

MONSTER.COM.HK LIMITED
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31ST MARCH 2023

	Note	2023 HK$	2022 HK$
Revenue	4	551,262	939,844
Less: Staff Costs	6	(550,898)	(464,047)
Less: Operating Lease Payments		(2,100)	(2,100)
Less: Administrative expenses		(440,711)	(160,309)
Profit/(Loss) before taxation	7	(442,447)	313,388
Taxation	8	-	(16,408)
Profit/(Loss) for the year		(442,447)	296,980

The notes on pages 9 to 14 form an integral part of these financial statements.

MONSTER.COM.HK LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 HK$	2022 HK$
Current assets			
Amout due from related Companies	9	22,514	-
Trade & Other receivables	10	2,000	1,236,837
Deposits and Prepayments	10	42,929	2,359
Pre-Paid Taxation		26,408	-
Cash and cash equivalents		423,271	636,160
		517,122	1,875,356
Current liabilities			
Accounts payable and accurals		160,058	253,660
Amout due to related Companies	9	1,882,536	2,643,347
Deferred Revenue	11	167,978	215,057
Provision for taxation		-	14,295
		2,210,572	3,126,359
Net current liabilities		(1,693,450)	(1,251,003)
NET LIABILITIES		(1,693,450)	(1,251,003)
CAPITAL AND RESERVES			
Share capital	13	38,700,002	38,700,002
Retained profits		(40,393,452)	(39,951,005)
TOTAL EQUITY		(1,693,450)	(1,251,003)

Approved on behalf of the Board by : 26th April 2023

Vijay Sivaram

Garisa Chandra Sekhar Reddy

The notes on pages 9 to 14 form an integral part of these financial statements.

MONSTER.COM.HK LIMITED
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31ST MARCH 2023

	Share capital	Accumulated Loss	Total
	HK$	HK$	HK$
BALANCE AT 31ST MARCH 2021	38,700,002	(40,247,985)	(1,547,983)
Profit for the year	-	296,980	296,980
BALANCE AT 31ST MARCH 2022	38,700,002	(39,951,005)	(1,251,003)
Loss for the year	-	(442,447)	-442,447
BALANCE AT 31ST MARCH 2023	38,700,002	(40,393,452)	(1,693,450)

The notes on pages 9 to 14 form an integral part of these financial statements.

MONSTER.COM.HK LIMITED
CASH FLOW STATEMENT
YEAR ENDED 31ST MARCH 2023

	2023 HK$	2022 HK$
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	(442,447)	313,388
Changes in working capital:		
Increase/Decrease in trade receivables	1,234,837	65,566
Increase/Decrease in deposits and prepayments	(40,570)	-
Increase /Decrease in amount due from a related Companies	(22,514)	80,283
Increase /Decrease in accounts payables and accurals	(93,602)	(32,196)
Increase/Decrease in Deferred revenue	(47,079)	(430,976)
Increase /Decrease in amount due to a related Companies	(760,811)	55,031
CASH GENERATED FROM OPERATIONS	(172,186)	51,096
Income Tax (Paid)/Refunded	(40,703)	79,521
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	(212,889)	130,617
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(212,889)	130,617
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	636,160	505,543
CASH AND CASH EQUIVALENTS CARRIED FORWARD	423,271	636,160
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	423,271	636,160

MONSTER.COM.HK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2023

1. GENERAL

Monster.Com.HK Limited is a company incorporated in Hong Kong with limited liability. The Company's registered office is located at Unit 1905, Empress Plaza, 17-19 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong.

The principal activities of the Company are that of online recruitment website, "www.monster.com.hk", which offers various recruitment services, including placement of job postings, access to resume database and other career related contents.

As at 31st March 2023, the Company's immediate holding company was Monster.Com.SG Pte Limited (a company incorporated in Singapore) and the ultimate holding company was Quess Corp Limited (a public company incorporated in India and listed its shares on National Stock Exchange of India Limited).

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standard for Private Entities ("HKFRSPE") issued by the Hong Kong Institute of Certified Public Accountants and the requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention and on accrual basis of accounting and on the basis that the company is a going concern in spite of the significant loss and net liabilities at 31st March 2023 on the grounds that the ultimate holding company has agreed to continue/provide their financial supports to the Company in the foreseeable future.

The financial statements are presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Company.

3. PRINCIPAL ACCOUNTING POLICIES

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements :

a. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, is charge to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of the property, plant and equipment.

Depreciation on property, plant and equipment is calculated at a rate sufficient to write off their cost or revalued amounts over their estimated useful lives on a straight-line basis at the following rates:

Office and Computer equipment	27% - 33 1/3% per annum
Resume database	20% per annum

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant assets, and is recognised in the income statement.

3. PRINCIPAL ACCOUNTING POLICIES - continued

b. Impairment of assets

At each balance sheet date, the company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but the increased carrying amount should not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

c. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables, The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

d. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents represent cash and bank balances, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the company's cash management are also included as a component of cash and cash equivalents.

e. Payables and accruals

Payables and accruals are recognised initially at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

f. Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the company and when the revenue can be measured reliably, on the following bases:-

(i) Revenue from the placement of job postings on the Company's website is recognised over the length of the advertising agreement or membership term. Rvenue from the subscriptions to the Company's online resume database network is recognised over the period of the underlying subscription. Unearned revenues are reported on the statement of financial position as deferred revenue.

(ii) Interest income is recognised on a time proportion basis taking into account the principal outstanding and at the interest rate applicable.

g. Taxation

Income tax comprises current and deferred tax. Income tax is recognised in the income statement or in equity if it relates to items that are recognised in the same or a different period, directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Tax rates enacted or substantively enacted by the balance sheet date are used to determine deferred tax.

Deferred tax liabilities are provided in full on all taxable temporary differences while deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

3. PRINCIPAL ACCOUNTING POLICIES - continued

h. Foreign currency translation

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong dollars using exchange rates applicable at the balance sheet date. Gains and losses on foreign exchange are recognised in the income statement.

i. Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

j. Related parties

Two parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

4. REVENUE

Turnover represents revenue from the placement of job postings on the company's website and access to the company's online resume database network.

An analysis of the company's revenue is as follows:

	2023	2022
	HK$	HK$
Revenue	883,287	1,225,110
Exchange difference	122,841	89,637
Bad Debts Recovered	-	1,744
Other Income	-	10,363
	1,006,128	1,326,854

5. DIRECTORS' EMOLUMENTS

The directors did not receive any fees or emoluments in respect of their to the Company during the year (2022 : Nil)

6. STAFF COSTS

Employee costs (including directors) comprise:

	2023	2022
	HK$	HK$
Wages and Salaries	530,604	441,774
Staff insurance	2,294	4,273
MPF	18,000	18,000
	550,898	464,047

7. PROFIT BEFORE TAXATION

Profit before taxation is stated after charging the followings:

	2023	2022
	HK$	HK$
Audit Fee	75,000	75,000
Taxation Service fee	30,000	30,000
Rent	2,100	2,100
Staff costs (Note 6)	550,898	464,047

8. INCOME TAX

Hong Kong Profits Tax has been provided for at the rate of 8.25% (2022: 8.25%) on the estimated assessable profits arising in Hong Kong during the year.

The amount of taxation charged to the statement of comprehensive income represents:

	2023	2022
	HK$	HK$
Hong Kong profits tax		
Provision for the year before tax relief	-	26,408
Less:Tax Relief for the year of assesment (2022/23)	-	(10,000)
Less : Overprovision made in previous year	-	-
Tax charge for the year	-	16,408

Tax payable in the balance sheet represents provision for taxation for the current year.

9. AMOUNT DUE FROM/(TO) RELATED COMPANIES

The amount was unsecured, interest free and had no fixed terms of repayment.

	2023 HK$	2022 HK$
Monster.com India Pvt Limited	22,514	(704,698)
Monster.com.sg Pte Ltd	(560,308)	(591,318)
Agensi Pekerjaan Monster Malaysia Sdn. Bhd.	(1,322,228)	(1,347,331)

10. TRADE RECEIVABLES, DEPOSITS AND PREPAYMENTS

The company's trade receivables, deposits and prepayments are non interest-bearing and their carrying amounts approximate to their fair values.

11. DEFERRED REVENUE

Deferred revenue represents revenue received in advance which will be recognised in advance which will be recognised as revenue over the period of the underlying advertising or subscription agreement

12. IMMEDIATE HOLDING COMPANY AND ULTIMATE HOLDING COMPANY

The directors considered that as at 31st March 2023, the Company's immediate holding company and ultimate holding company were Monster.Com.SG Pte Limited (a company incorporated in Singapore) and Quess Corp Limited (a public company incorporated in India and listed its shares on National Stock Exchange of India Limited) respectively.

13. SHARE CAPITAL

	2023 HK$	2022 HK$
Issued and fully paid:		
38,700,000 ordinary shares	38,700,002	38,700,002

14. RELATED PARTY TRANSACTIONS

In addition to the transactions an balances detailed elsewhere in these financial statements, the Company had the following material transactions with related parties during the year:

	2023 HK$	2022 HK$
Gross global website memebership fees to related company	454,866	331,559
Trade Mark fee paid to related company	9,326	-

15. COMPARATIVE FIGURES

Where necessary, comparative figures have been reclassified to conform with the current year's presentation.

16. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the company's Board of Directors on 26th April 2023

MONSTER.COM.HK LIMITED

DETAILED INCOME STATEMENT

YEAR ENDED 31ST MARCH 2023
(FOR MANAGEMENT INFORMATION ONLY)

	SCHEDULE	2023 HK$	2022 HK$
INCOME		883,287	1,225,110
DIRECT COST	1	(454,866)	(387,010)
GROSS PROFIT		428,421	838,100
OTHER REVENUE	2	122,841	101,744
		551,262	939,844
ADMINISTRATIVE EXPENSES	3	(993,709)	(626,456)
PROFIT/ (LOSS) BEFORE TAXATION		(442,447)	313,388

MONSTER.COM.HK LIMITED

DETAILED INCOME STATEMENT

YEAR ENDED 31ST MARCH 2023

(For management information purposes only)

	2023 HK$	2022 HK$
SCHEDULE 1		
DIRECT COST		
Sub-Contracting Cost	454,866	387,010
	454,866	387,010
SCHEDULE 2		
OTHER INCOME		
Bad debts Recovered	-	1,744
Exchange difference	122,841	89,637
Other Income	-	10,363
	122,841	101,744
SCHEDULE 3		
ADMINISTRATIVE AND GENERAL EXPENSES		
Advertising	280,775	-
Audit fee	75,000	75,000
Bank charges	9,805	8,283
MPF	18,000	18,000
Postage and courier	1,220	488
Printing and stationery	1,000	1,000
Rent	2,100	2,100
Salaries	530,604	441,774
Staff insurance	2,294	4,273
Stamp duty	1,170	6,719
Secretarial Fees	17,061	25,000
Sundry expenses	3,883	403
Storage Service Fees	5,768	5,700
Taxation Service Fee	30,000	30,000
Trade mark usage exp	9,326	-
Telephone, fax and internet expenses	5,703	7,716
	993,709	626,456

Caulfield International PAC
Chartered Accountants

MONSTER.COM.SG PTE LIMITED

Company Reg. No.: 200004227N

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

1 Coleman Street #05-16 The Adelphi Singapore 179803
Tel: (65) 6837 0360 Fax: (65) 6837 0369
Email: enquiry@jdt.com.sg website: www.jdt.com.sg
Incorporated with Limited liability Regn No.201431978R

MONSTER.COM.SG PTE LIMITED
(Company Reg. No.: 200004227N)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

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MONSTER.COM.SG PTE LIMITED
(Company Reg. No.: 200004227N)

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The directors are pleased to present their statement to the members together with the audited financial statements of Monster.com.sg Pte Limited (the "Company") for the financial year ended 31 March 2023.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and

(b) at the date of this statement, with the continuing financial support from the immediate holding company, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The directors of the Company in office at the date of this statement are as follows:

Sandro Lang
Vijay Sivaram
Keckeis Roman Werner
Chandra Sekhar Reddy Garisa (Appointed on 12 August 2022)

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the Act), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations.

5. SHARES OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

6. AUDITOR

Caulfield International PAC, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,

X .....
Vijay Sivaram
Director

X .....
Chandra Sekhar Reddy Garisa
Director

Singapore

Date: 08 MAY 2023

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF

MONSTER.COM.SG PTE LIMITED

Report on the Audit of The Financial Statements

Opinion

We have audited the financial statements of Monster.com.sg Pte Limited (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 December 2022 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement on pages 1 to 2.

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

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

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Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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 directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements.

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Caulfield International Pac

CAULFIELD INTERNATIONAL PAC
Public Accountants and
Chartered Accountants

Singapore

Date: 08 MAY 2023

MONSTER.COM.SG PTE LIMITED
(Company Reg. No.:200004227N)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 S$	2022 S$
ASSETS			
Non-current assets			
Investment in subsidiary	4	2,933,000	2,933,000
Plant and equipment	5	22,555	-
Intangible assets	6	190,997	225,436
Total non-current assets		3,146,552	3,158,436
Current assets			
Trade and other receivables	7	1,064,956	1,702,439
Cash and cash equivalents	8	634,170	982,127
Total current assets		1,699,126	2,684,566
TOTAL ASSETS		4,845,678	5,843,002
EQUITY AND LIABILITIES			
Equity			
Share capital	9	2,933,002	2,933,002
Accumulated losses		(1,950,221)	(100,458)
Equity attributable to the owners of the company		982,781	2,832,544
Current liabilities			
Trade and other payables	10	3,862,897	3,008,429
Income tax payable		-	2,029
Total current liabilities		3,862,897	3,010,458
TOTAL EQUITY AND LIABILITIES		4,845,678	5,843,002

The accompanying notes form an integral part of these financial statements.

MONSTER.COM.SG PTE LIMITED
(Company Reg. No.:200004227N)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023 S$	2022 S$
Revenue	11	3,319,183	3,265,707
Other income	12	368,670	9,685
		3,687,853	3,275,392
Item of expenses:			
Subcontractor charges		(888,221)	(1,175,136)
Employee benefits	13	(1,986,290)	(1,398,023)
Selling and distributions costs		(1,082,942)	(342,171)
Administrative expenses		(1,582,192)	(336,912)
(Loss)/Profit before tax	14	(1,851,792)	23,150
Income tax credit	15	2,029	-
(Loss)/Profit for the year, representing total comprehensive (loss)/income for the year		(1,849,763)	23,150

The accompanying notes form an integral part of these financial statements.

MONSTER.COM.SG PTE LIMITED
(Company Reg. No.:200004227N)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Share capital S$	Accumulated losses S$	Total S$
Balance as at 1 April 2021		2	(123,608)	(123,606)
Issuance of ordinary shares capital		2,933,000	-	2,933,000
Profit for the year, representing total comprehensive income for the year		-	23,150	23,150
Balance as at 31 March 2022		2,933,002	(100,458)	2,832,544
Balance as at 1 April 2022		2,933,002	(100,458)	2,832,544
Loss for the year, representing total comprehensive loss for the year		-	(1,849,763)	(1,849,763)
Balance as at 31 March 2023		2,933,002	(1,950,221)	982,781

The accompanying notes form an integral part of these financial statements.

MONSTER.COM.SG PTE LIMITED
(Company Reg. No.:200004227N)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023 S$	2022 S$
Cash flows from operating activities			
(Loss)/Profit before tax		(1,851,792)	23,150
Adjustments for:			
Amortisation of intangible assets	6	41,490	20,555
Bad debt written off		-	7
Depreciation of plant and equipment	5	3,775	-
Allowance for expected credit loss on trade receivables		(1,662)	1,557
		(1,808,189)	45,269
Changes in working capital:			
Trade and other receivables		639,146	357,006
Trade and other payables		854,468	(426,971)
Cash used in operations		(314,575)	(24,696)
Income tax refund		-	2,029
Net cash used in operating activities		(314,575)	(22,667)
Cash flows from investing activities			
Acquisition of intangible assets	6	(7,052)	-
Acquisition of plant and equipment		(26,330)	
Net cash used in investing activities		(33,382)	-
Net decrease in cash and cash equivalents		(347,957)	(22,667)
Cash and cash equivalents at 1 April		982,127	1,004,794
Cash and cash equivalents at 31 March	8	634,170	982,127

The accompanying notes form an integral part of these financial statements.

These notes form an integral part and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Monster.com.sg Pte Limited (the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business at 10 Jalan Besar #07-07 Sim Lim Tower Singapore 208787.

The immediate holding and ultimate holding companies are Quesscorp Holdings Pte Ltd, a company incorporated in Singapore and Quess Corp Limited, a company incorporated in India, respectively.

The principal activities of the Company are those of the business of a web-based employment placement and career services agency. There have been no significant changes in the nature of these activities during the financial period.

The details and principal activities of the subsidiaries are stated in Note 4 to the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements of the Company have been drawn up in accordance with Financial Reporting Standards in Singapore ("FRS"s). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (S$), which is the Company's functional currency. All financial information presented in Singapore Dollar, unless otherwise indicated.

2.2 ADOPTION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 1 *Presentation of Financial Statements: Classification of Liabilities* as Current or Non-current	1 January 2023
endments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to FRS 116 Leases: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to FRS 1 Presentation of Financial Statements: Non-current Liabilities with Covenants	1 January 2024
Amendments to FRS 110 *Consolidated Financial Statements* and FRS 28 *Investments in Associates and Joint Ventures*: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

2.4 FINANCIAL INSTRUMENTS

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.4 FINANCIAL INSTRUMENTS

(b) Financial liabilities - continued

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.5 IMPAIRMENT OF FINANCIAL ASSETS

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 -months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.6 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and demand deposits which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. For the purposes of the statement of cash flows, cash and cash equivalents includes cash at bank and fixed deposits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.7 CONTRACT ASSETS

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

2.8 INVESTMENT IN SUBSIDIARY

Investment in subsidiary is carried at cost less allowance for any impairment losses on an individual subsidiary basis. On disposal of investment in subsidiary, the differences between net disposal proceeds and the carrying amounts of the investments is recognised in profit and loss

2.9 CONTRACT LIABILITIES

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from customer. If customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

2.10 PROVISION

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.11 SHARE CAPITAL

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.12 LEASES

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) As lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.15.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.12 LEASES – CONTINUED

(a) As lessee - continued

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.13 EFFECTIVE INTEREST METHOD

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

2.14 PLANT AND EQUIPMENT

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives (years)
Leasehold improvement	3
Computer and office equipment	3 - 4
Furniture and fittings	3

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.15 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.16 REVENUE RECOGNITION

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Rendering of services

Services rendered are accounted for separately in the transaction price and it is supported by contracts with the customers. In accordance with FRS115, the Company has recognised the revenue only when they have satisfied the performance obligation promised in the contract.

(b) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.17 GOVERNMENT GRANTS

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual installments.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

2.18 EMPLOYEE BENEFITS

(a) Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The undiscounted liability for leave expected to be settled wholly within twelve months from the reporting date is recognised for annual leave as a result of services rendered by employees up to the end of the reporting period. The Company allows employee leave entitlements to carry forward for a maximum period of twelve months.

(c) Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the Company.

2.19 RELATED PARTIES

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:
   (i) Has control or joint control over the Company;
   (ii) Has significant influence over the Company; or
   (iii) Is a member of the key management personnel of the Company or of a parent of the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.19 RELATED PARTIES – CONTINUED

(b) An entity is related to the Company if any of the followings conditions apply:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
(ii) One entity is an associate or jointly venture of the other entity (or an associate or joint ventures of a member of a group of which the other entity is a member).
(iii) Both entities are joint venture of the same third party.
(iv) One entity is a joint ventures of a third entity and the other entity is an associate of the third entity.
(v) The entity is a post-employment benefits plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
(vi) The entity is controlled or jointly controlled by a person identified in (a).
(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

2.20 TAXES

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.20 TAXES – CONTINUED

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.21 FOREIGN CURRENCY TRANSACTIONS AND BALANCES

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.22 INTANGIBLE ASSETS

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in statement of comprehensive income in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Amortisation of an intangible asset commences when the intangible asset is available for use. Amortisation is recognised in statement of comprehensive income and is calculated based on the cost of the asset less residual value on a straight line basis over the estimated useful lives of intangible assets. No amortisation is provided for the intangible asset for the company as the intangible asset is not available for use as at year end.

The amortisation methods, useful lives and residual values are reviewed at each year end and adjusted if appropriate and are treated as changes in accounting estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

2.22 INTANGIBLE ASSETS– CONTINUED

Intangible assets with indefinite useful lives or not yet available for use are not amortised and are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in statement of comprehensive income when the asset is derecognised.

2.23 CONSOLIDATION

The company did not consolidate the accounts of its subsidiary due to the exemption under FRS110 Consolidated Financial Statements as follows:

(a) it is wholly owned subsidiary of another entity;
(b) its debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the counter market, including local and regional market);
(c) it did not file, nor it is in the process of filling, its financial statements with a securities commission or other regulatory organization for the purpose of issuing any class of instruments in a public market; and
(d) its ultimate parent produces consolidated financial statements that are available for public use.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgement made in applying accounting policies

(a) Determination of functional currency

In determining the functional currency of the Company, judgment is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES - CONTINUED

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Estimated useful lives of plant and equipment

Plant and equipment are depreciated on a straight-line method over their estimated useful lives. The management estimates the useful lives of these plant and equipment to be for 3 to 4 years. As at 31 March 2023, the carrying value amount of the plant and equipment amounted to S$22,555 (2022: S$Nil). The Company assesses annually the residual value and the useful lives of the plant and equipment and if expectation differs from the original estimates due to changes in the expected level of usage and/or technological developments, such as differences will impact the depreciation changes in the period in which such estimates are changed.

(b) Impairment of plant and equipment

The plant and equipment are tested for impairment whenever there is any objective evidence or indication that these assets maybe be impaired. The Company assesses impairment of these assets whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exits, the recoverable amount (i.e. higher of the fair value less costs to sell and value in use) of these assets is estimated to determined the impairment loss. The Company evaluates the recoverable amount of these assets based on the net present value of future cash flows (value in use) derived from such assets using cash flow projections which have been discounted at an appropriate rate.

As at 31 March 2023, no allowance for impairment loss of the plant and equipment was made for the financial year ended 31 March 2023 as the recoverable amount was in excess of the carrying amount.

(c) Provision for expected credit losses (ECLs) of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 19(a).

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES - CONTINUED

3.2 Key sources of estimation uncertainty – continued

(c) Provision for expected credit losses (ECLs) of trade receivables - continued

In calculating the ECL rates, the Company has considered the volatility of the forward-looking macroeconomic factors affecting the ability of the customers to repay their debts

The carrying amount of the Company's trade receivables as at 31 March 2023 was S$987,797 (2022: S$1,599,321).

(d) Impairment of investment in subsidiaries

At the end of the financial year, an assessment is made on whether there is indication that the investment in subsidiaries is impaired. The management's assessment is based on the estimation of the value-in-use of the CGU by forecasting the expected future cash flows for a period up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of the Company's investment in subsidiaries as at 31 March 2023 was S$2,933,000 (2022: S$ 2,933,000).

(e) Provision for income taxes

The company recognises liabilities of expected tax issues based on their best estimates of the likely taxes due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax position in the year in which such determination is made. The carrying amounts of the Company's income tax payable as at 31 March 2023 were S$2,029 (2022: S$2,029) respectively.

4. INVESTMENT IN SUBSIDIARIES

	2023 S$	2022 S$
Unquoted equity shares, at cost	2,933,000	2,933,000

The details of the subsidiaries as at 31 March 2023 and 31 March 2022 are as follows:

Name of subsidiary (Country of incorporation and principal place of business)	Principal activities	Proportion of ownership interest held by the Group		Cost of investment	
		2023 %	2022 %	2023 S$	2022 S$
- Monster.com.HK Limited (Hong Kong) [(a)]	Various recruitment services	100	100	433,000	433,000

4. INVESTMENT IN SUBSIDIARIES- CONTINUED

Name of subsidiary (Country of incorporation and principal place of business)	Principal activities	Proportion of ownership interest held by the Group		Cost of investment	
		2023 %	2022 %	2023 S$	2022 S$
- Agensi Perkerjaan Monster Malaysia Sdn. Bhd. (Malaysia) [b]	Online recruitment solutions and to carry on the activities of employment placement	49	49	2,500,000	2,500,000
				2,933,000	2,933,000

[a] Audited by H.F.Leung & Co. Certified Public Accountants.

[b] Audited by HALS & Associates Chartered Accounts.

5. PLANT AND EQUIPMENT

	Leasehold improvement S$	Computers and office equipment S$	Furniture and fittings S$	Total S$
Costs				
At 1 April 2021	172,449	144,494	42,193	359,136
Written off	(172,449)	(135,925)	(42,193)	(350,567)
31 March 2022	-	8,569	-	8,569
Addition	-	26,330	-	26,330
At 31 March 2023	-	34,899	-	34,899
Accumulated depreciation				
At 1 April 2021	172,449	144,494	42,193	359,136
Written off	(172,449)	(135,925)	(42,193)	(350,567)
At 31 March 2022	-	8,569	-	8,569
Depreciation	-	3,775	-	3,775
At 31 March 2023	-	12,344	-	12,344
Carrying amount				
At 31 March 2022	-	-	-	-
At 31 March 2023	-	22,555	-	22,555

6. INTANGIBLE ASSETS

	Software S$	Domain S$	Total S$
Costs			
At 1 April 2021 and 31 March 2022	245,991	-	245,991
Addition	-	7,051	7,051
At 31 March 2023	245,991	7,051	253,042
Accumulated amortisation			
At 1 April 2021	-	-	-
Amortisation for the year	20,555	-	20,555
At 31 March 2022	20,555	-	20,555
Amortisation for the year	40,998	492	41,490
At 31 March 2023	61,553	492	62,045
Carrying amount			
At 31 March 2022	225,436	-	225,436
At 31 March 2023	184,438	6,559	190,997

Intangible assets represent proprietary software for internal use which amortised using straight line method over useful lives for 6 years.

7. TRADE AND OTHER RECEIVABLES

	2023 S$	2022 S$
Trade receivables:		
- Third parties	892,931	1,498,764
Less: Allowance of expected credit loss	(49)	(1,711)
	892,882	1,497,053
- Fellow subsidiaries	-	-
- Subsidiaries	94,915	102,268
	987,797	1,599,321
Other receivables	-	2,527
Deposits	18,406	1,441
Prepayments	11,190	12,971
Deferred commission	47,563	86,179
	1,064,956	1,702,439

Third party trade receivables are non-interest bearing and generally on 30 to 120 (2022: 30 - 120) days' term.

Trade receivables are unsecured.

They are recognised at their original invoice amounts which represents their fair value on initial recognition.

7. TRADE AND OTHER RECEIVABLES - CONTINUED

Other receivables are non-trade in nature, unsecured, interest free and have no fixed term of repayment.

Commission expenses incurred and relating to future periods are carried forward to future periods as deferred commission.

Amount due from fellow subsidiaries are trade in nature, interest-free, and recoverable on demand.

The carrying amount of trade and other receivables approximate their fair values.

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL was as follows:

	2023 S$	2022 S$
At 1 April	1,711	154
(Reversal)/provision for expected credit losses (Note 14)	(1,662)	1,557
At 31 March	49	1,711

8. CASH AND CASH EQUIVALENTS

	2023 S$	2022 S$
Cash at bank	634,170	982,127

The carrying amount of cash and cash equivalents approximate their fair values.

9. SHARE CAPITAL

	2023		2022	
	Number of ordinary shares	S$	Number of ordinary shares	S$
Issued and fully paid				
At 1 April	233,380	2,933,002	2	2
Issuance during the year	-	-	233,378	2,933,000
At 31 March	233,380	2,933,002	233,380	2,933,002

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

10. TRADE AND OTHER PAYABLES

	2023 S$	2022 S$
Trade payables		
- Third party	123,566	241,283
- Subsidiaries	1,527,629	667,918
	1,651,195	909,201
Accrued operating expenses	288,331	295,644
Contract liabilities	1,880,834	1,731,552
GST payables	42,537	72,032
	3,862,897	3,008,429

Trade payables are unsecured, non-interest bearing and are normally settled on 30 (2022: 30) days' term.

Amounts due to fellow subsidiaries are trade in nature, unsecured, non-interest bearing and are repayable on demand.

Other payables are non-trade in nature, unsecured, interest free and have no fixed term of repayment.

The carrying amount of trade and other payables approximate their fair values.

11. REVENUE

	2023 S$	2022 S$
Service income	3,319,183	3,265,707

The Company's revenue is recognised at a point in time.

12. OTHER INCOME

	2023 S$	2022 S$
Fixed deposits interest income	6,145	-
Foreign exchange gain	362,525	8,841
Miscellaneous income	-	844
	368,670	9,685

13. EMPLOYEE BENEFITS

	2023 S$	2022 S$
Other key management personnel:		
Defined contribution plan (Note 16)	12,240	12,240
Salaries and other short-term benefits (Note 16)	271,598	247,592
Commission (Note 16)	59,014	-
Staffs' salaries and other related costs:		
Defined contribution plan	72,599	76,630
Salaries and bonus	1,456,128	928,181
Commission	92,480	118,092
Staffs' welfare	22,231	15,288
	1,986,290	1,398,023

14. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax has been arrived at after charging/(crediting):

	2023 S$	2022 S$
Amortisation of intangible assets (Note 6)	41,490	20,555
(Reversal)/allowance for expected credit loss on trade receivables (Note 7)	(1,662)	1,557
Bad debts written off	-	7
Communication expenses	6,306	3,838
Consultancy fee	1,252,666	179,845
Depreciation of plant and equipment (Note 5)	3,775	-
Employee benefits (Note 13)	1,986,290	1,398,023
Foreign exchange gain	(362,525)	(8,841)
Professional fees	202,976	63,770
Rent expenses	39,560	8,689
Sub-contractor charges	888,221	1,175,136

15. INCOME TAX CREDIT

The major components of income tax credit recognised in profit or loss for the financial years ended 31 March 2023 and 2022 were as follows:

	2023 S$	2022 S$
Current income tax:		
- Current year	-	-
- Over provision in respect of prior years	2,029	-
Income tax credit recognised in profit or loss	2,029	-

15. INCOME TAX CREDIT - CONTINUED

Relationship between tax credit and accounting (loss) / profit

A reconciliation between tax credit and the product of accounting (loss) / profit multiplied by the applicable corporate tax rate for the financial period ended 31 March 2023 and 2022 were as follows:

	2023 S$	2022 S$
(Loss)/Profit before tax	(1,851,792)	23,150
Income tax using the statutory tax rate of 17% (2022: 17%)	(314,805)	3,936
Adjustments:		
Non-taxable income	(62,956)	-
Non-deductible expenses	7,695	-
Utilisation of deferred tax asset not recognised in prior year	-	(3,936)
Deferred tax assets not recognised	375,921	-
Over provision in respect of prior years	2,029	
Others	(5,855)	-
Income tax credit recognised in profit or loss	2,029	-

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Company has unrecognised tax losses of S$3,051,456 (2022: S$874,597) at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements. The tax losses and capital allowances have no expiry date.

16. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	2023 S$	2022 S$
Sales transferred from subsidiaries	885,265	6,642
Sub-contractor charges by subsidiaries	1,252,666	1,166,640
Sales to subsidiary	28,414	42,815
Payment on behalf by a subsidiary	-	(403,216)
Staffs' costs charged to subsidiary	-	3,595
Consultancy fee charged by a subsidiary	859,374	179,845
Rental expenses charged by a subsidiary	-	17,500.00
Collection on behalf by a subsidiary	-	117,4478
Collection on behalf for subsidiaries	10,523	10,297

16. RELATED PARTY TRANSACTIONS - CONTINUED

	2023 S$	2022 S$
Key management personnel compensation:		
Other key management personnel:		
Defined contribution plan (Note 13)	12,240	12,240
Salaries and other short-term benefits (Note 13)	271,598	247,592
Commission (Note 13)	59,014	-

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company.

17. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk and interest rate risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables and loan to the immediate holding company. For other financial assets (including cash and cash equivalents), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

17. FINANCIAL RISK MANAGEMENT – CONTINUED

(a) Credit risk – continued

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating;
- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor;
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganization;
- There is a disappearance of an active market for that financial asset because of financial difficulty;

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

17. FINANCIAL RISK MANAGEMENT – CONTINUED

(a) Credit risk – continued

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	Category	12-month or lifetime ECL	Gross carrying amount S$	Loss allowance S$	Net carrying amount S$
31 March 2023						
Trade receivables and subsidiaries	7	Note 1	Lifetime ECL (simplified)	987,846	(49)	987,797
					(49)	
31 March 2023						
Trade receivables and subsidiaries	7	Note 1	Lifetime ECL (simplified)	1,601,032	(1,711)	1,599,321
					(1,711)	

Trade receivables and subsidiaries (Note 1)

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

31 March 2023	Not past due S$	≤30 days S$	31-60 days S$	61-90 days S$	Total S$
ECL rate	0%	0%	0%	22%	
Estimated total gross carrying amount at default	94,915	789,151	91,284	12,496	987,846
ECL	-	-	-	(49)	(49)
Expected credit loss rate					987,797

31 March 2022	Not past due S$	≤30 days S$	31-60 days S$	61-90 days S$	Total S$
ECL rate	0%	0%	0%	22%	
Estimated total gross carrying amount at default	1,382,808	97,012	113,354	7,858	1,601,032
ECL	-	-	-	(1,711)	(1,711)
Expected credit loss rate					1,599,321

17. FINANCIAL RISK MANAGEMENT – CONTINUED

(b) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Company finances its working capital requirements through its funds generated from operations. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount S$	Contractual cash flows S$	One year or less S$
2023			
Financial assets			
Trade and other receivables [a]	1,006,203	1,006,203	1,006,203
Cash and cash equivalents	634,170	634,170	634,170
Total undiscounted financial assets	1,640,373	1,640,373	1,640,373
Financial liabilities			
Trade and other payables [b]	1,939,526	1,939,526	1,939,526
Total undiscounted financial liabilities	1,939,526	1,939,526	1,939,526
Total net undiscounted financial liabilities	(299,153)	(299,153)	(299,153)
2022			
Financial assets			
Trade and other receivables [a]	1,603,289	1,603,289	1,603,289
Cash and cash equivalents	982,127	982,127	982,127
Total undiscounted financial assets	2,585,416	2,585,416	2,585,416
Financial liabilities			
Trade and other payables [b]	1,204,845	1,204,845	1,204,845
Total undiscounted financial liabilities	1,204,845	1,204,845	1,204,845
Total net undiscounted financial assets	1,380,571	1,380,571	1,380,571

[a] The amounts excluded prepayments and deferred commission.

[b] The amounts excluded GST payable and contract liabilities.

17. FINANCIAL RISK MANAGEMENT – CONTINUED

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates that will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of the Company, primarily United States Dollars, Indian Rupee, Hong Kong Dollars, and Malaysian Ringgit.

The Company's currency exposure to the United States Dollars, Indian Rupee, Hong Kong Dollars, and Malaysian Ringgit at the reporting date were as follows:

	United States Dollars S$	Indian Rupee S$	Hong Kong Dollars S$	Malaysian Ringgit S$
2023				
Financial assets				
Trade and other receivables	-	-	94,915	-
Cash and cash equivalents	8,976	-	-	-
	8,976	-	94,915	-
Financial liabilities				
Trade and other payables[b]	55,846	3,225	332,045	1,195,584
Currency exposure	(46,870)	(3,225)	(237,130)	(1,195,584)
2022				
Financial assets				
Trade and other receivables	-	-	102,268	-
Cash and cash equivalents	43,369	-	-	-
	43,369	-	102,268	-
Financial liabilities				
Trade and other payables[b]	31,012	3,387	404,048	263,870
Currency exposure	12,357	(3,387)	(301,780)	(263,870)

[a] The amounts excluded prepayments and deferred commission.

[b] The amounts excluded GST payable and contract liabilities.

17. FINANCIAL RISK MANAGEMENT – CONTINUED

(c) Market risk – Continued

(i) Foreign currency risk – Continued

A 10% (2022:10%) strengthening of Singapore Dollars against the foreign currencies denominated balances as at the reporting date would decrease profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	(Loss)/Profit after tax	
	2023 S$	2022 S$
United States Dollars	(3,890)	1,026
Indian Rupee	(268)	(281)
Hong Kong Dollars	(19,682)	(25,048)
Malaysian Ringgit	(99,233)	(21,901)

A 10% (2022:10%) weakening of Singapore Dollars against the above currencies would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from the cash and cash equivalents.

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial years.

18. FAIR VALUES

Assets and liabilities not measured at fair value

Cash and cash equivalents, other receivable and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables (including trade balances due to from/to subsidiaries) approximate their fair values as they are subject to normal trade credit terms.

18. FAIR VALUES – CONTINUED

Assets and liabilities not measured at fair value – Continued

Fair value hierarchy

The Company categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the company can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the assets or liability

19. FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets at armotised cost and financial liabilities at amortised cost were as follows:

	2023 S$	2022 S$
Financial assets measured at amortised cost		
Trade and other receivables (Note 7)[(a)]	1,006,203	1,603,289
Cash and cash equivalents (Note 8)	634,170	982,127
Total financial assets measured at amortised cost	1,640,373	2,585,416
Financial liabilities measured at amortised cost		
Trade and other payables (Note 10)[(b)]	1,939,526	1,204,845
Total financial liabilities measured at amortised cost	1,939,526	1,204,845

(a) The amounts excluded prepayments and deferred commission.

(b) The amounts excluded GST payable and contract liabilities.

20. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment and return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2023 and 31 March 2022.

20. CAPITAL MANAGEMENT– CONTINUED

The Company is not subject to any externally imposed capital requirement. The Company's overall strategy remains unchanged from 2022.

21. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2023 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on the date of the directors' statement.

08 MAY 2023

MONSTER.COM.SG PTE LIMITED

(Company Reg. No.: 200004227N)

THE ACCOMPANYING SUPPLEMENTARY DETAILED STATEMENT OF PROFIT OR LOSS

AND OTHER COMPREHENSIVE INCOME

HAS BEEN PREPARED FOR MANAGEMENT PURPOSES ONLY

AND DOES NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

MONSTER.COM.SG PTE LIMITED
(Company Reg. No.:200004227N)

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Appendix A

	2023 S$	2022 S$
Revenue		
Service income	3,319,183	3,265,707
Other income		
Fixed deposit interest income	6,145	-
Foreign exchange gain	362,525	8,841
Miscellaneous income	-	844
	368,670	9,685
Less:		
Sub-contractor charges	888,221	1,175,136
Employee benefits (Appendix B)	1,986,290	1,398,023
Selling and distribution costs (Appendix B)	1,082,942	342,171
Administrative expenses (Appendix B)	1,582,192	336,912
	(5,539,645)	(3,252,242)
(Loss)/Profit before tax	(1,851,792)	23,150

MONSTER.COM.SG PTE LIMITED
(Company Reg. No.:200004227N)

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Appendix B

	2023 S$	2022 S$
Employee benefits		
Other key management personnel:		
Defined contribution plan	13,738	12,240
Salaries and other short term benefits	271,598	247,592
Commission	59,014	-
Staffs' salaries and other related costs:		
Defined contribution plan	71,101	76,630
Salaries and bonus	1,456,128	928,181
Commission	92,480	118,092
Staffs' welfare	22,231	15,288
	(1,986,290)	(1,398,023)
Selling and distribution costs		
Advertisements	1,082,748	341,484
Entertainment	194	687
	(1,082,942)	(342,171)
Administrative expenses		
Amortisation of intangible assets	41,490	20,555
Bad debt written off	-	7
Bank charges	27,907	33,848
Communication expenses	6,306	3,838
Consultancy fee	1,252,666	179,845
Depreciation of plant and equipment	3,775	-
(Reversal)/allowance for expected credit loss on trade receivables	(1,662)	1,557
Internet expenses	38	1,402
Miscellaneous expenses	5,246	-
Other office expenses	2,376	1,170
Printing and stationery	1,286	240
Professional fees	202,976	63,770
Rate and taxes	-	21,034
Rent expenses	39,560	8,689
Repair and maintenance	190	276
Insurances	238	681
Utilities	(200)	-
	(1,582,192)	(336,912)

QUESS CORP VIETNAM LLC

AUDITED FINANCIAL STATEMENT
for the fiscal year from April 01, 2022 to March 31, 2023

Audited by:

SAI GON CONSULTING TAX AUDITING COMPANY LIMITED

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REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of QUESS CORP VIETNAM LLC (hereinafter called "the Company") presents its report and the Company's financial statements for the fiscal year was begin April 01, 2022 and ended on March 31, 2023 ("the fiscal year ended on March 31, 2023").

CHAIRMAN OF COMPANY, DIRECTOR AND LEGAL REPRESENTATIVE

Chairman of Company and Director of the Company who managed the company during the fiscal year ended on March 31st, 2022 and up to the date of the owner's capital investments report, are as follows:

Mr. Narayanaswamy Ravi Viswanath	- Chairman of Company and Legal representative, Nationality: Indian. Appointed on June 29, 2021; Dismissed on February 10, 2023;
Mr. Vijay Sivaram	- Director and Legal representative, Nationality: Indian. Dismissed on February 10, 2023; - Chairman of Company and Legal representative, Nationality: Indian. Appointed on February 10, 2023;
Ms. Nguyen Thi Kim Lien	- Director and Legal representative, Nationality: Vietnamese. Appointed on February 10, 2023;

AUDITOR

Saigon Consulting Tax Auditing Company Limited has been appointed to perform the audit of the Company's financial statements for the fiscal year ended on March 31, 2023.

STATEMENT OF THE BOARD OF DIRECTORS'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

Board of Directors is responsible for the financial statements of each financial year which give a true and fair view of the state of affairs of the Company and of its results and cash flows for the fiscal year end on March 31, 2023. In preparing those financial statements, Board of Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the basis of compliance with accounting standards and system and other related regulations;
- Prepare the financial statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

Board of Directors is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company, and to ensure that the accounting records comply with Vietnamese Accounting Standard, the Vietnamese Accounting System for enterprises, and relevant statutory requirements applicable to financial reports. It is responsible for safeguarding the assets the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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REPORT OF THE BOARD OF DIRECTORS

APPROVAL OF THE FINANCIAL STATEMENTS

The Board of Directors, confirm that the financial statements prepared by us, give a true and fair view of the financial position as at March 31, 2023, its operation results and cash flows in the fiscal year from April 01, 2022 to March 31, 2023 in accordance with the Vietnamese Accounting System and comply with relevant statutory requirements for preparation and presentation of financial statements.

For and on behalf of Company,

NGUYEN THI KIM LIEN

Director

Ho Chi Minh City, June 19, 2023

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SGA
Audit - Tax - Consulting

Saigon Consulting Tax Auditing Company Limited
Office: 2nd floor, 5-7 Hoang Viet street, ward 4
Tan Binh district, Ho Chi Minh city, Vietnam
Tel: 84-2862935468 I Fax: 84-2862935455
www.saigonauditing.com

Ref: 23256/BCKT-SGA

INDEPENDENT AUDITORS' REPORT

Financial statement of QUESS CORP VIETNAM LLC

for the year ended March 31, 2023

To: **CHAIRMAN**
DIRECTOR
QUESS CORP VIETNAM LLC

We have audited the financial statements of QUESS CORP VIETNAM LLC (hereinafter called "the Company") including balance sheet as of March 31, 2023, income statement and statement of cash flows, together with the notes to the financial statements for the year ended at the same day, prepared on June 19, 2023 as set out on pages from 5 to 22.

Director's Responsibility for the Financial Statements

Director is responsible for the preparation of these financial statements in accordance with Vietnam Accounting Standard and Vietnam Accounting Regime, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; select and apply suitable accounting policies; and make accounting estimate reasonably for each case.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnam Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the 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.

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Opinion

In our opinion, in all material aspects, the enclosed financial statements give a true and fair view of the financial position of QUESS CORP VIETNAM LLC as at March 31, 2023, together with its operation results and cash flows for the year ended at the same date in accordance with Vietnamese accounting standards and system and comply with relevant statutory requirements.

Emphasis note

Without denying the above opinion, we would like to note that as at 31 March 2023, the accumulated loss exceeded the owner's equity amount of VND 3,342,016,152 and short-term debt exceeds short-term assets by an amount of VND 3,396,632,253. This indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern in the near future. However, the Parent Company is committed to providing financial support to the company operating for at least the next 12 months from the date the Director approves this Financial Statement. Therefore, financial statements are prepared and presented on a going concern basis.

CÔNG TY TNHH KIỂM TOÁN THUẾ TƯ VẤN SÀI GÒN

BUI TRUNG HIEU

Director

Practicing auditor registration certificate

No.1341-2023-207-1

HOANG THI TRUC HUONG

Auditor

Practicing auditor registration certificate

No.1809-2018-207-1

For and on behalf of

SAI GON CONSULTING TAX AUDITING COMPANY LIMITED

Ho Chi Minh City, June 21, 2023

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BALANCE SHEET

As at March 31, 2023

Form B01-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

Items	Code	Note	Mar 31, 2023 VND	Apr 01, 2022 VND
ASSETS				
A. CURRENT ASSETS (100 = 110 + 120 + 130 + 140 + 150)	**100**		**7,181,330,072**	**5,132,677,456**
I. Cash and cash equivalents	**110**		**4,514,524,390**	**4,143,595,098**
1. Cash	111	IV.1	4,514,524,390	4,143,595,098
II. Short-term investments	**120**		-	-
III. Accounts receivable	**130**		**2,572,983,736**	**901,135,548**
1. Trade receivables	131	IV.2	3,435,559,455	2,020,478,513
2. Advances to suppliers	132	IV.3	73,300,711	79,452,903
3. Other receivables	136	IV.4	303,453,080	172,533,643
4. Provision for bad debts	137	IV.5	(1,430,542,319)	(1,562,542,319)
5. Assets in shortage awaiting resolution	139		191,212,809	191,212,808
IV. Inventories	**140**		-	-
V. Other current assets	**150**		**93,821,946**	**87,946,810**
1. Prepaid expenses	151	IV.6a	93,821,946	88,387,811
2. VAT deductibles	152		-	(441,001)
B. NON-CURRENT ASSETS (200 = 210 + 220 + 230 + 240 + 250 + 260)	**200**		**54,616,101**	**118,342,521**
I. Long – term receivables	**210**		-	-
II. Fixed assets	**220**		-	-
III. Investment properties	**230**		-	-
IV. Long-term asset in progress	**240**		-	-
V. Long-term investments	**250**		-	-
VI. Other long-term assets	**260**		**54,616,101**	**118,342,521**
1. Long-term prepaid expenses	261	IV.6b	54,616,101	118,342,521
TOTAL ASSETS (270 = 100 + 200)	**270**		**7,235,946,173**	**5,251,019,977**

Accompanying notes are integral part of the Financial Statements

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BALANCE SHEET

As at March 31, 2023

Form B01-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

Items	Code	Note	Mar 31, 2023 VND	Apr 01, 2022 VND
RESOURCES				
C . LIABILITIES (300 = 310 + 330)	**300**		**10,577,962,325**	**5,949,139,127**
I. Current liabilities	**310**		**10,577,962,325**	**5,949,139,127**
1. Accounts payable to suppliers	311	IV.8	98,001,839	76,600,765
2. Advances from customers	312	IV.9	1,002,273,686	148,495,008
3. Taxes payables and statutory obligations	313	IV.10	1,199,925,678	275,343,643
4. Payables to employees	314		560,925,647	230,887,587
5. Accrued expenses	315	IV.11	33,219,799	15,000,000
6. Other payables	319	IV.12	2,910,901,150	1,533,800,144
7. Loans and finance lease liabilities	320	IV.7	4,772,714,526	3,669,011,980
II. Long-term liabilities	**330**		-	-
D . OWNER'S EQUITY (400 = 410 + 430)	**400**		**(3,342,016,152)**	**(698,119,150)**
I. Equity	**410**	**IV.13**	**(3,342,016,152)**	**(698,119,150)**
1. Contributed capital	411		4,333,783,580	4,333,783,580
2. Retained profits	421		(7,675,799,732)	(5,031,902,730)
- Retained profits brought forward	421a		(5,031,902,730)	(2,671,731,146)
- Retained profits for the current year	421b		(2,643,897,002)	(2,360,171,584)
II. Others capital and funds	**430**		-	-
TOTAL RESOURCES (440 = 300 + 400)	**440**		**7,235,946,173**	**5,251,019,977**

M.S.D.N: 0314944513 - C.T.T.N.H.H
CÔNG TY TNHH QUESS CORP VIỆT NAM
QUẬN - TP. HỒ CHÍ MINH

NGUYEN THI KIM LIEN
Director
Ho Chi Minh City, June 19, 2023

Prepared by

Accompanying notes are integral part of the Financial Statements

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INCOME STATEMENT

for the fiscal year ended March 31, 2023

Form B02-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

Items	Code	Notes	Current year VND	Previous year VND
1. Revenues from sales of goods and rendering of services	01	V.1	17,686,335,134	4,081,560,900
2. Revenue deductions	02		-	-
3. Net revenue from sales of goods and rendering of services (10=01-02)	10		17,686,335,134	4,081,560,900
4. Cost of sales	11	V.2	14,827,279,215	2,799,343,010
5. Gross profit form sales of goods and rendering of services (20=10-11)	**20**		**2,859,055,919**	**1,282,217,890**
6. Income from financial activities	21	V.3	251,711,271	297,409,213
7. Expenses from financial activities	22	V.4	181,521,794	167,004,331
In which: interest expenses	*23*		*155,886,809*	*164,599,277*
8. Selling expenses	25		-	-
9. General & administration expenses	26	V.5	5,573,142,398	3,772,794,356
10. Net operating profit/(loss) (30=20+(21-22)-(25+26))	**30**		**(2,643,897,002)**	**(2,360,171,584)**
11. Other income	31		-	-
12. Other expenses	32		-	-
13. Other profit (40=31 - 32)	40		-	-
14. Accounting profit before tax (50=30+40)	**50**		**(2,643,897,002)**	**(2,360,171,584)**
15. Current corporate income tax expenses	51	V.7	-	-
16. Deferred corporate income tax (income) expenses	52		-	-
17. Net profit/(loss) after tax (60=50-51-52)	**60**		**(2,643,897,002)**	**(2,360,171,584)**

M.S.D.N: 0314944513 - C.T.T.N.H.H
CÔNG TY TNHH QUESS CORP VIỆT NAM
QUẬN 1 - TP. HỒ CHÍ MINH

NGUYEN THI KIM LIEN

Director

Ho Chi Minh City, June 19, 2023

Prepared by

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CASH FLOWS STATEMENT

(Indirect method)

for the fiscal year ended March 31, 2023

Form B03-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

Items	Code	Notes	Current year VND	Previous year VND
I. Cash Flows from Operating Activities				
1. Profit before tax	***01***		***(2,643,897,002)***	***(2,360,171,584)***
2. Adjustments				
- Provisions	03		(132,000,000)	-
- Unrealized foreign exchange gains, losses	04		(183,620,469)	(297,193,213)
- Interest expenses	06		155,886,809	164,599,277
3. Operating profit before changes in working capital	***08***		***(2,803,630,662)***	***(2,492,765,520)***
- Increase, decrease in trade receivable	09		(1,540,289,189)	467,916,677
- Increase, decrease in payables (not including other interest, incomes tax)	11		3,385,854,878	(785,742)
- Increase, decrease in prepaid expenses	12		58,292,285	(55,164,782)
Net cash flow from operating activities	***20***		***(899,772,688)***	***(2,080,799,367)***
II. Cash Flows from Investing Activities				
Net cash flows from investing activities	***30***		-	-
III. Cash Flows from Financing Activities				
1. Proceeds from short-term and long-term borrowings	33		1,304,800,000	-
Net cash flows from financing activities	***40***		***1,304,800,000***	-
Net cash flows in the period (50=20+30+40)	**50**		**405,027,312**	**(2,080,799,367)**
Cash and cash equivalent at beginning of year	**60**		**4,143,595,098**	**6,227,604,207**
Impacts of exchange rate fluctuations	61		(34,098,020)	(3,209,742)
Cash and cash equivalent at the end of year (70=50+60+61)	**70**		**4,514,524,390**	**4,143,595,098**

M.S.D.N: 0314944513 - C.T.T.N.H.H - CÔNG TY TNHH QUESS CORP VIỆT NAM - QUẬN 1 - T.P. HỒ CHÍ MINH

NGUYEN THI KIM LIEN

Director

Ho Chi Minh City, June 19, 2023

Prepared by

Accompanying notes are integral part of the Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

Form B09-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

I. Reporting entity

1. Structure of ownership

Quess Corp Vietnam LLC is a one member limited liability company owned by Quess Corp Limited which located in India and operates in accordance with the Law on Enterprise of Vietnam.

The company operates under the Investment Registration Certificate No. 8762150491 issued by the People's Commitee of Ho Chi Minh city for the first time on March 1st, 2018, the thirth amendment on July 30th, 2021; and Business Registration Certificate No. 0314944513 issued by the Department of Planning and Investment of Ho Chi Minh city for the first time on March 26th, 2018, the sixth amendment on July 6th, 2021.

The Company is located at 7th - 8th Floor, Me Linh Point Tower, No.2 Ngo Duc Ke Street, Ben Nghe Ward, District 1, HCMC, Vietnam.

Charter capital is VND 4,300,000,000 equivalent to USD 188,762.00.

2. Business areas

Services.

3. Principal activities

- Computer programming, consulting services and other computer-related activities. *Details: Software consulting and system consulting services; Programming services;*

- Data processing, leasing and related activities. *Details: other data processing services; Database services;*

- Labor and employment service activities. *Details: Service of providing and arranging personnel; Supply and management of labor resources.*

4. Normal operating cycle

Normal operating cycle of the Company is generally within 12 months.

II. Basis of preparation

1. Statement of compliance

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

2. Basis of measurement

The financial statements are prepared on the accrual basis using the historical cost concept, and going concern basis.

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

Form B09-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

3. Annual accounting period

The annual accounting period of the Company is from January 1 to December 31.

4. Accounting and presentation currency

The Company maintains its accounting records in Vietnam dong (VND), and monetary unit was presented on the financial statements in Vietnam dong (VND).

III. Summary of significant accounting policies

1. Foreign currency transactions

Exchange rate in transaction of contributed capital: the foreign currency buying rate at the reporting date quoted by the commercial bank, which receive money from investors;

Exchange rate in transaction of recognition and revaluation receivables: the foreign currency buying rate at the reporting date quoted by the commercial bank;

Exchange rate in transaction of recognition and revaluation payables: the foreign currency selling rate at the reporting date quoted by the commercial bank;

2. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposit, cash in transit and short-term investment (original term was less than 3 months) that are readily to convertible to knows amounts of cash and which are subject to an insignificant risk of changes in value.

3. Receivables

The receivables is presented in estimated collectable value. The value is estimated in subtraction of book value of receivable to provision for bad debts which are estimated for overdue debts, the debts with inability payment.

4. Prepaid expenses

Prepaid expenses include short term's and long term's which are presented at net book value. These expenditures have been capitalized and are located to the income statement of the fiscal year, by using the straight-line method.

The expenditures, are expected to provide future economic benefits to the Company for more than one year, are recognized as long term prepaid.

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

5. Payable expenses and accrued expenses

Payable expenses and accrued expenses are record for amount will paid in the future related goods and services, it not depend on whether the Company receive tax invoice from suppliers.

Expenses not yet occurred may be charged in advance into production and operating costs in order to ensure when these expenses arise, they do not make material influence on production and operating costs on the basis of suitability between revenue and cost. When these expenses arise, if there is any difference with the amount charged, accountants additionally record or make decrease to cost equivalent to the difference.

6. Revenue

Revenue of a transaction involving the rendering of services is recognized when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognized in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

(a) the amount of revenue can be measured reliably;

(b) it is probable that the economic benefits associated with the transaction will flow to the Company;

(c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and

(d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

7. Expenses

Production, operating and other expenses are recorded in Income statement when they decreased future economic benefits related to decreasing assets or increasing payable and value of the expenses should be determined reliable.

The expenses are recorded in matching of income and expenses.

8. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

The Company's corporate income tax expense is calculated using tax rate that have been affected at the date of preparing the balance sheet.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

Form B09-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

9. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Detail of related parties of the Company as

Related parties	Relationship
Quess Corp Ltd	Parent Company
Quess (Philipines) Corp	Fellow company
Quess (Singapore) Corp	Fellow company

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

Form B09-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

IV. Additional information to items in Balance Sheet

Unit: Vietnam dong

1. Cash and cash equivalents

		Mar 31, 2023	Apr 01, 2022
Cash in bank		4,514,524,390	4,143,595,098
- Cash in bank VND (*****)		*3,087,285,044*	*2,353,531,410*
- Cash in bank USD		*720,184,735*	*568,424,945*
	#	*$ 30,869.47*	*$ 24,822.05*
	and	*707,054,611*	*1,221,638,743*
	#	*$ 30,306.67*	*$ 53,346.67*
		4,514,524,390	**4,143,595,098**

(*****) including VND 2,000,000,000 blocked to secure a security deposit for the field "labor hire" in the business license.

2. Short term accounts receivable from customers

	Mar 31, 2023	Apr 01, 2022
VPBank Finance Company Limited	1,430,542,319	1,430,542,319
Decathlon Vietnam., Ltd	-	243,127,260
Zuzu Hospitality Solutions Limited Company	18,573,359	18,573,359
Bollore Logistics Vietnam Co.,Ltd	63,862,465	150,378,339
Branch of Decathlon Vietnam., Ltd in Ha Noi city	300,750,642	107,017,567
Uniontek Technology Co.,Ltd	27,500,000	27,500,000
General Trading Of Household Products One Member Company	-	21,348,000
Renesas Vietnam Design Co.,Ltd	42,588,739	18,496,964
Fujirebio Inc. (Japan)	393,967,261	-
Chanel Vietnam Co.,Ltd	158,191,770	-
Kegmil Vietnam Co.,Ltd	33,880,000	-
Collogomed Vietnam One member Co.,Ltd	73,920,000	-
Vietnam Concentrix Services Co., Ltd	22,000,000	-
Havi Technology Pty Limited Company	158,090,469	-
Herbalife Vietnam One member Co.,Ltd	697,440,991	-
Other customers	14,251,440	3,494,705
	3,435,559,455	**2,020,478,513**

3. Short term advance to suppliers

	Mar 31, 2023	Apr 01, 2022
Vietnam International Law firm	46,146,900	46,146,900
Other suppliers	27,153,811	33,306,003
	73,300,711	**79,452,903**

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

Form B09-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

4. Other short-term receivables

	Mar 31, 2023	Apr 01, 2022
Mortgage, collateral	301,038,126	151,938,126
Advance of employee	-	7,188,963
Undeclared VAT	715,979	11,707,579
Other receivables	1,698,975	1,698,975
	303,453,080	**172,533,643**

5. Bad and doubtful debts

	Mar 31, 2023		Apr 01, 2022	
	Carry amount	Recoverable amount	Carry amount	Recoverable amount
Total value of receivables that are past due or not overdue but are unlikely to recover				
- VPBank Finance Company Limited	1,430,542,319	-	1,430,542,319	-
- Decathlon Vietnam., Ltd	-	-	134,012,118	2,012,118
	1,430,542,319	-	1,564,554,437	2,012,118
Of which				
Allowance for doubtful debts – short-term		(1,430,542,319)		(1,562,542,319)
Allowance for doubtful debts – long-term				

6. Prepaid expenses

	Mar 31, 2023	Apr 01, 2022
a. Short-term prepaid expenses		
Insurance expenses	3,501,668	-
Prepaid office rental expenses	90,320,278	88,387,811
	93,821,946	**88,387,811**
b. Long-term prepaid expenses		
The cost of office equipment	42,680,313	88,503,033
Expenses incurred from insurance purchase	11,935,788	29,839,488
	54,616,101	**118,342,521**

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

Form B09-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

7. Loans and finance lease liabilities - short term

	Mar 31, 2023		Apr 01, 2022	
	Carrying amount	Repayable amount	Carrying amount	Repayable amount
Short term loans with related parties				
- Quess Corp Ltd (**)	2,075,723,160	2,075,723,160	2,191,734,720	2,191,734,720
#	*INR 7,014,000.00*	*INR 7,014,000.00*	*INR 7,014,000.00*	*INR 7,014,000.00*
- Quess (Philippines) Corp (***)	1,398,286,566	1,398,286,566	1,477,277,260	1,477,277,260
#	*PHP 3,232,554.18*	*PHP 3,232,554.18*	*PHP 3,232,554.18*	*PHP 3,232,554.18*
- Quess (Singapore) Corp (****)	1,298,704,800	1,298,704,800	-	-
#	*$ 54,960.00*	*$ 54,960.00*	-	-
	4,772,714,526	**4,772,714,526**	**3,669,011,980**	**3,669,011,980**

Detail of short term loans

(**) This is short-term loan of Quess Corp Ltd with loan contract signed on April 1, 2018;

- Amount : 7,014,000.00 INR;
- Loan term : 01 year from December 27, 2018 to December 26, 2019; loan payment term is overdue, but there are no renewal contracts.
- Interest rate : 7.51%/year, payment quarterly;
- Loan purpose : payment for operating expenses;
- Collateral : None

(***) This is short-term loan of Quess (Philippines) Corp with loan contract signed on September 14, 2018;

- Amount : 3,232,554.18 PHP;
- Loan term : 01 year from September 24, 2018 to September 23, 2019; loan payment term is overdue, but there are no renewal contracts.
- Interest rate : 0%/year;
- Loan purpose : payment for operating expenses;
- Collateral : None

(****) This is short-term loan of Quess (Singapore) Corp with loan contract signed on January 10, 2023;

- Amount 100,000.00 USD, received loan amount 54,960.00 USD;
- Loan term : 363 days from January 10, 2023 to January 08, 2024;
- Interest rate : 5%/year;
- Loan purpose : payment for operating expenses;
- Collateral : None

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

Form B09-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

8. Short term accounts payable

	Mar 31, 2023		Apr 01, 2022	
	Carrying amount	Repayable amount	Carrying amount	Repayable amount
Talent Trader Vietnam Co.,Ltd	3,319,875	3,319,875	3,319,875	3,319,875
Hello Co.,Ltd	17,638,320	17,638,320	17,638,320	17,638,320
Expertis Auditing and Consulting Co.,Ltd	-	-	10,800,000	10,800,000
Grant Thornton (Vietnam) Co.,Ltd	36,948,350	36,948,350	36,948,350	36,948,350
Thai Anh International Co.,Ltd - HCMC Branch	6,780,424	6,780,424	-	-
Branch of Tri Thuc Viet Co.,ltd	20,495,200	20,495,200	-	-
Regus (Vietnam Center Co.,Ltd - Me Linh Branch	7,018,304	7,018,304	-	-
Other suppliers	5,801,366	5,801,366	7,894,220	7,894,220
	98,001,839	**98,001,839**	**76,600,765**	**76,600,765**

9. Advances from customers

	Mar 31, 2023	Apr 01, 2022
a. Short term advances from customers		
Branch of Regus (Vietnam) Center Co.,Ltd	68,742,900	68,742,900
Neyu Co.,Ltd	21,772,800	-
Gallagher Company Pte Limited	79,752,108	79,752,108
Gemstone Entertainment Hk Limited	46,780,734	-
	217,048,542	**148,495,008**
b. Advances from customers who are related parties		
Quess (Singapore) Corp	785,225,144	-
	785,225,144	**-**

10. Taxes payables and statutory obligations

	Apr 01, 2022	Incurred	Paid	Mar 31, 2023
- Value added tax	190,075,029	1,490,901,241	(938,672,867)	742,303,403
- Personal income tax	85,268,614	714,423,990	(342,070,329)	457,622,275
- Other taxes	-	2,000,000	(2,000,000)	-
Taxes payables and statutory obligations	**275,343,643**	**2,207,325,231**	**(1,282,743,196)**	**1,199,925,678**
Tax and receivables from state budget	-			-

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

Form B09-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

11. Short term accrued expenses

	Mar 31, 2023	Apr 01, 2022
Audit fee	25,000,000	15,000,000
Professional service fee	5,000,000	-
Loan interest	3,219,799	-
	33,219,799	**15,000,000**

12. Short term other payables

	Mar 31, 2023	Apr 01, 2022
Surplus of assets awaiting resolution	46,504,604	46,504,604
Union fee	248,633,350	116,285,377
Social insurance, Health insurance, unemployment insuarance	283,663,374	83,533,067
Employee payables (Ms.Nguyen Thi Thanh Trang)	29,720,605	27,420,605
Deposit		
- Fujirebio Inc. (Japan)	756,700,232	-
- Havi Technology Pty Limited Company	138,566,320	-
	# $ *5,864.00*	-
- Glance Inmobi Pte Ltd	9,452,000	-
	# $ *400.00*	-
Loan interest - Quess Corp Ltd - Related party	680,349,709	553,774,978
	# *INR 2,298,944.75*	*INR 553,774,978.00*
Paid on behalf - Quess (Philippines) Corp - Related party	259,569,034	274,232,366
	# *PHP 600,070.82*	*PHP 600,070.82*
Paid on behalf - Quess (Singapore) Corp - Related party	413,439,792	387,278,217
	# *SGD 22,868.51*	*SGD 22,868.51*
Others	44,302,130	44,770,930
	2,910,901,150	**1,533,800,144**

13. Owner's equity

a. Changes in owners' equity

	Items of owner's equity		
	Contributed charter capital	Retained earning	Total
Opening balance of previous year	**4,333,783,580**	**(2,671,731,146)**	**1,662,052,434**
Net loss for previous year	-	(2,360,171,584)	(2,360,171,584)
Opening balance of the year	**4,333,783,580**	**(5,031,902,730)**	**(698,119,150)**
Net loss for the year	-	(2,643,897,002)	(2,643,897,002)
Closing balance	**4,333,783,580**	**(7,675,799,732)**	**(3,342,016,152)**

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

Form B09-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

b. Details of owner's equity

Investor/share holders	Registered Charter capital		Contributed Charter capital	
	Amount (USD)	# Amount (VND)	Amount (USD)	# Amount (VND)
Quess Corp Ltd	188,762.00	4,300,000,000	188,762.00	4,333,783,580
	188,762.00	**4,300,000,000**	**188,762.00**	**4,333,783,580**

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

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(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

V. Additional information to items in income statement

1. Revenue from sale of goods and rendering of service

	Current year	Previous year
Gross revenue		
Revenue from rendering of service	17,686,335,134	4,081,560,900
	17,686,335,134	**4,081,560,900**
In which: Revenue from related parties		
Quess (Singapore) Corp	*169,206,258*	-

2. Cost of sales

	Current year	Previous year
Cost of goods sold from render of services	14,827,279,215	2,799,343,010
	14,827,279,215	**2,799,343,010**

3. Financial income

	Current year	Previous year
Gain of difference from exchange rate	68,090,802	216,000
Gain of difference from revaluation exchange rate	183,620,469	297,193,213
	251,711,271	**297,409,213**

4. Financial expenses

	Current year	Previous year
Loan interest	155,886,809	164,599,277
Loss of difference from exchange rate	25,634,985	2,405,054
	181,521,794	**167,004,331**

5. General & administration expenses

	Current year	Previous year
Expense of employees	4,485,967,269	2,909,831,525
Office equipment expenses	88,699,298	119,433,914
Outsourced services expenses	823,102,180	662,786,641
Other expenses	307,373,651	80,742,276
Revert provision for bad debts	(132,000,000)	-
	5,573,142,398	**3,772,794,356**

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

Form B09-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

6. Operating cost by nature

	Current year	Previous year
Labor cost	19,313,246,484	5,709,174,535
Tools and instruments expenses	88,699,298	119,433,914
Outsourced services expenses	823,102,180	662,786,641
Other expenses	307,373,651	80,742,276
Revert provision for bad debts	(132,000,000)	-
	20,400,421,613	**6,572,137,366**

7. Current corporate income tax ("CIT") expenses

The determination of the tax currently payable and deferred tax is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

Form B09-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

VI. Other information

1. Subsequent events since the balance sheet date

There has been no significant financial event occurring after the balance sheet date, which would require adjustments or disclosures to be made in the financial statements.

2. Significant transactions related parties

Significant transactions with related parties in the year were as follows:

Related parties	Transaction	Current year	Previous year
Quess Corp Ltd	Loan interest	155,886,809	164,599,277
		# *INR 526,751.40*	*INR 526,751.40*
Quess (Singapore) Corp	Short term loan	1,304,800,000	-
		# *$ 54,960.00*	-
	Revenue	169,206,258	-

At fiscal year end, accounts receivable and payable with related parties were as follows:

Related parties	Transaction	Balance	
		31/03/2023	01/04/2022
Quess Corp Ltd	Short term loan payable	2,075,723,160	2,191,734,720
		# *INR 7,014,000.00*	*INR 7,014,000.00*
	Loan interest payable	680,349,709	553,774,978
		# *INR 2,298,944.75*	*INR 1,772,193.35*
Quess (Philipines) Corp	Short term loan payable	1,398,286,566	1,477,277,260
		# *PHP 3,232,554.18*	*PHP 3,232,554.18*
	Paid on behalf (payable)	259,569,034	274,232,366
		# *PHP 600,070.82*	*PHP 600,070.82*
Quess (Singapore) Corp	Short term loan payable	1,298,704,800	-
		$ 54,960.00	-
	Paid on behalf (payable)	413,439,792	387,278,217
		# *SGD 22,868.51*	*SGD 22,868.51*
	Short term trade payable (advance from customer)	785,225,144	-

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NOTES TO THE FINANCIAL STATEMENTS

for the fiscal year ended March 31, 2023

Form B09-DN

(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

3. Going concern information

As at 31 March 2023, the accumulated loss exceeded the owner's equity amount of VND 3,342,016,152 and short-term debt exceeds short-term assets by an amount of VND 3,396,632,253. This indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern in the near future. However, the Parent Company is committed to providing financial support to the company operating for at least the next 12 months from the date the Director approves this Financial Statement. Therefore, financial statements are prepared and presented on a going concern basis.

Prepared by

NGUYEN THI KIM LIEN
Director
Ho Chi Minh City, June 19, 2023

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QUESS CORP LANKA (PRIVATE) LIMITED

FINANCIAL STATEMENTS
31 MARCH 2023

QUESS CORP LANKA (PRIVATE) LIMITED

FINANCIAL STATEMENTS -31 MARCH 2023

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Independent auditor's report

To the Group Audit Team of Quess Corp Limited

Report on the audit of the financial statements

Our opinion

In our opinion, the accompanying financial information of Quess Corp Lanka (Private) ("the Company") as at 31 March 2023, and of its financial performance and its cash flows for the year then ended has been prepared, in all material respects, to give the information required to be shown in accordance with the policies contained in the parent company's accounting manual.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 March 2023;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Basis of preparation

We draw attention to the fact that the accompanying special purpose financial information is not presented in accordance with and does not include all the information required to be disclosed by Sri Lanka Accounting Standards. Accordingly, the accompanying information is not intended to give a true and fair view of the financial position of Quess Corp Lanka (Private) Limited as of 31 March 2023, or the results of its operations or its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards. Our opinion is not modified in respect of this matter.

Independence

We are independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by the Institute of Chartered Accountants of Sri Lanka ("CA Sri Lanka Code of Ethics"). We have fulfilled our other ethical responsibilities in accordance with the CA Sri Lanka Code of Ethics.

PricewaterhouseCoopers is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.

Independent auditor's report

To the Group Audit Team of Quess Corp Limited (Contd)

Report on the audit of the financial statements (Contd)

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements, in all material respects, in accordance with the policies contained in the parent company's accounting manual and for such internal control as management determines is necessary to enable the preparation of financial statements that 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with SLAuSs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent auditor's report

To the Group Audit Team of Quess Corp Limited (Contd)

Report on the audit of the financial statements (Contd)

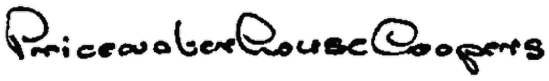
Auditor's responsibilities for the audit of the financial statements (Contd.)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Restriction on distribution and use

This report is intended solely for the use of group audit team of Quess Corp Limited in connection with the audit of the consolidated financial statements of Quess Corp Limited and should not be used for any other purpose.



CHARTERED ACCOUNTANTS

COLOMBO

10 May 2023

QUESS CORP LANKA (PRIVATE) LIMITED

Statement of comprehensive income

(all amounts in Sri Lanka Rupees)

	Note	Year ended 31 March	
		2023	2022
Revenue from contract with customers	7	2,150,151,305	2,073,468,948
Direct expenses	8	(1,859,680,214)	(1,813,696,444)
Gross profit		290,471,091	259,772,505
Other income		Nil	26,422
Administrative expenses		(143,323,558)	(140,895,700)
Net finance (expense) / income	9	(32,099,617)	29,586,356
Profit before income tax		115,047,916	148,489,582
Income tax expense	10	(26,304,520)	(39,224,761)
Profit for the year		**88,743,396**	**109,264,821**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Loss on remeasurements of defined benefit obligations	19	(10,248,800)	Nil
Tax impact on remeasurements of defined benefit obligations	18	3,074,640	Nil
Other comprehensive income for the year		(7,174,160)	**Nil**
Total comprehensive income		**81,569,236**	**109,264,821**
Earnings per share	11	**72.96**	**89.83**

The notes on pages 8 to 25 form an integral part of these financial statements.

QUESS CORP LANKA (PRIVATE) LIMITED

Statement of financial position

(all amounts in Sri Lanka Rupees)

	Note	As at 31 March 2023	2022
ASSETS			
Non-current assets			
Property, plant and equipment	12	4,632,502	5,240,921
Intangible assets	13	15,300	25,500
Deferred income tax assets	18	26,592,926	19,651,719
		31,240,728	24,918,140
Current assets			
Trade and other receivables	14	467,034,722	394,859,029
Current income tax assets	21	7,151,342	Nil
Cash and cash equivalents	15	255,088,525	236,666,396
		729,274,589	631,525,426
Total assets		**760,515,317**	**656,443,566**
EQUITY AND LIABILITIES			
Capital and reserves			
Stated capital	17	12,162,840	12,162,840
Retained earnings		439,000,874	357,431,638
		451,163,714	369,594,478
Non-current liabilities			
Defined benefit obligations	19	89,006,840	82,277,759
		89,006,840	82,277,759
Current liabilities			
Trade and other payables	20	220,344,758	202,303,478
Current income tax liabilities	21	Nil	2,267,848
		220,344,758	204,571,326
Total liabilities		**309,351,598**	**286,849,085**
Total equity and liabilities		**760,515,317**	**656,443,566**

The Board of Directors is responsible for the preparation and presentation of these financial statements. The financial statements were authorised for issue by Board of Directors on 10 May 2023.

.....
Guruprasad Srinivasan
Director

.....
Vijay Sivaram
Director

The notes on pages 8 to 25 form an integral part of these financial statements.

Independent auditor's report - pages 1 - 3

QUESS CORP LANKA (PRIVATE) LIMITED

Statement of changes in equity

(all amounts in Sri Lanka Rupees)

	Stated capital	Retained earnings	Total equity
Balance at 1 April 2021	12,162,840	424,892,008	437,054,848
Dividends paid	Nil	(176,725,191)	(176,725,191)
Profit for the year	Nil	109,264,821	109,264,821
Other comprehensive income			
Remeasurements of defined benefit obligations, net of tax	Nil	Nil	Nil
Total comprehensive income	Nil	109,264,821	109,264,821
Balance at 31 March 2022	**12,162,840**	**357,431,638**	**369,594,478**
Balance at 1 April 2022	12,162,840	357,431,638	369,594,478
Profit for the year	Nil	88,743,396	88,743,396
Other comprehensive income			
Remeasurements of defined benefit obligations, net of tax	Nil	(7,174,160)	(7,174,160)
Total comprehensive income	Nil	81,569,236	81,569,236
Balance at 31 March 2023	**12,162,840**	**439,000,874**	**451,163,714**

The notes on pages 8 to 25 form an integral part of these financial statements.

QUESS CORP LANKA (PRIVATE) LIMITED

Statement of cash flows

(all amounts in Sri Lanka Rupees)

	Note	As at 31 March 2023	31 March 2022
Cash flows from operating activities			
Cash generated from operations	22	126,427,439	171,469,833
Net finance (expense paid) / income received	9	(32,099,617)	29,586,355
Income tax paid		(39,590,274)	(53,069,225)
Retirement benefit obligation paid		(35,074,934)	Nil
Net cash generated from operating activities		**19,662,614**	**147,986,964**
Cash flows from investing activities			
Purchase of property, plant and equipment	12	(1,240,484)	(5,065,000)
Net cash used in investing activities		**(1,240,484)**	**(5,065,000)**
Cash flows from financing activities			
Dividends paid		Nil	(176,725,191)
Net cash used in financing activities		**Nil**	**(176,725,191)**
Increase / (decrease) in cash and cash equivalents		**18,422,130**	**(33,803,227)**
Movement in cash and cash equivalents			
At beginning of the year		236,666,395	270,469,622
Increase / (decrease) during the year		18,422,130	(33,803,227)
At end of the year	15	**255,088,525**	**236,666,395**

The notes on pages 8 to 25 form an integral part of these financial statements.

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements

(In the notes all amounts are shown in Sri Lanka Rupees unless otherwise stated)

1 General information

The Company is a limited liability company incorporated in Sri Lanka and approved under section 16 of the BOI law. The company has been incorporated on 09 February 2004 and has its registered office at 7th Floor, BOC Merchant Tower, 28 St. Michael's Road, Colombo 03. The Company was formerly known as Randstad Lanka (Private) Limited and was acquired by Quess Corp Holdings PTE Ltd with effect from 26 April 2016. The company is engaged in the business of providing human resource services to clients.

Quess Corp Lanka (Private) Limited is a 100% subsidiary company of Quess Corp Holdings PTE Ltd, a company incorporated in Singapore while Ultimate Parent of the company is Quess Corp Limited, a company incorporated in India.

2 Summary of significant accounting policies

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements are prepared by the management for purposes of providing information to Quess Corp Limited to enable it to prepare the consolidated financial statements of the group. The financial statements cover the year from 1 April 2022 to 31 March 2023. Comparative figures are for the period from 1 April 2021 to 31 March 2022.

The financial statements are prepared in accordance with and comply with Sri Lanka Accounting Standards (LKASs and SLFRSs). The financial statements are prepared under the historical cost basis.

The preparation of financial statements in conformity with SLFRS/LKAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

2.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Sri Lankan Rupees, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

2 Summary of significant accounting policies (Contd)

2.3 Property, plant and equipment

All property, plant and equipment is initially recorded at cost and stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation begins when an item of property, plant and equipment is available for use and will continue until it is derecognised, even if during that period the item is idle.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately.

Depreciation is calculated on a straight line method to write off the cost of each asset to their residual values over their estimated useful lives or the lease term, whichever is lower.

	%
Office equipment	25
Furniture and fittings	25
Computer equipment	25

Gains and losses on disposal of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the income statement.

2.4 Intangible assets

Intangible assets wholly consist of computer software. Acquisition cost of computer software is capitalised and amortised using the straight-line method over the useful life of three years.

2.5 Impairment of non financial assets

Assets that have an indefinite useful life that intangible assets not ready to use – are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets are reviewed for possible reversal of the impairment at each reporting date.

2.6 Financial assets

2.6.1 Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held to maturity investments and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

There were no financial assets other than loans and receivables at the statement of financial position date.

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

2 Summary of significant accounting policies (Contd)

2.6 Financial assets (Contd)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets as trade and other receivables except for maturities greater than 12 months after the statement of financial position date in which case classified as non-current assets.

2.6.2 Recognition and measurement of financial asset

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Loans and receivables are carried at amortised cost using the effective interest method.

During the reporting period, the Company did not record any financial assets that were available for sale or fair value through profit or loss or held to maturity.

2.7 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.8 Impairment of financial assets

Assets carried at amortised cost

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or a group of financial assets that can be reliably estimated.

The criteria that the Company uses to determine that there is objective evidence of an impairment loss include:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the Company, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

(i) adverse changes in the payment status of borrowers in the portfolio; and

(ii) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The Company first assesses whether objective evidence of impairment exists.

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

2 Summary of significant accounting policies (Contd)

2.8 Impairment of financial assets (Contd)

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the statement of comprehensive income. If a loan or held to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Company may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the statement of comprehensive income.

2.9 Financial liabilities

The Company's financial liabilities include trade and other payables. All other financial liabilities except for financial liabilities at fair value through profit or loss are recognised initially at their fair values and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

2.10 Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within 'administrative expenses'. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'administrative expenses' in the income statement.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

2.12 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

2 Summary of significant accounting policies (Contd)

2.13 Employee benefits

(a) Defined benefit plan - gratuity

Provision has been made for retirement gratuities from the first year of services for all employees in conformity with LKAS 19. However, under the payment of Gratuity Act No.12 of 1983, the liability to an employee arises only on completion of 5 years of continued service.

The liability has not been externally funded nor actuarially valued.

(b) Defined contribution plan

Employees are eligible for Employees' Provident Fund contributions and Employees' Trust Fund contributions in line with respective statutes and regulations. The Company contributes 12% and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively.

2.14 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.15 Revenue recognition

The revenue represents all billings made during the accounting period. The company is not in the practice of accounting for work-in-progress.

Revenue is recognised upon performance of service. Revenue comprises the fair value of the consideration received or receivable for the sale of services in the ordinary course of the Company's activities. Revenue is shown net of value added tax and discounts.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

In agency relationships, the gross inflows of economic benefits include amounts collected on behalf of the principal and which do not result in increases in equity for the entity. The amounts collected on behalf of the principal are not revenue. Instead, revenue is the amount of commission.

2.16 Current and deferred income taxes

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act.

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax.

2.17 Stated capital

The Ordinary shares are classified under the stated capital.

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

2 Summary of significant accounting policies (Contd)

2.18 Contingent liabilities and contingent assets

The Company does not recognise a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Company. The Company recognises contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

3 Financial risk management

3.1 Financial risk factors

The Company is exposed to a variety of financial risks. These include foreign exchange risks, credit risks, interest rate risks, liquidity risks and investment risks. Based on our economic outlook and the Company's exposure to these risks, the Board of the Company approves various risk management strategies from time to time.

(a) Market risk

(i) Foreign exchange risk

The company is sensitive to the fluctuations in exchange rates and is principally exposed to fluctuations in the value of the Sri Lankan Rupee (LKR) against the US Dollar (USD). The company's functional currency is LKR in which most of the transactions are denominated, and all other currencies are considered foreign currencies for reporting purposes. Certain bank balances and trade and other payables are denominated in foreign currencies.

The Company's Financial Statements which are presented in Sri Lankan Rupees, are affected by foreign exchange fluctuations through both translation risk and transaction risk. Changes in foreign currency exchange rates may affect the company's pricing of services rendered and cost incurred in foreign currencies. In particular, weakening of the Sri Lankan Rupee against the US Dollar can have adverse effects on the company's operating results through its impact on overheads incurred in Sri Lanka .

The table below shows the Company's sensitivity to reasonable possible change in exchange rate of LKR against USD, assessed by the Company, while all other variables are held constant. The USD is the major currency in which Company's financial instruments are denominated after the Company's presentation and document currency - LKR. The impact of the movement in exchange rates on equity is given in the table below.

	Increase in income LKR	Increase in income LKR
	2023	**2022**
10% depreciation (2022 - 10% depreciation) of the LKR against USD	67,800	61,636
Net decrease in income	**67,800**	**61,636**

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

3 Financial risk management (Contd)

3.1 Financial risk factors (Contd)

(ii) Interest rate risk

The Company's interest rate risk arises from short - term borrowings. Borrowings issued at variable rates expose the company to interest rate risk which is determined by the Government Bond rate of the country in which the lender is domiciled.

(b) Credit risk

The credit risk arises from trade and other receivables. Refer Note 14(b) for further disclosures on credit risk.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The table below analyses the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. Derivative financial liabilities are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 March 2023	Less than 1 year	Between 1 to 3 years	Total
Trade and other payables (excluding statutory liabilities)	87,320,208	Nil	87,320,208
	87,320,208	**Nil**	**87,320,208**

At 31 March 2022	Less than 1 year	Between 1 to 3 years	Total
Trade and other payables (excluding statutory liabilities)	83,438,879	Nil	83,438,879
	83,438,879	**Nil**	**83,438,879**

3.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The company assesses solvency prior to declaration of dividend to maintain the dividend ratio. In addition the Company may adjust intercompany receivables and payables in managing capital and solvency.

3.3 Fair value estimation

The Company had no financial instruments measured at fair value.

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

4 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

(a) Impairment of trade receivable

The Company assesses at the date of the statement of financial position whether there is objective evidence that trade receivables have been impaired. Impairment loss is calculated based on a review of current status of existing receivable and historical collection experience. Such provisions are adjusted periodically to reflect the actual and anticipated impairment.

(b) Provisions

The Company recognises provisions when it has a present legal or constructive obligation arising as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. The recording of provisions requires the application of judgments about the ultimate resolution of these obligations. As a result, provisions are reviewed at each statement of financial position date and adjusted to reflect the Company's current best estimate.

5 Changes in comparatives

Where necessary, comparative figures have been re-classified since mangement believes such reclassification gives a farier presentation and conforms with the current year's presentation.

6 Going concern

The Directors have made an assessment of the Company's ability to continue as a going concern and they do not intend either to liquidate or to cease operations.

7 Revenue from contract with customers

	2023	2022
Recruitment fee	4,135,241	2,221,443
Contract staffing	2,023,724,717	2,020,047,504
Facility management service	108,765,142	51,200,001
Social Security Contribution (SSCL) Collected from Clients	13,526,205	Nil
	2,150,151,305	**2,073,468,948**

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

8 Expenses by nature

	2023	2022
Directors' emoluments	Nil	Nil
Auditors' remuneration - audit fee	1,920,000	2,261,850
- non-audit fee	Nil	Nil
Depreciation on property, plant and equipment (Note 12)	1,848,904	1,194,296
Amortisation on intangible assets (Note 13)	10,200	10,200
Direct expenses	1,859,680,214	1,813,696,444
Staff costs (Note 8.1)	89,285,005	116,924,681
Consultancy charges	2,443,921	1,702,662
Rent - Office	5,913,854	5,665,428
(Reversal) /provision for impairment of trade receivables	Nil	(5,237,247)
Security charges	22,360,031	4,513,310
Utilities	4,519,907	4,361,140
Rates and taxes	124,722	44,821
Travelling expenses - Local	3,684,161	120,117
Travelling expenses - Foreign	479,023	3,040,039
Printing and stationery	3,529,900	221,330
Database login charges	(165,582)	1,602,651
Insurance	2,585,855	2,972,108
Maintenance expenses	849,774	724,951
Other expenses	3,933,884	773,362
Total direct cost and administrative expenses	**2,003,003,772**	**1,954,592,142**

	2023	2022
Classified as		
Direct expenses	1,859,680,214	1,813,696,444
Administrative expenses	143,323,558	140,895,700
	2,003,003,772	**1,954,592,142**

8.1 Staff costs

	2023	2022
Salaries and wages	43,031,110	37,819,753
Defined contribution plans	2,012,274	1,862,025
Defined benefit obligations (Note 19)	31,555,215	60,356,012
Staff welfare	4,071,008	1,146,382
Other staff related expenses	8,615,397	15,740,509
	89,285,005	**116,924,681**

Average monthly number of persons employed by the Company during the period:

Full time	23	25

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

9 Net finance expense / (income)

	2023	2022
Bank charges	1,876,822	2,094,404
Net exchange loss / (gain)	26,265,708	(32,959,783)
Interest expenses	3,957,088	1,279,024
	32,099,617	**(29,586,355)**

10 Income tax expense

	2023	2022
Current income tax	30,171,087	39,917,694
Deferred income tax credit (Note 18)	(3,866,567)	(692,933)
Income tax expense	**26,304,520**	**39,224,761**

The tax on the Company's profit before income tax differs from the theoretical amount that would arise using the basic rate of the Company as follows:

	2023	2022
Profit before income tax	115,047,916	148,489,582
Tax calculated at tax rate of 24% & 30% (2022 - 24%)	31,062,937	35,637,500
Tax effects of:		
- Expenses not deductible for tax purposes	Nil	5,665,371
- Recognition of previously unrecognized deferred taxes	Nil	(2,078,110)
- Net adjustment due to change in tax rate	(4,758,417)	Nil
Income tax expense	**26,304,520**	**39,224,761**

11 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of shares in issue during the year, as follows:

	2023	2022
Net profit attributable to shareholders	88,743,396	109,264,821
Weighted average number of ordinary shares in issue	1,216,284	1,216,284
Earnings per share	**72.96**	**89.83**

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

12 Property, plant and equipment

	Office equipment	Furniture and fittings	Computer equipment	Total
At 1 April 2021				
Cost	972,005	1,664,002	6,325,651	9,012,658
Accumulated depreciation	(828,943)	(1,534,688)	(5,227,808)	(7,591,439)
Net book amount	**143,062**	**129,314**	**1,097,843**	**1,421,219**
Year ended 31 March 2022				
Opening net book amount	143,062	129,314	1,097,843	1,421,219
Additions	Nil	Nil	5,065,000	5,065,000
Depreciation charge (Note 8)	(141,599)	(64,929)	(987,770)	(1,194,297)
Closing net book amount	**1,463**	**64,385**	**5,175,073**	**5,291,921**
At 31 March 2022				
Cost	972,005	1,664,002	11,390,651	14,026,658
Accumulated depreciation	(970,542)	(1,599,617)	(6,215,578)	(8,785,737)
Net book amount	**1,463**	**64,385**	**5,175,073**	**5,240,921**
Year ended 31 March 2023				
Opening net book amount	1,463	64,385	5,175,073	5,240,921
Additions	61,692	Nil	1,178,792	1,240,484
Depreciation charge (Note 8)	(22,839)	(24,687)	(1,801,378)	(1,848,904)
Closing net book amount	**40,316**	**39,698**	**4,552,488**	**4,632,502**
At 31 March 2023				
Cost	1,033,697	1,664,002	12,569,443	15,267,142
Accumulated depreciation	(993,381)	(1,624,304)	(8,016,956)	(10,634,641)
Net book amount	**40,316**	**39,698**	**4,552,488**	**4,632,502**

Cost and accumulated depreciation include fully depreciated office equipment of Rs 161,369/-, furniture and fittings of Rs 48,804 and computer equipment of Rs 44,46,736 at at 31 March 2023.

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

13 Intangible assets

	Computer software	Total
At 1 April 2021		
Cost	51,000	51,000
Accumulated amortisation	(15,300)	(15,300)
Net book amount	**35,700**	**35,700**
Year ended 31 March 2022		
Opening net book amount		
Amortisation charge (Note 8)	(10,200)	(10,200)
Closing net book amount	**25,500**	**25,500**
At 31 March 2022		
Cost	51,000	51,000
Accumulated amortisation	(25,500)	(25,500)
Net book amount	**25,500**	**25,500**
Year ended 31 March 2023		
Opening net book amount	25,500	25,500
Amortisation charge (Note 8)	(10,200)	(10,200)
Closing net book amount	**15,300**	**15,300**
At 31 March 2023		
Cost	51,000	51,000
Accumulated amortisation	(35,700)	(35,700)
Net book amount	**15,300**	**15,300**

14 Trade and other receivables

	2023	2022
Trade receivables	461,649,928	389,186,657
Less: provision for impairment of trade receivables	Nil	Nil
Trade receivables - net	461,649,928	389,186,657
Receivable from related parties (Note 25 ('c))	294,376	610,479
Prepayments	1,324,652	1,758,845
Deposits	538,430	447,780
Other receivables	3,227,336	2,855,268
	467,034,722	**394,859,029**

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

14 Trade and other receivables (Contd)

The directors consider the carrying amount of the balance approximates its fair value. The carrying amounts of trade and other receivables are denominated in Sri Lanka Rupees.

Movement of the provision for impairment of trade receivables are as follows:

	2023	2022
At 1 April	21,029,648	59,062,446
Reversal of provision during the year	Nil	(38,032,798)
Provision during the year	Nil	Nil
At 31 March	**21,029,648**	**21,029,648**

The creation and release of the provision for impaired receivables have been included in 'administrative expenses' in the income statement. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets.

Deposits mainly consist of refundable deposit made on building rent amounting to Rs 1,066,000 and Office premises Rs 417,780. Further, information in this regard is disclosed in Note 25(c).

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The Company does not hold any collateral as security.

15 Cash and cash equivalents

	2023	2022
Cash at bank	255,088,525	236,666,396
Cash at bank and in hand	**255,088,525**	**236,666,396**

For the purposes of the statement of cash flows, the year-end cash and cash equivalents comprise of the following:

	2023	2022
Cash at bank and in hand	255,088,525	236,666,396
	255,088,525	**236,666,396**

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

16 (a) Financial instruments by category

	Loans and receivables	Total
31 March 2023		
Assets as per statement of financial position		
Trade and other receivables (excluding prepayments)	465,710,070	465,710,070
Cash and cash equivalents (Note 15)	255,088,525	255,088,525
	720,798,595	**720,798,595**

,

	Other financial liabilities	Total
31 March 2023		
Liabilities as per statement of financial position		
Trade and other payables (excluding statutory liabilities)	87,320,208	87,320,208
	87,320,208	**87,320,208**

	Loans and receivables	Total
31 March 2022		
Assets as per statement of financial position		
Trade and other receivables (excluding prepayments)	402,677,455	402,677,455
Cash and cash equivalents (Note 15)	110,680,303	110,680,303
	513,357,758	**513,357,758**

	Other financial liabilities	Total
31 March 2022		
Liabilities as per statement of financial position		
Trade and other payables (excluding statutory liabilities)	50,400,958	50,400,958
	50,400,958	**50,400,958**

(b) Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	2023	2022
Trade receivables		
Counterparties without external credit rating		
Group 1	259,941,472	269,487,268
Group 2	201,708,456	119,699,389
Total unimpaired trade receivables	**461,649,928**	**389,186,657**

	2023	2022
Cash at bank		
AAA(lka)	236,062,958	244,744,512
A(lka)	19,025,567	25,725,109
Total	**255,088,525**	**270,469,621**

- *Group 1 - Fully performing trade receivables (T to T + 3)*
- *Group 2 - Past due and not impaired (More than T to T + 3 but not impaired)*

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

17 Stated capital

	Ordinary shares	
	Number of shares	Value
Issued and fully paid		
Share Capital	1,216,284	12,162,840
At 31 March 2022	**1,216,284**	**12,162,840**
Issued and fully paid		
Share Capital	1,216,284	12,162,840
At 31 March 2023	**1,216,284**	**12,162,840**

18 Deferred income tax assets

Deferred income taxes are calculated on all temporary differences under the liability method using a tax rate of 24% and 30% (2022 - 24%).

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows :

	2023	2022
Deferred tax assets		
- Deferred tax asset to be recovered after more than 12 months	(26,702,051)	(19,746,661)
- Deferred tax asset to be recovered within 12 months	Nil	Nil
Deferred tax liabilities		
- Deferred tax liability to be recovered after more than 12 months	Nil	Nil
- Deferred tax liability to be recovered within 12 months	109,126	94,943
Deferred tax liabilities / (assets) - net	**(26,592,926)**	**(19,651,719)**

The gross movement of the deferred tax account is as follows:

	2023	2022
At 1 April	(19,651,719)	(18,958,786)
Credit to income statement (Note 10)	(3,866,567)	(692,933)
Credit to other comprehensive income	(3,074,640)	Nil
At 31 March	**(26,592,926)**	**(19,651,719)**

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax assets / (liabilities)	**Accelerated tax depreciation**	**Retirement benefit obligations**	**Provision for impairment of receivables**	**Total**
At 1 April 2021	169,623	(14,081,292)	(5,047,116)	(18,958,786)
(Credit) / charge to profit or loss statement	(74,680)	(5,665,369)	5,047,116	(692,933)
At 31 March 2022	**94,943**	**(19,746,661)**	**Nil**	**(19,651,719)**
At 1 April 2022	94,943	(19,746,661)	Nil	(19,651,719)
Charge / (credit) to the income statement	14,183	(3,880,750)	Nil	(3,866,567)
Credit to other comprehensive income	Nil	(3,074,640)	Nil	(3,074,640)
At 31 March 2023	**109,126**	**(26,702,051)**	**Nil**	**(26,592,926)**

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

19 Defined benefit obligations

The amounts recognised in the statement of financial position are determined as follows:

	2023	2022
Present value of unfunded obligation	89,006,840	82,277,759
Liability in the statement of financial position	**89,006,840**	**82,277,759**

The amounts recognised in the statement of financial position are determined as follows:

At beginning of year	82,277,759	58,672,048
Charge for the year	22,919,019	23,605,711
Interest cost	8,636,196	Nil
Loss on defined benefit obligations due to change in assumptions	10,248,800	Nil
Payments made during the year	(35,074,934)	Nil
At end of year	**89,006,840**	**82,277,759**

20 Trade and other payables

	2023	2022
Trade payables	(9,765,140)	(88,025)
Payables to related parties (Note 25(d))	97,085,349	83,526,904
Accrued expenses and other payables	133,024,550	118,864,599
	220,344,758	**202,303,478**

Other payables mainly consist of Salary payable amounting to Rs 54,715,965 (31 March 2020 - Rs 60,609,509), EPF/ETF payable amounting to Rs 3,343,629 (31 March 2020 - Rs 18,452,358) and VAT payable amounting to Rs 397,607 (31 March 2020 - Rs 9,880,319) and advance from Customers amounting to Rs 1,062,188 (31 Mar 2020- Rs 25,952,874).

21 Current income tax (assets) / liabilities

	2023	2022
Balance at 1 April	2,267,848	15,419,381
Provision during the year	30,171,087	39,917,694
Income tax paid	(35,221,896)	(53,069,227)
Foreign tax credits	(4,368,381)	Nil
Balance at 31 March	**(7,151,342)**	**2,267,848**

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

22 Cash generated from operations

Reconciliation of profit before income tax to cash generated from operations:

	2023	2022
Profit before income tax	115,047,916	148,489,582
Adjustments for:		
Net finance expense / (income) (Note 9)	32,099,617	(29,586,355)
Depreciation (Note 12)	1,848,904	1,194,297
Amortisation (Note 13)	10,200	10,200
Defined benefit obligations (Note 19)	31,555,215	23,605,711
Changes in working capital		
- Increase in trade and other receivables	(72,175,693)	(55,201,944)
- Increase in trade and other payables	18,041,280	82,958,342
Cash generated from operations	**126,427,439**	**171,469,833**

23 Contingent liabilities

There were no material contingent liabilities outstanding at the statement of financial position date.

24 Commitments

Capital commitments

There were no material capital commitments outstanding at the statement of financial position date.

Financial commitments

There were no material financial commitments outstanding at the statement of financial position date.

25 Directors' interests in contracts and related party transactions

(a) The directors' interests in the shares of the Company on the statement of financial position date were as follows:

	Number of shares	
	2023	2022
Name of the directors		
Mr. Vijay Sivaram	Nil	Nil
Mr. Guruprasad Srinivasan	Nil	Nil

(b) Key management compensation

Key management includes directors (executive and non executive), and other key management personnel. The compensation paid or payable to key management for employee services is shown here.

	2023	2022
Salaries and other short term employee benefits	**Nil**	**Nil**

(c) Receivable from related parties

	2023	2022
Quess GTS	294,376	610,479
	294,376	**610,479**

QUESS CORP LANKA (PRIVATE) LIMITED

Notes to the financial statements (Contd)

25 Directors' interests in contracts and related party transactions (Contd)

(d) Payable to related parties

	2023	2022
Opening Loan Balance	83,526,904	55,449,504
- ERF	11,314,165	26,798,377
- Interest payable	2,244,279	1,279,024
	97,085,349	**83,526,904**

Loan is repayable within a period not exceeding twelve (12) months from the date of disbursement. Interest is payale monthly at the Government Bond rate of the country in which the lender is domiciled.

(e) Transactions with related parties

	2023	2022
Quess Holdings PTE Ltd		
Proceeds from short term loan	Nil	Nil
Translation of short term loan - Exchange loss	11,314,165	26,798,377
Provision for Interest on short term loan facility	2,244,279	1,279,024
	13,558,445	**28,077,400**

26 Events after the reporting period

No significant events have occurred since the statement of financial position date, which would require adjustments to, or disclosure in the financial statements.

BIN HAMAD MATHEW JOSEPH AND ASSOCIATES
CHARTERED ACCOUNTANTS EST.

QUESSCORP MANPOWER SUPPLY SERVICES LLC
DUBAI, UNITED ARAB EMIRATES

FINANCIAL STATEMENT AND ACCOUNTING REPORT
FOR THE PERIOD ENDED 31 MARCH 2023

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QUESSCORP MANPOWER SUPPLY SERVICES LLC
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For the Period Ended 31 March 2023

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GENERAL INFORMATION

Entity's Name	:-	**QUESSCORP MANPOWER SUPPLY SERVICES L.L.C**
Legal Status	:-	Limited Liability Company(LLC)
Managers	:-	Mr. Khadim Obaid Khadim Mohammed Ms. Fatma Hamad Ibrahim Khalfan
Shareholders	:-	Mr. Khadim Obaid Khadim Mohammed Ms. Laila Abdulkarim Ghulam Ali
Registered Office Address	:-	P O Box-111288 Dubai United Arab Emirates
Bank	:-	Abu Dhabi Commercial Bank
Auditors	:-	Bin Hamad Mathew Joseph & Associates Chartered Accountants Est. Dubai United Arab Emirates

QUESSCORP MANPOWER SUPPLY SERVICES L.L.C
DUBAI, UNITED ARAB EMIRATES

DIRECTOR'S REPORT

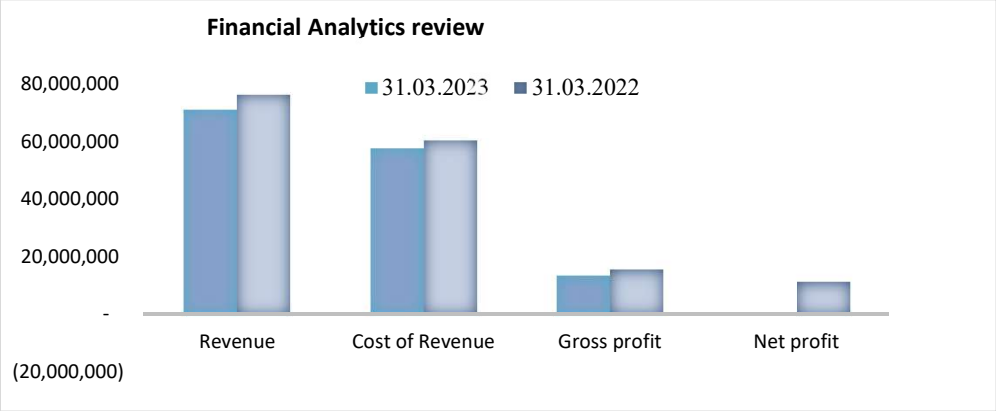
The Director have pleasure in presenting this report and the audited financial statements for the year ended 31.03.2023

Principal activities of the Entity :

The main business activity of the company is on demand labour supply (temporary employment)

Financial Overview:

	31.03.2023 (AED)	31.03.2022 (AED)
Revenue	71,181,153	76,160,584
Cost of Revenue	57,623,235	60,539,180
Gross profit	**13,557,918**	**15,621,404**
Net profit	**(63,593)**	**11,530,055**
Gross profit margin	**19%**	**21%**



Role of the Manager:

The Manager is the company's principal decision-making forum. Principal has the overall responsibility for leading and supervising the entity and is accountable to stakeholders for delivering sustainable stakeholder value through his guidance and supervision of the company's business. The principal sets the strategies and policies of the company. He monitors performance of the company's business, guides and supervises its management.

Going concern:

The attached financial statements have been prepared on a going concern basis. While preparing the financial statements the management has made an assessment of the company's ability to continue as a going concern. The management has not come across any evidence that causes the management to believe that material uncertainties related to the events or conditions existed, which may cast significant doubt on the company's ability to continue as a going concern.

Events after the year end of reporting period:

In the opinion of the Manager no transaction or event of a material and unusual nature, favourable or unfavourable has arisen in the interval between the end of the financial year and the date of this report, that is likely to affect, substantially the result of the operations or the financial position of the company.

QUESSCORP MANPOWER SUPPLY SERVICES L.L.C
DUBAI, UNITED ARAB EMIRATES

DIRECTOR'S REPORT

Auditors:

M/s. **BIN HAMAD -MATHEW JOSEPH & ASSOCIATES CHARTERED ACCOUNTANTS EST.**, United Arab Emirates is willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General Meeting.

Statement of Manager's responsibilities:

The applicable requirements, requires the Manager to prepare the financial statements for each financial year which presents fairly in all material respects, the financial position of the company and its financial performance for the year then ended.

The audited financial statements for the year under review, have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Manager confirms that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the company and enables them to ensure that the financial statements comply with the requirements of applicable statute. The Manager also confirms that appropriate accounting policies have been selected and applied consistently in order that the financial statements reflect fairly the form and substance of the transactions carried out during the year under review and reasonably present the company's financial conditions and results of its operations.

These financial statements were approved by the Board and signed on behalf by the undersigned.

_____

Authorised Signatory
09th May, 2023

INDEPENDENT AUDITOR'S REPORT

To
THE SHARE HOLDERS
QUESSCORP MANPOWER SUPPLY SERVICES L.L.C
DUBAI
UAE

Opinion

We have audited the accompanying financial statements of **QUESSCORP MANPOWER SUPPLY SERVICES L.L.C**(the Company) which comprise the statement of financial position for the year ended 31 March 2023 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements present fairly in material respects, the financial position of **QUESSCORP MANPOWER SUPPLY SERVICES L.L.C** for the year ended 31 March 2023 and its financial performance in accordance with International Financial Reporting Standards (IFRS).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Establishment within the meaning of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information/Matter

Independent confirmations from the company's bank, debtors and creditors were not received as at the auditor's report date.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control that the management determines as necessary to enable the preparation of financial statements that are free from material statement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Establishment 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 Establishment or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Establishment financial reporting process.

Auditor's responsibility

The objectives of our audit 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 ISAs 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the planning and performance of the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Establishment internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Establishment ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our auditor's report. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Establishment to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

We also confirm that, in our opinion, the financial statements include in all material respects, the applicable requirements of the UAE Federal Commercial Company Law No: 2 of 2015. We further confirm that proper financial records have been kept by the company. We have obtained all the information and explanations which are required for the purpose of our audit and, to the best of our knowledge and belief, no violations of the above mentioned law have occurred during the year which would have had a material effect on the business of the company or on its financial position.

For **Bin Hamad, Mathew Joseph and Associates**
Chartered Accountants Est.

Mohamed Hamad Obaid Khamis Al Shehi
Audit License Number: 443
Dubai, United Arab Emirates

09th May, 2023

QUESSCORP MANPOWER SUPPLY SERVICES L.L.C

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Notes	31.03.2023	31.03.2022
ASSETS		**(AED)**	**(AED)**
Current assets			
Cash and Bank Balances	5	7,056,553	5,004,058
Accounts and Other Receivables	6	22,340,984	23,491,018
Total Current Assets		**29,397,537**	**28,495,076**
Non Current assets			
Property, plant and equipment	8	51,561	42,356
Total Non Current Assets		**51,561**	**42,356**
TOTAL ASSETS		**29,449,098**	**28,537,432**
EQUITY AND LIABILITIES			
Current Liabilities			
Accounts & Other Payables	9	8,408,763	7,699,605
Related Parties	7	-	341,304
Total Current Liability		**8,408,763**	**8,040,909**
Non Current Liabilities			
Provision for employee's end of service benefits	10	1,534,874	927,469
Total Non Current Liability		**1,534,874**	**927,469**
Total Liability		**9,943,637**	**8,968,378**
EQUITY			
Capital	11	300,000	300,000
Statutory Reserve	12	150,000	150,000
Retained Earnings		19,355,461	19,419,054
Shareholder's Current Account		(300,000)	(300,000)
Total Equity		**19,505,461**	**19,569,054**
TOTAL EQUITY & LIABILITIES		**29,449,098**	**28,537,432**

The annexed notes 1- 21 form an integral part of these financial statements.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them.

The financial statements were approved, authorized and signed on 09th May, 2023 on behalf of the management by :-

AUTHORISED SIGNATORY **AUDITOR'S REPORT ATTACHED**

QUESSCORP MANPOWER SUPPLY SERVICES L.L.C

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31.03.2023	31.03.2022
		(AED)	(AED)
Revenue	13	71,181,153	76,160,584
Cost of Revenue	14	(57,623,235)	(60,539,180)
GROSS PROFIT		**13,557,918**	**15,621,404**
Operating Expenses			
General and Administrative Expenses	15	(13,601,076)	(4,070,356)
Depreciation	8	(36,386)	(28,115)
Other Income/(Expenses)			
Other Income	16	15,951	7,122
PROFIT/(LOSS) FOR THE YEAR		**(63,593)**	**11,530,055**
Other Comprehensive Income/Loss		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		**(63,593)**	**11,530,055**

The annexed notes 1- 21 form an integral part of these financial statements.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them.

The financial statements were approved, authorized and signed on 09th May, 2023 on behalf of the management by :-

AUTHORISED SIGNATORY **AUDITOR'S REPORT ATTACHED**

QUESSCORP MANPOWER SUPPLY SERVICES L.L.C

STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Capital	Statutory Reserve	Retained Earnings	Shareholder's Current Account	Total
	(AED)	(AED)	(AED)	(AED)	(AED)
As at 01.04.2021	**300,000**	**150,000**	**7,888,999**	**(300,000)**	**8,038,999**
Profit/(Loss) for the year	-	-	11,530,055	-	11,530,055
Movements during the year	-	-	-	-	-
Transfer during the year	-		-	-	-
As at 31.03.2022	**300,000**	**150,000**	**19,419,054**	**(300,000)**	**19,569,054**
Profit/(Loss) for the year	-	-	(63,593)	-	(63,593)
Movements during the year	-	-	-	-	-
Transfer during the year	-	-	-	-	-
As at 31.03.2023	**300,000**	**150,000**	**19,355,461**	**(300,000)**	**19,505,461**

The annexed notes 1- 21 form an integral part of these financial statements.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them.

The financial statements were approved, authorized and signed on 09th May, 2023 on behalf of the management by :-

AUTHORISED SIGNATORY **AUDITOR'S REPORT ATTACHED**

QUESSCORP MANPOWER SUPPLY SERVICES L.L.C

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2023

	31.03.2023 (AED)	31.03.2022 (AED)
Operating Activities		
Net Profit/(Loss) for the year	(63,593)	11,530,055
Adjustments for :-		
Depreciation	36,386	28,115
Provision for employees' end of service benefits	607,405	643,443
Operating profit before changes in working capital	**580,198**	**12,201,613**
Changes in Working Capital		
Decrease/(Increase) in Accounts & Other Recievables	1,150,034	(10,391,625)
Increase/(Decrease) in Accounts & Other Payables	709,158	(385,803)
Increase/(Decrease) in Related Party	(341,304)	341,304
Net Changes in Working Capital	**1,517,888**	**(10,436,124)**
Cash (used in) generated from operating activities	**2,098,086**	**1,765,489**
Net Cash (used in) generated from operating activities	**2,098,086**	**1,765,489**
Investing Activities		
Addition of Assets	(45,591)	(14,920)
Net Change in Bank Deposits	-	1,614,225
Net Cash (used in) generated from Investing Activities	**(45,591)**	**1,599,305**
Net Increase/(Decrease) in Cash & Cash Equivalents	2,052,495	3,364,794
Cash & Cash Equivalents at the beginning of the year	5,004,058	1,639,264
Cash & Cash Equivalents at the end of the year	**7,056,553**	**5,004,058**

The annexed notes 1- 21 form an integral part of these financial statements.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them.

The financial statements were approved, authorized and signed on 09th May, 2023 on behalf of the management by :-

AUTHORISED SIGNATORY **AUDITOR'S REPORT ATTACHED**

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

1.1 QUESSCORP MANPOWER SUPPLY SERVICES L.L.C (the company) is a Limited Liability Company licensed by Department of Economy and Tourism, Government of Dubai, United Arab Emirates by virtue of Commercial License No. 666576, issued on 04th March, 2012.

1.2 Share holders

The shareholders and their sharing of the capital in the company are as follows:

	No. of Shares	Percentage	Value (AED)
Mr. Khadim Obaid Khadim Mohammed *(A Citizen of United Arab Emirates)*	270	90%	270,000
Ms. Laila Abdulkarim Ghulam Ali *(A Citizen of United Arab Emirates)*	30	10%	30,000
	300	100%	300,000

1.3 Business Activities

The main business activity of the company is on demand labour supply (temporary employment)

1.4 Location

The registered office of the company is situated at P O Box-111288, Dubai, United Arab Emirates.

2 ACCOUNTING PERIOD

The financial statements relate to the year ended 31 March 2023 [Current Year]
The previous year figures relate to the year ended 31 March 2022 [Previous Year]

3 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements have been prepared under historical cost basis. The financial statements are presented in Arab Emirates Dirhams (AED) and all values are rounded to the nearest Arab Emirate Dirham. The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

b) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

c) Property , plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. The cost of property, plant and equipment is their purchase price together with any incidental expenses.
Depreciation is calculated on the straight line method, at rates calculated to reduce the cost of assets to their estimated residual values over their expected useful lives.

d) Receivables

Provision for doubtful recovery is based on estimation, however, reliability is re-assessed at the end of every financial year and additional provisions are created on the basis of risks involved.

e) Current or Non-current classification

The entity presents assets and liabilities in statement of financial position based on current/ non current classification.

An asset as current when it is:
Expected to be realized or intended to be sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realized within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:
It is expected to be settled in normal operating cycle or it is held primarily for the purpose of trading or it is due to be settled with in twelve months after the reporting period, or there is no unconditionalright to defer the settlement of the liability for at least twelve months after the reporting period.

f) Fair value measurement

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

The principal or the most advantageous market must be accessible to by the entity.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Level 1. Inputs are quoted price (unadjusted) in active market for identical asset or liabilities that the entity can access at the measurement as a whole.
Level 2. Inputs are inputs, other than quoted prices included with in Level1,that are observable for the asset or liability, either directly or indirectly.
Level 3. Inputs are observable inputs for the asset or liability.

g) Foreign currency transactions and balances

In preparing the financial statements of the Entity, transactions in currencies other than the entity's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried fair value are denominated in foreign currency.

Currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency neither are nor translated. Exchange differences on monetary items are recognized in profit and loss in the period in which they arise.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analyzed between translation differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortized cost are recognized in profit or loss and other changes in carrying amount are recognized in other comprehensive income.

Translation differences in non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in other comprehensive income.

h) Impairment of tangible assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimating to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of comprehensive income.

i) Financial instruments

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are classified into the following specified categories: financial assets "at fair value through income statement' (FVTIS), 'held to maturity' investments, 'available for sale' financial assets and 'loans & receivables'.
All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at fair value through income statement

Financial assets at fair value through income statement are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

Regular purchases and sales of financial assets are recognized on the trade –date- the date on which the entity commits to purchase or sell the asset. Transaction costs directly attributable to the acquisition are recognized immediately in income statement.

Gains or losses arising from changes in the fair value of the financial assets at fair value through income statement category are presented in the income statement.

Dividend income from financial assets at fair value through income statement is recognized in the income statement when the entity's right to receive payments is established.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non- current assets. The entity's loans and receivables comprise 'trade and other receivables', 'cash and cash equivalents' 'due from/ to related parties', 'shareholders' loan' and 'loan from/ to related parties' in the statement of financial position. Loans and receivables are measured at amortized cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non- current assets. Trade and other receivables are initially recognized at fair value and subsequently measured at amortized cost reduced by appropriate allowance for estimated doubtful debts.

Impairment of financial assets

Assets carried at amortized cost:

The entity assesses at the end of each reporting period, whether there is objective evidence that a financial asset or group of financial assets have been impaired. A financial asset or group of financial assets is impaired and impairment losses are recognized only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss' event) and that loss event or events has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty where observable date indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the previously recognized impairment loss is recognized in the income statement.

De-recognition of financial assets

The entity derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the entity recognizes it retained interest in the asset and an associated liability for amounts it may have to pay. If the entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the entity continues to recognize the financial asset.

II)Financial Liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non- current liabilities. Trade and other payables are recognized initially at fair value and subsequently are measured at amortized cost using effective interest method.

Loans and borrowings

Borrowings are recorded at the proceeds received, net of direct issue costs. Finance charges are accounted on accrual basis and are added to the carrying value of the instruments to the extent that they are not settled in the period in which they arise.

De-recognition of financial liabilities

The entity de-recognizes financial liabilities when and only when the entity's obligations are discharged, cancelled or they expire. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Provisions

Provisions are recognized when the entity has a present obligation as a result of a past event, it is probable that the entity will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measure reliably.

End of Service Benefits

End of service benefits are accrued in accordance with the terms of employment of the establishment's employees at the reporting dates, having regard to the requirements of UAE Labour Laws. Employee entitlements to annual leave and leave passage are recognized when they accrue to employees and an accrual is made for the estimated liability arising as a result of services rendered by employees up to the reporting date. These accruals are included in current liabilities, while that relating to end of service benefits is disclosed as a non current liability.

j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

k) Foreign Currency Transactions

Transactions in foreign currency are converted into U.A.E Dirhams at the rates prevailing when entered into. The balance in foreign currency amounts are converted into U.A.E Dirhams at the rate of exchange prevailing at the balance sheet date. Gains and losses generated from transactions have been dealt with in profit and loss account.

l) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The entity assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The entity has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criterion described below must also be met before revenue is recognized.

m) Cash and Cash Equivalents

For the purpose of Statement of Cash Flows, cash and cash equivalents consist of cash in hand and bank balances.

n) Accounting Estimates.

The treatments of accounting estimates are in conformity with the provisions of IAS-8 with significant effect (if any) being sufficiently disclosed.

❖ **CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES**

Application Of New International Financial Reporting Standards and International Accounting Standards

Standards, amendments and interpretations to existing standards that are effective and have not been adopted early by the entity.

The following new and amended IFRS and International Accounting Standards (IAS) that are applicable to the organisation have been published and are mandatory for accounting periods of the organisation beginning on or after the reporting period, but which have not been adopted early by the Organisation:

➢ ***Amendments to IFRS 3 - Definition of a Business***

Entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. The amendments clarify that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. They also clarify that a business can exist without including all of the inputs and processes needed to create outputs. That is, the inputs and processes applied to those inputs must have 'the ability to contribute to the creation of outputs' rather than 'the ability to create outputs'.

The amendments specify that if a set of activities and assets does not have outputs at the acquisition date, an acquired process must be considered substantive only if: (a) it is critical to the ability to develop or convert acquired inputs into outputs; and (b) the inputs acquired include both an organised workforce with the necessary skills, knowledge, or experience to perform that process, and other inputs that the organised workforce could develop or convert into outputs. In contrast, if a set of activities and assets has outputs at that date, an acquired process must be considered substantive if: (a) it is critical to the ability to continue producing outputs and the acquired inputs include an organised workforce with the necessary skills, knowledge, or experience to perform that process; or (b) it significantly contributes to the ability to continue producing outputs and either is considered unique or scarce, or cannot be replaced without significant cost, effort or delay in the ability to continue producing outputs.

- ***Amendments to IFRS 9, IAS 39 & IFRS 7 - Interest Rate Benchmark Reform***

Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures, which concludes phase one of its work to respond to the effects of Interbank Offered Rates (IBOR) reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative nearly risk-free interest rate. The amendments include a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

Amendments are consistent with those for IFRS 9, but with the following differences:
• Prospective assessment of hedge effectiveness, it is assumed that the benchmark on which the hedged cash flows are based (whether or not it is contractually specified) and/or the benchmark on which the cash flows of the hedging instrument are based, are not altered as a result of IBOR reform.
• Retrospective assessment of hedge effectiveness, to allow the hedge to pass the assessment even if the actual results of the hedge are temporarily outside the 80%-125% range, during the period of uncertainty arising from IBOR reform.

- ***Amendments to IAS 1 & IAS 8 - Definition of Material***

The materiality will depend on the nature or magnitude of information, or both. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements. The amendments replaced the threshold 'could influence', which suggests that any potential influence of users must be considered, with 'could reasonably be expected to influence' in the definition of 'material'. In the amended definition, therefore, it is clarified that the materiality assessment will need to take into account only reasonably expected influence on economic decisions of primary users.

- ***The Conceptual Framework for Financial Reporting***

The revised Conceptual Framework for Financial Reporting (the Conceptual Framework) is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

- ***Amendments to IFRS 16 - Covid-19-Related Rent Concessions***

In May 2020, the IASB amended IFRS 16 Leases to provide relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. The amendment does not apply to lessors.
The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:
• The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
• Any reduction in lease payments affects only payments originally due on or before 30 June 2021.
• There is no substantive change to other terms and conditions of the lease.

[*1 June 2020*]

- ***STANDARDS ISSUED BUT NOT YET EFFECTIVE***

At the date of authorization of these financial statements, the entity has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

- ***Amendments to IAS 1 - Classification of Liabilities as Current or Non-current***

An entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies regardless of whether the lender tests for compliance at that date or at a later date.

[*1 January 2022*]

- ***Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use***

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

[*1 January 2022*]

- ***Ammendments to IAS 37 - Onerous Contracts – Costs of Fulfilling a Contract***

The Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. A 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

[*1 January 2022*]

➢ ***Annual IFRS Improvements***

The following improvements were finalised in last years:
• IFRS 1 - The entity applies the amendment for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted.

• IFRS 9 - The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39. 1 January 2022. Earlier application is permitted.

• IFRS 16 - This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

• IAS 41 - An entity applies the amendment to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted.

➢ ***Amendments to IFRS 10 and IAS 28 - Sales or Contribution of Assets between an Investor and its Associate or Joint Venture***

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

[*Deferred until further notice*]

◆ **Value Added Tax [VAT]**

In accordance with the UAE Federal Decree-Law No. 8 of 2017 and its executive regulations, the supplies of the Company, except the zero-rated and exempt, are taxable at 5%. The Company files its VAT return within 28 days after end of every quarter.

4 CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statement requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liability affected in future periods.
Estimates and judgments are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The key assumptions concerning the future and other key sources of estimation of uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a) Depreciation of property, plant and equipment

Management assigns useful lives and residual values to property, plant and equipment based on the intended use and the economic lives of those assets. Subsequent changes in circumstances could result in the actual useful lives or residual values differing from initial estimates. Where the management determines that the useful; life or residual value of an asset requires amendment, the net book amount in excess of the residual value is depreciated over the revised remaining useful life.

b) Impairment of assets

Assessments of net recoverable amounts of property, plant and equipment, all financial assets other than trade and other receivables are based on assumptions regarding future cash flows expected to be received from the related assets.

c) Impairment of accounts receivables

The management regularly undertakes a review of the recovery status of amounts due from either third parties or related parties. Such review is made on variety of factors, including the overall quality and aging of the receivables, continuing credit evaluation of the customer's financial conditions. Based on the review, assumptions are made regarding the extent of impairment allowance required.

d) Going Concern

These financial statements are prepared on a going concern basis which is assumed that the Company will continue to operate as a going concern in a foreseeable future. In order to support the continuance of the Company's operations, the Directors confirm that sufficient funds will be made available as may be necessary.

5 CASH AND BANK BALANCES

	31.03.2023 (AED)	31.03.2022 (AED)
Cash in Hand	14,622	3,200
Balance with Banks	7,041,931	5,000,858
Cash and Cash equivalents	**7,056,553**	**5,004,058**
Fixed Deposit with Bank	-	-
	7,056,553	**5,004,058**

6 ACCOUNTS AND OTHER RECEIVABLES

	31.03.2023 (AED)	31.03.2022 (AED)
Accounts Receivables	10,439,163	10,811,537
Refundable Deposit	1,144,443	1,112,869
Prepaid Expenses	2,006,579	1,451,421
Loans and Advances	3,638,883	3,520,676
Other Receivables	5,111,916	6,594,515
	22,340,984	**23,491,018**

7 RELATED PARTY BALANCES

The Establishment, in the normal course of business carries out transactions with other business enterprises that fall within the definition of a related party. The Establishment believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties. Related parties include companies and establishments under common ownership and common management and control their partners and key management personnel.

	31.03.2023 (AED)	31.03.2022 (AED)
Due to Related Parties		
Quesscorp Holdings PTE LTD (Dubai Branch)	-	341,304
	-	**341,304**

8 PROPERTY, PLANT AND EQUIPMENTS

Movements in property, plant and equipment are shown in page no.26

9 ACCOUNTS AND OTHER PAYABLES

	31.03.2023 (AED)	31.03.2022 (AED)
Accounts Payables	558,399	407,931
Accrued Expenses	6,679,844	6,054,022
Other Payable	1,170,520	1,237,652
	8,408,763	**7,699,605**

10 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	31.03.2023 (AED)	31.03.2022 (AED)
Balance as at 1 st April	927,469	284,026
Adjusted		
Charge for the Year	607,405	643,443
Paid during the Year	-	-
Balance as at 31st March	**1,534,874**	**927,469**

11 CAPITAL

The capital of the company :- **AED 300,000** (Refer Note 1.2)
The capital is made up of 300 ordinary shares of AED 1,000 each

12 STATUTORY RESERVE

In accordance with Article 103 of the U.A.E. Commercial Company Law of 2015 and the Company's Articles of Association, 10% of the net profit has been set aside as statutory reserve of capital nature for the Company which shall remain indivisible among the partners until dissolution and liquidation of the Company. Transfers to this reserve are required to be made until such time it equals at least 50% of the paid-up capital of the company. No such transfers are made this year as the reserve already reached 50% of the capital.

13 REVENUE

	31.03.2023 (AED)	31.03.2022 (AED)
Revenue	71,181,153	76,160,584
	71,181,153	**76,160,584**

14 COST OF REVENUE

	31.03.2023 (AED)	31.03.2022 (AED)
Cost of Revenue	57,623,235	60,539,180
	57,623,235	**60,539,180**

15 GENERAL AND ADMINISTRATIVE EXPENSES

	31.03.2023 (AED)	31.03.2022 (AED)
Salaries & Allowances	3,200,630	2,580,689
Royalty	9,481,206	-
Rent	56,311	53,925
Registration & Renewals	49,321	30,908
Legal & Professional Charges	106,623	82,217
Utility Charges	13,666	16,720
Insurance Charges	71,486	154,373
Sposorship fee	50,000	54,995
Printing & Stationary	3,021	7,385
Sales promotion	231,453	700,243
Communication Expense	48,621	40,285
Travelling Expense	96,478	101,327
Bank Charges	96,155	54,698
Other Expenses	96,105	192,591
	13,601,076	**4,070,356**

16 OTHER INCOME

	31.03.2023 (AED)	31.03.2022 (AED)
Miscellaneous Income	15,951	7,122
	15,951	**7,122**

17 FINANCIAL INSTRUMENTS

In accordance with the International Financial Reporting Standards (IFRS) regarding financial instruments, the following disclosures are made. Financial assets of the entity include receivables, deposits and cash balance. Financial liabilities comprises of payables.

18 FINANCIAL RISK MANAGEMENT

The company's activities expose to a variety of financial risks. The company's overall risk management sponsorship focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the company's financial performance. The company identified the following major financial risks.

a) Exchange Rate Risk

There is no significant exchange risk as substantially all financial assets and financial liabilities are denominated in U.A.E Dirhams or US Dollar to which the Dirham is fixed.

b) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under financial instrument or customer contract leading to a financial loss. The company is exposed to credit risk from its receivables.

c) Liquidity Risk

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities at maturity date.

The company manages the liquidity risk through risk management frame work for the company's liquidity requirements by maintaining adequate reserves, sufficient cash and cash equivalent to ensure funds are available to meet its commitments for liabilities as they fall due.

19 FAIR VALUE

The fair value of a financial instrument is the amount for which the asset could be exchanged or a liability settled between willing parties in an arm's length transaction. The fair values of the financial assets and liabilities approximate their net book amounts as reflected in these financial statements.

	31.03.2023	31.03.2022
	(AED)	(AED)
Financial Assets		
Accounts & Other Receivables (*Less:-Prepayments*)	20,334,405	22,039,597
Cash and Bank Balances	7,056,553	5,004,058
	27,390,958	**27,043,655**
Financial Liabilities		
Accounts & Other Payables	8,408,763	7,699,605
Related Party	-	341,304
Provision For Employees end of service benefits	1,534,874	927,469
	9,943,637	**8,968,378**

20 EVENTS AFTER THE END OF THE REPORTING PERIOD

There were no significant events occurring after the financial position date that would have any material effect on the financial statements of the company.

21 COMPARATIVE FIGURES

Comparative figures have been reclassified or regrouped, wherever it necessary, to confirm the presentation adopted in the current year.

FOR QUESSCORP MANPOWER SUPPLY SERVICES L.L.C

AUTHORISED SIGNATORY

QUESSCORP MANPOWER SUPPLY SERVICES L.L.C

NOTES TO THE FINANCIAL STATEMENTS

PROPERTY, PLANT AND EQUIPMENTS

(Refer Note .8)

	Furniture & Fixtures	Office Equipments	Total
	(AED)	(AED)	(AED)
Cost			
As at 01.04.2021	**115,242**	**81,390**	**196,632**
Additions	-	14,920	**14,920**
Disposals	-	-	**-**
As at 31.03.2022	**115,242**	**96,310**	**211,552**
Additions	23,600	21,991	**45,591**
Disposals	-	-	**-**
As at 31.03.2023	**138,842**	**118,301**	**257,143**
Accumulated Depreciation			
As at 01.04.2021	**108,127**	**32,954**	**141,081**
Charge during the Year	6,367	21,748	**28,115**
Disposal	-	-	**-**
As at 31.03.2022	**114,494**	**54,702**	**169,196**
Charge during the Year	*6,647*	*29,739*	**36,386**
Disposal	-	-	**-**
As at 31.03.2023	**121,141**	**84,441**	**205,582**
Net Book Value			
As at 31.03.2023	**17,701**	**33,860**	**51,561**
As at 31.03.2022	**748**	**41,608**	**42,356**

Quess Corp (USA), Inc.
STATEMENT OF INCOME

	For the year ended March 31, 2023	For the year ended March 31, 2022
Consulting Revenue	$ -	$ -
Direct Cost of Sales	$ -	$ -
Salaries	$ -	$ -
General and administrative	$ 2,908	$ 2,052
Professional fees	$ 166,500	$ 145,000
Total operating expenses	169,408	147,052
Income (loss) from operations	$ (169,408)	$ (147,052)
Other income (expense):		
Financing expenses, net	$ -	$ -
Income (loss) before provision for income taxes	$ (169,408)	$ (147,052)
Income taxes		
Net income	$ (169,408)	$ (147,052)

Quess Corp (USA), Inc.
BALANCE SHEET

	As of Mar 31, 2023	As of Mar 31, 2022
Cash and cash eqivalents	$ 995	$ 1,522
Prepaid expenses	$ 2,441	$ 2,441
Due from affiliates	$ -	$ -
Total current assets	$ 3,436	$ 3,962
Investment in unconsolidated subsidiary	$ 3,316,974	$ 3,316,974
Other assets	$ -	$ -
	$ 3,316,974	$ 3,316,974
Total assets	$ 3,320,410	$ 3,320,937
Accounts payable	$ -	$ -
Accrued Expenses	$ 158,068	$ 110,872
Due to affiliates	$ 195,840	$ 74,155
Sales tax payable	$ 1,087	$ 1,087
Total current liabilites	$ 354,996	$ 186,114
Common stock, 200 shares authorized, 1 share issued and outstanding, no par value	$ 100,000	$ 100,000
Additional Share Capital isuued	$ 4,755,000	$ 4,755,000
Retained earinings	$ (1,889,585)	$ (1,720,178)
Total stockholder's equity	$ 2,965,415	$ 3,134,822
Total liabilities and stockholder's equity	$ 3,320,410	$ 3,320,936

Quess Corp (USA), Inc.
STATEMENT OF CASH FLOWS

	YEAR ENDED March 31, 2023	YEAR ENDED March 31, 2022
Net Income	$ (169,408)	$ (147,052)
Increase / (Decrease) in :		
Accounts payable	-	-
Accrued Expenses	$ 47,197	$ 70,844
Prepaid Expenses	-	-
Income/Sales taxes payable	-	-
Other asset		
Net cash provided by operating activities	(122,211)	(76,208)
Repayment /(Advances) paid to affiliates	-	-
Invesment in unconsolidated subsidiary	-	-
Reserves on Account of Sale of BHS Investments	-	-
Additional Share Capital Issued	-	-
Net cash used in investing activities	-	-
Advances received from affiliates	121,685	74,155
Net cash provided by financing actitities	121,685	74,155
Net increase in cash and cash equivalents	(526)	(2,053)
Cash and cash equivalents, beginning	1,521	3,574
Cash and cash equivalents, ending	$ 995	$ 1,521
Cash paid for income taxes	$ -	$ -
Cash paid for interest	$ -	$ -

Company Registration No: 201501001731 (1127063 A)

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

REPORTS AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

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QUESSGLOBAL (MALAYSIA) SDN. BHD.
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DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and the Company for the financial year ended 31st March 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Company are providing services and consultancy and secondment of staff in information technology solutions and software development.

The principal activity of the subsidiary is disclosed in Note 8 to the financial statements.

There have been no significant changes in these activities during the financial year.

FINANCIAL RESULTS

	Group RM	Company RM
Net loss for the financial year after taxation - attributable to owners of the Company	(585,674)	(568,191)

DIVIDENDS

The directors did not propose any final dividends for the financial year ended 31st March 2023.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year under review.

ISSUE OF SHARES

The Company did not issue any new shares during the financial year.

DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to date of the report are:-

Vijay Sivaram	
Muhunthan a/l Krishnan	(Resigned on 1.2.2023)
Mok Mei Shien	(Appointed on 1.2.2023)

The names of the directors of subsidiary are set out in the subsidiary's statutory financial statements and the said information is deemed incorporated herein by such reference and made a part hereof.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than disclosed in the Directors Remunerations in this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

During and at the end of the financial year, no arrangement subsisted to which the Company is a party, with the object or objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, required to be kept under Section 59 of the Companies Act 2016, the interests of directors in office at the end of the financial year in shares of the Company and its related corporations were as follows:-

	Number of Ordinary Shares			
	As at 1.4.2022	Bought	Sold	As at 31.3.2023
Ultimate holding company -Quess Corp Limited				
Vijay Sivaram				
-Direct interest	66,889	-	-	66,889

The above director has interest in shares of the Company to the extent of his shareholdings in ultimate holding company, Quess Corp Limited. No other director in office held any interest in shares in the Company and in the related corporations during and at the end of the financial year.

Deemed interest by virtue of the Company being beneficiary of a discretionary trust of which one of the directors, Mok Mei Shien is the trustee. Mok Mei Shien holds 25% interest in shares of the subsidiary Company on behalf of the Company.

DIRECTORS REMUNERATIONS

The amounts of the remunerations of the director of the Group and the Company comprising remuneration received from the Company during the year are as follows:-

	Group/Company RM
Directors' emoluments	384,657

None of the directors of the Company have received any other benefits otherwise than in cash from the Company during the year.

No payment has been paid to or payable to any third party in respect of the services provided to the Company by the directors of the Company during the year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and the Company were made out, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and have satisfied themselves that all known bad debts have been written off and adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values.

At the date of this report, the directors are not aware of any circumstances:

(a) which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and the Company misleading.

At the date of this report, there does not exist:

(a) any charge on the assets of the Group and the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability in respect of the Group and the Company which has arisen since the end of the financial year.

No contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and the Company to meet its obligations as and when they fall due.

In the opinion of the directors:

(a) the results of the Group's and the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and the Company for the financial year in which this report is made.

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

No indemnities have been given or insurance premiums paid, during the year, for any person who is the director, officer or auditor of the Group and the Company.

ULTIMATE HOLDING COMPANY

The directors regard Quess Corp Limited (Company No: U74140KA2007PLC043909), a company incorporated in India as the ultimate holding company.

HOLDING COMPANY

The directors regard Quesscorp Holdings Pte Ltd (Company No: 201526129N), a company incorporated in Singapore as the holding company.

SUBSIDIARY

(a) Details of subsidiary are set out in Note 8 to the financial statements.

(b) The auditors' report on the audit of the financial statements of the subsidiary did not contain any qualification.

AUDITORS REMUNERATIONS

Total amount paid to or receivable by the auditors as remuneration for their service as auditors is as follows:-

	Group RM	Company RM
- current year's provision	23,000	23,000
- underprovision in prior year	10,500	10,500
	33,500	33,500

Company Registration No: 201501001731 (1127063 A)

AUDITORS

The auditors, Messrs HALS & Associates have expressed their willingness to accept re-appointment as auditors.

This report was approved by the Board of Directors on 17 MAY 2023

Signed in accordance with a resolution of the directors:

VIJAY SIVARAM

MOK MEI SHIEN

Directors

QUESSGLOBAL (MALAYSIA) SDN. BHD.
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STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2023

	Note	Group 2023 RM	Company 2023 RM	Company 2022 RM
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	7	19,756	19,756	51,784
Investment in subsidiary	8	-	250,000	-
Investment in associate	9	-	-	122,500
Goodwill on investment	10	157,343	-	-
Total non-current assets		177,099	269,756	174,284
CURRENT ASSETS				
Trade and other receivables	11	12,856,892	13,536,382	18,515,704
Deposits and prepayments		511,943	261,943	450,128
Tax recoverable		338,976	338,976	-
Cash and cash equivalents	12	3,747,072	3,187,133	1,603,514
Total current assets		17,454,883	17,324,434	20,569,346
TOTAL ASSETS		17,631,982	17,594,190	20,743,630
EQUITY AND LIABILITIES				
EQUITY				
Share capital	13	500,000	500,000	500,000
Retained earnings		11,021,171	11,038,654	11,606,845
Total equity		11,521,171	11,538,654	12,106,845
CURRENT LIABILITIES				
Trade and other payables	14	6,079,687	6,055,536	7,712,248
Bank overdraft	15	-	-	621,600
Current tax liabilities		31,124	-	302,937
Total current liabilities		6,110,811	6,055,536	8,636,785
TOTAL LIABILITIES		6,110,811	6,055,536	8,636,785
TOTAL EQUITY AND LIABILITIES		17,631,982	17,594,190	20,743,630

The above statement is to be read in conjunction with the notes to the financial statements on pages 11 to 29.

QUESSGLOBAL (MALAYSIA) SDN. BHD.
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH 2023

	Note	Group 2023 RM	Company 2023 RM	Company 2022 RM
REVENUE	16	49,804,683	49,804,683	56,664,426
Less: COST OF SALES		(45,963,306)	(45,963,306)	(51,295,005)
GROSS PROFIT		3,841,377	3,841,377	5,369,421
Other operating income		2,910	2,910	17,132
Administrative expenses		(4,283,135)	(4,265,652)	(3,240,779)
(Loss)/Profit from operations	17	(438,848)	(421,365)	2,145,774
Finance cost	18	(84,526)	(84,526)	(120,898)
(Loss)/Profit before taxation		(523,374)	(505,891)	2,024,876
Taxation	19	(62,300)	(62,300)	(695,043)
(Loss)/Profit for the year		(585,674)	(568,191)	1,329,833
(Loss)/Profit for the year attributable to:-				
Owners of the Company		(585,674)	(568,191)	1,329,833
Total comprehensive (loss)/income for the year attributable to:-				
Owners of the Company		(585,674)	(568,191)	1,329,833

The above statement is to be read in conjunction with the notes to the financial statements on pages 11 to 29.

QUESSGLOBAL (MALAYSIA) SDN. BHD.
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2023

Group	----Attibutable to Owners of the Company---- Share Capital RM	Retained Earnings RM	Sub-total RM	Total Equity RM
Balance at 1st April 2022 - Company's balances brought forward	500,000	11,606,845	12,106,845	12,106,845
Non-owner changes in equity				
Loss for the year	-	(585,674)	(585,674)	(585,674)
Total comprehensive loss for the year	-	(585,674)	(585,674)	(585,674)
Balance at 31st March 2023 of the Group	500,000	11,021,171	11,521,171	11,521,171

The above statement is to be read in conjunction with the notes to the financial statements on pages 11 to 29.

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2023

Company	Share Capital RM	Retained Earnings RM	Total Equity RM
Balance at 1st April 2021	500,000	10,277,012	10,777,012
Non-owner changes in equity			
Profit for the year	-	1,329,833	1,329,833
Total comprehensive income for the year	-	1,329,833	1,329,833
Balance at 31st March 2022	500,000	11,606,845	12,106,845
Non-owner changes in equity			
Loss for the year	-	(568,191)	(568,191)
Total comprehensive loss for the year	-	(568,191)	(568,191)
Balance at 31st March 2023	500,000	11,038,654	11,538,654

The above statement is to be read in conjunction with the notes to the financial statements on pages 11 to 29.

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2023

	Note	Group 2023 RM	Company 2023 RM	2022 RM
CASH FLOW FROM OPERATING ACTIVITIES				
(Loss)/Profit before taxation		(523,374)	(505,891)	2,024,876
Adjustments for:				
Amortisation of goodwill		17,483	-	-
Interest expenses		84,526	84,526	120,898
Interest income		(1,257)	(1,257)	(11,170)
Unrealised loss on foreign exchange		-	-	3,700
Depreciation		32,028	32,028	51,456
Allowance for doubtful debts		590	590	-
OPERATING (LOSS)/PROFIT BEFORE WORKING CAPITAL CHANGES		(390,004)	(390,004)	2,189,760
Decrease/(Increase) in receivables		5,166,917	5,166,917	(2,412,775)
Decrease in payables		(1,656,712)	(1,656,712)	(7,478)
CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES		3,120,201	3,120,201	(230,493)
Interest received		1,257	1,257	11,170
Interest paid		(84,526)	(84,526)	(120,898)
Tax paid		(704,213)	(704,213)	(440,475)
Tax refund		-	-	48,369
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES		2,332,719	2,332,719	(732,327)
CASH FLOW FROM INVESTING ACTIVITIES				
Acquisition of subsidiary, net of cash acquired		432,439	-	-
Investment in subsidiary		-	(127,500)	-
Purchase of property, plant and equipment		-	-	(8,819)
NET CASH GENERATING FROM/(USED IN) INVESTING ACTIVITIES		432,439	(127,500)	(8,819)
Net increase/(decrease) in cash and cash equivalents		2,765,158	2,205,219	(741,146)
Cash and cash equivalents at beginning of the year		981,914	981,914	1,723,060
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	12	3,747,072	3,187,133	981,914

The above statement is to be read in conjunction with the notes to the financial statements on pages 11 to 29.

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - 31ST MARCH 2023

1. GENERAL

The financial statements of the Group and the Company are presented in Ringgit Malaysia (RM) which is the Group and the Company's functional currency. All financial information is presented in RM.

The Company was incorporated and domiciled in Malaysia as a private company limited by shares. It is resident in Malaysia with its registered office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur and the principal place of business at Unit 25-13A, Level 25, Q Sentral, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are providing services and consultancy and secondment of staff in information technology solutions and software development.

The principal activity of the subsidiary is disclosed in Note 8 to the financial statements.

There have been no significant changes in these activities during the financial year.

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Group and the Company have been prepared in accordance with Malaysian Private Entities Reporting Standard ("MPERS") issued by Malaysian Accounting Standards Board's ("MASB") and the provisions of the Companies Act 2016.

4. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements of the Group and the Company have been approved by the Board of Directors for issuance on....17...MAY...2023

5. BASIS OF PREPARATION

5.1 Basis of Measurement

The financial statements of the Group and the Company have been prepared using cost bases (which include historical cost, amortised cost, and lower of cost and net realizable value) and fair value bases.

5.2 Critical Judgements and Estimates Uncertainty

The preparation of the financial statements in conformity with MPERS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognized in the financial statements other than as disclosed below:-

A. Estimation Uncertainty

(a) **Loss Allowance of Financial Assets**

The Company recognizes impairment losses for loans and receivables using the incurred loss model. Individually significant loans and receivables are tested for impairment separately by estimating the cash flows expected to be recoverable. All others are grouped into credit risk classes and tested for impairment collectively, using the Company's past experience of loss statistics, ageing of past due amounts and current economic trends. The actual eventual losses may be different from the allowance made and this may affect the Company's financial position and results.

(b) **Depreciation of Property, Plant and Equipment**

The cost of an item of property, plant and equipment is depreciated on the straight line method or another systematic method that reflects the consumption of the economic benefits of the asset over its useful life. Estimates are applied in the selection of the depreciation method, the useful lives and the residual value. The actual consumption of the economic benefits of the property, plant and equipment may differ from the estimates applied and this may lead to a gain or loss on an eventual disposal of an item of property, plant and equipment.

(c) **Measurement of Income Taxes**

Significant judgement is required in determining the Company's provision for current and deferred taxes because the ultimate tax liability for the Company as a whole is uncertain. When the final outcome of the taxes payable is determined with the tax authorities in each jurisdiction, the amounts might be different for the initial estimates of the taxes payables. Such differences may impact the current and deferred taxes in the period where such determination is made. The Company will adjust for the differences as over or under provision of current or deferred taxes in the current period in which those differences arise.

6. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Consolidation

(i) Subsidiaries

The Group recognizes a subsidiary based on the criterion of control. A subsidiary is an entity (including special purpose entities) over which the Group has the power to govern the financial and operating policy decisions of the investee so as to obtain benefits from its activities. In circumstances when the voting rights are not more than half or when voting rights are not the dominant determinant of control, the Group uses judgments to assess whether it has defacto control, control by other arrangements (including control of special purpose criteria) or by holding substantive potential voting rights.

The financial statements of the parent Company and all its subsidiaries used in preparation of the consolidation financial statements are the same reporting date of 31st March.

Investment in subsidiary is measured in the Company's statement of financial position at cost less any impairment losses. The cost of investment includes transaction costs.

(ii) **Business Combination**

Business combinations are accounted for by applying the purchase method from the acquisition date, which is the date on which the Group obtains control of the acquiree. The cost of a business combination is the aggregate of:-

* the fair value, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the acquirer, in exchange for control of the acquired plus

* any costs directly attributable to the business combination.

If an associate or a jointly controlled entity becomes a subsidiary, the Group remeasures its previously held equity interest to fair value and recognizes the resulting gain or loss if any, in profit or loss. The remeasured carrying amount forms part of the cost of business combination.

When the cost of the business combination is in excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized, the excess is recognized as goodwill. When the excess is negative, a bargain purchase gain is recognized immediately in profit or loss.

The non-controlling interest in the acquiree is measured at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

(iii) **Acquisition of non-controlling interests**

The Group accounts all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change and any consideration received or paid, is adjusted to or against consolidation statement of changes in equity.

(iv) **Loss of control**

Upon the loss of control of a subsidiary, the Group recognizes the difference between the proceeds from the disposal of the subsidiary and its carrying amount as of the date of disposal. If the Group retains any interest in the subsidiary, the investment is accounted for as a financial asset from the date the entity ceases to be a subsidiary, provided that it does not become an associate or a jointly controlled equity. The carrying amount of the investment at the date that the entity ceases to be a subsidiary is regarded as the cost on initial measurement of the financial assets.

(v) **Non-controlling interests**

Non-controlling interests at the end of the reporting period, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company are presented in the consolidated statement of financial position within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interest even if doing so causes the non-controlling interest to have a deficit balance.

(vi) **Transactions eliminated on consolidation**

Intra-group balances and transactions including income, expenses and dividends are eliminated in full in preparing the consolidated financial statements.

(vii) **Associates**

Associates are entities including unincorporated entities in which the Company has significant influence but not control over the financial and operating policies.

Investments in associates are accounted for in the financial statements using the cost method less any impairment losses. Income is recognised only to the extent of dividend received.

(b) **Intangible Asset**

(i) **Goodwill**

Goodwill arises on business combinations and is initially measured at its cost. After initial recognition, the Group measures the goodwill acquired in a business combination at cost less accumulated amortisation and accumulated impairment losses.

Goodwill arises on acquisition of equity accounted associates is recorded as part of the carrying amount at the date of acquisition. The Group adjusts its share of the associates profits or losses after the acquisition to account for amortization of the goodwill.

Amortisation of acquired intangible assets is based on the cost of an asset less its residual value. Amortisation is recognized in profit or loss on a straight line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives are as follows:-

Goodwill	10 years

If there is an indication that there has been a change in the residual value or useful life of an intangible asset since the last annual reporting date, the Group and the Company would review its previous estimates and, if current expectations differ, the Group and the Company would amend the residual value, amortization method or useful life.

(c) **Property, Plant and Equipment**

(i) **Recognition and Measurement**

All property, plant and equipment are initially measured at cost.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the cost of dismantling and removing the items and restoring the site on which they are located. The cost of self constructed assets also includes the cost of direct and indirect cost of construction.

For an exchange of non-monetary assets that has a commercial substance, cost is measured by reference to the fair value of the asset received.

All property, plant and equipment are subsequently measured at cost less any accumulated depreciation and any accumulated impairment losses.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

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

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amounts of property, plant and equipment and is recognized net within "other income" or "other expenses" respectively in profit or loss.

(ii) **Subsequent costs**

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognized to profit or loss. The costs of the day to day servicing of property, plant and equipment are recognized in profit or loss as incurred.

(iii) **Depreciation**

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognized in profit or loss on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use. The annual rates used are as follows:-

	%
Computer	20
Software	20
Furniture and fittings	20
Renovation	33.33

At the end of each reporting period, the residual values, useful life and depreciation method for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current period.

(d) **Impairment of non-financial assets**

The carrying amounts of non-financial assets (ie. property, plant and equipment) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

If an individual asset generates independent cash inflows, it is tested for impairment as a stand-alone asset, if an asset does not generate independent cash inflows, it is tested for impairment together with other assets in a cash-generating unit, at the lowest level in which independent cash inflows are generated and monitored for internal management purposes.

The recoverable amount of an asset or a cash generating unit is the higher of its fair value less costs to sell and the value in use. The Company determines the fair value less costs to sell of an asset or a cash-generating unit in a hierarchy based on: (i) price in a sale agreement, (ii) market price traded in an active market; and (iii) estimate of market price using the best information available. The value in use is estimated by discounting the net cash inflows (by an appropriate pre-tax discount rate) of the asset or unit, using reasonable and supportable management's budgets and forecast cash flows.

An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

For an asset measured on a cost-based model, any impairment loss is recognized in profit or loss. For a property, plant and equipment measured on the revaluation model, any impairment loss is treated as a revaluation decrease.

The Company reassesses the recoverable amount of an impaired asset or a cash-generating unit if there is any indication that an impairment loss recognized previously may have reversed.

Any reversal of impairment loss for an asset carried at a cost-based model is recognized in profit or loss, subject to the limit that the revised carrying amount does not exceed the amount that would have been determined had no impairment loss been recognized previously.

(e) **Financial instruments**

(i) **Initial recognition and measurement**

A financial asset or financial liability is recognised in the statement of financial position when, and only when the Company becomes a party to the contractual provisions of the instruments.

A financial instrument is recognised initially at the transaction price (including transaction costs except in the initial measurement of a financial asset or financial liability that is measured at fair value through profit or loss, transaction cost are expensed to profit or loss when incurred) unless the arrangement constitutes, in effect, a financing transaction. If the arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instruments.

(ii) **Subsequent measurement**

For the purpose of subsequent measurement, the Company classifies financial assets into two categories, namely: (i) financial assets at fair value through profit or loss, and (ii) financial assets at amortised costs.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment in accordance with Note 6e(v).

After initial recognition, the Company measures all financial liabilities at amortised cost using the effective interest method.

(iii) **Fair Value Measurement of Financial Instruments**

All other financial assets or liabilities not measured at amortised cost or cost less impairment are measured at fair value with changes recognised in profit or loss.

The fair value is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique.

(iv) **Recognition of Gains and Losses**

Fair value changes of financial assets and financial liabilities classified as at fair value through profit or loss are recognized in profit or loss when they arise.

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognized in profit or loss only when the financial asset or financial liability is derecognized or impaired, and through the amortization process of the instruments.

(v) **Impairment and Uncollectibility of Financial Assets**

The Company applies the incurred loss model to recognise impairment losses of financial assets. At the end of each reporting period, the Company examines whether there is any objective evidence that a financial asset (except for financial assets measured at fair value through profit or loss) or a group of financial assets is impaired.

An impairment loss is measured as follows:-

* For an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

* For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

(vi) **Derecognition**

A financial asset or part of it is derecognized when, and only when, the contractual rights to the cash flows from the financial asset expire or are settled, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of financial asset, the difference between the carrying amount of the financial asset derecognized and the consideration received, including any newly created rights, and obligations, is recognized in profit or loss.

A financial liability or part of it is derecognized when, and only when, the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

(f) **Equity Instruments**

Ordinary shares classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(g) **Revenue Recognition**

Revenue from services rendered is recognized in profit or loss upon services rendered and acceptance by customers.

(h) **Income Tax**

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to business combination or items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is provided by the balance sheet liability method based on all taxable temporary differences by comparing carrying amounts of assets and liabilities and their corresponding tax bases. Deferred tax is not recognized if the temporary differences arises from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time the transaction, affects neither accounting profit nor taxable profits.

Deferred tax is measured at the tax rates that is expected to be applied to the temporary differences when they reverse, based on tax rates that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits to the extent that is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credit can be utilized.

Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

(i) **Cash and Cash Equivalents**

Cash and cash equivalents consists of cash in hand, bank balances, deposits with bank and highly liquid investments with maturing within three months from the date of acquisition which are readily convertible to known amount of cash which are subject to an insignificant risk of change in value. For the purpose of statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(j) **Employee Benefits**

(i) **Short term employee benefits**

Short term employee benefits in respect of wages, salaries, social security contributions, paid annual leaves, paid sick leaves, bonuses and non-monetary benefits are measured on an undiscounted basis and are expensed in the financial period when employees have rendered their services to the Company.

Bonuses are recognised as an expense when there is a present, legal or constructive obligations to make such payments, as a result of past services provided by employees and when a reliable estimate can be made of the amount of the obligations.

(ii) **Defined contribution plan**

The Company makes contributions to a statutory provident fund and recognise the contribution payable as an expense in the financial year in which the employees render their services. Once the contributions have been paid, the Company have no further payment obligations.

(k) **Currency Conversion**

Transactions denominated in foreign currencies are translated and recorded at the exchange rates prevailing at the transaction dates. At the end of each reporting period, monetary items denominated in foreign currency are retranslated at the rates prevailing at the end of the period (ie. closing rate). Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the dates the fair value were determined. Non-monetary items that are measured at their historical costs amounts continue to be carried at their respective historical rates and are not retranslated.

All exchange gain or losses, including those arising from translation, are taken up in profit or loss.

7. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:-

Group/Company 2023 Cost:	At 1st April 2022 RM	Addition RM	At 31st March 2023 RM
Computer	121,465	-	121,465
Software	34,668	-	34,668
Furniture and fittings	185,184	-	185,184
Renovation	87,956	-	87,956
Total	429,273	-	429,273

Accumulated Depreciation:	At 1st April 2022 RM	Charge for the year RM	At 31st March 2023 RM	Carrying amount at 31st March 2023 RM	Carrying amount at 31st March 2022 RM
Computer	86,326	19,021	105,347	16,118	35,139
Software	27,937	5,097	33,034	1,634	6,731
Furniture and fittings	175,270	7,910	183,180	2,004	9,914
Renovation	87,956	-	87,956	-	-
Total	377,489	32,028	409,517	19,756	51,784

8. INVESTMENT IN SUBSIDIARY

	Company 2023 RM	2022 RM
At cost		
Unquoted shares in Malaysia - reclassified from investment in Associate (Note 9)	250,000	-

8.1 The details of subsidiary are as follows:-

Name of Entity	Country of Incorporation	Principal activities	Effective ownership interest 2023 %	2022 %
Agensi Pekerjaan Quess Recruit Sdn Bhd [Company Registration No. 201801003383 (1265396 M)]	Malaysia	Private employment agency	100	-

8.2 **Effects of a Business Combination**

On 23rd February 2023, the Company acquired additional 127,000 ordinary shares (representing 51% equity interest) by way of trust arrangement in Agensi Pekerjaan Quess Recruit Sdn. Bhd.("APQR"), at a price of RM1.00 per share. The Company previously held 49% equity interests in APQR. The Company's effective ownership in APQR increased from 49% to 100% due to the acquired additional shares. As a result, the Group increased significantly its business. By combining the operations of APQR, the Group expects to extract synergies from the combined operations, which would lead to cost reduction and other economy of scale.

The cost of the combination amounted to RM127,500 in cash consideration.

The recognized amounts of classes of assets and liabilities of the subsidiary at the acquisition date were as follows:-

	RM
Trade and Other Receivables	166,158
Deposit	250,000
Cash & Cash equivalents	559,939
Total assets	976,097
Less: Trade and other payables	(900,923)
Total identifiable net assets acquired	75,174
Goodwill on combination	174,826
Cost of combination	250,000
Net cash inflows net of cash acquired, presented as investing activities in the Group statement of cash flows	432,439
Cash outflows presented as investing activities in the Company statement of cash flows	(127,500)

9. **INVESTMENT IN ASSOCIATE**

	Company	
	2023	2022
	RM	RM
At cost		
Unquoted shares in Malaysia		
- balance b/f	122,500	122,500
Addition during the year	127,500	-
	250,000	122,500
Less: reclassification to invesment in subsidiary (Note 8)	(250,000)	-
	-	122,500

The details of associate are as follows:-

Name of Entity	Country of Incorporation	Principal activities	Effective ownership interest 2023 %	Effective ownership interest 2022 %
Agensi Pekerjaan Quess Recruit Sdn Bhd [Company Registration No. 201801003383 (1265396 M)]	Malaysia	Private employment agency	-	49

During the year, the Company acquired additional shares in the associated company. As a result, the associate has become a subsidiary of the Company. The cost of investment has since been reclassified to investment in subsidiary during the financial year (Note 8).

10. GOODWILL ON INVESTMENT

	Group 2023 RM
At 1st April 2022	-
Acquisition through business combinations	174,826
	174,826
Less: Amortisation of goodwill	(17,483)
At 31st March 2023	157,343

11. TRADE AND OTHER RECEIVABLES

	Group 2023 RM	Company 2023 RM	Company 2022 RM
Current:			
Trade receivables	12,328,635	12,387,236	17,197,910
Other receivables - subsidiary company	-	620,889	607,211
Other receivables - others	255,757	255,757	355,899
Amount due from a director	-	-	81,596
Amount due from related company	273,090	273,090	273,088
Total at cost	12,857,482	13,536,972	18,515,704
Less:			
Accummulated impairment losses (**)	(590)	(590)	-
	12,856,892	13,536,382	18,515,704

	Group	Company	
	2023	2023	2022
	RM	RM	RM
** Movement of impairmenr losses:			
Balance at beginning of the year	-	-	483,808
Recognised during the year	590	590	-
Written off as bad debts recognised in profit or loss	-	-	(483,808)
Balance at end of the year	590	590	-

Included in amount due from a director and other receivables are balances totaling RM Nil (2022: RM159,938) which carry interest rates of 7.00% per annum. The rest of other receivables balances represent non trade advances/loan made and are unsecured, interest free and repayable on demand.

Amount due from related company are unsecured, repayable on demand and carries interest rate of 2.25% per annum.

Included in trade receivables is an amount of RM45,063 (2022: RM39,216) that is due from Quess Corp Limited, the ultimate holding company, RM134,500 (2022: RM58,702) that is due from Quess Corp Pte Ltd, the holding company and a balance of RM120,135 (2022: RM24,483) that is due from the subsidiary company.

12. CASH AND CASH EQUIVALENTS

	Group	Company	
	2023	2023	2022
	RM	RM	RM
Cash and bank balances	3,747,072	3,187,133	1,403,278
Short term deposit with licensed bank	-	-	200,236
	3,747,072	3,187,133	1,603,514
Bank overdraft	-	-	(621,600)
Cash and cash equivalents	3,747,072	3,187,133	981,914

13. SHARE CAPITAL

	Group	Company	
	2023	2023	2022
	RM	RM	RM
Issued and fully paid:			
500,000 Ordinary shares	500,000	500,000	500,000

The ordinary share of the Company has no par value. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per share at meetings of the Company.

14. TRADE AND OTHER PAYABLES

	Group	Company	
	2023	2023	2022
	RM	RM	RM
Other payables and accruals	2,874,604	2,850,453	3,708,766
Amount due to holding company	3,085,083	3,085,083	4,003,482
Amount due to a related company	120,000	120,000	-
	6,079,687	6,055,536	7,712,248

The directors regard Quess Corp Limited (Company No: U74140KA2007PLCO43909), a company incorporated in India as the ultimate holding company.

The directors regard Quesscorp Holdings Pte Ltd (Company No. 201526129N), a company incorporated in Singapore as the holding company.

Amount due to holding company represent loan/advances made and are unsecured, bears interest rate of 2.25% and repayable on demand.

15. BANK OVERDRAFT

Company

The bank overdraft facility is secured by way of corporate guarantee by the Company's ultimate holding company, Quess Corp Limited and bears interest rate of 2% plus bank's base lending rate ("BLR").

16. REVENUE

Revenue represents the invoiced value of services rendered net of discounts.

17. (LOSS)/PROFIT FROM OPERATIONS

	Group	Company	
	2023	2023	2022
	RM	RM	RM
(Loss)/Profit from operations before taxation is stated after charging/(crediting):-			
Audit fee			
- current year's provision	23,000	23,000	14,198
- underprovision in prior year	10,500	10,500	-
Employee salary and allowances			
- included in cost of sales	41,491,939	41,491,939	43,435,681
- included in administrative expenses	2,243,086	2,243,086	2,074,575
Contribution to defined plan ("EPF")			
- included in cost of sales	3,054,750	3,054,750	4,501,715
- included in administrative expenses	261,276	261,276	43,826,782
Directors emoluments	384,657	384,657	382,721
Amortisation of goodwill on investment	17,483	-	-
Realised loss on foreign exchange	-	-	4,923
Realised gain on foreign exchange	(1,653)	(1,653)	-
Unrealised loss on foreign exchange	-	-	3,700
Unrealised gain on foreign exchange	-	-	(5,963)

18. FINANCE COST

	Group	Company	
	2023	2023	2022
	RM	RM	RM
Interest charges	84,526	84,526	120,898

19. TAXATION

	Group	Company	
	2023	2023	2022
	RM	RM	RM
Current year's provision	62,300	62,300	663,712
Underprovision in prior year	-	-	31,331
	62,300	62,300	695,043

A reconciliation of income tax expense applicable to (loss)/profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follows:-

	Group	Company	
	2023	2023	2022
	RM	RM	RM
(Loss)/Profit before taxation	(523,374)	(505,891)	2,024,876
Taxation at Malaysian Statutory tax rate at 24% (2022: 24%)	(125,610)	(121,414)	485,970
Expenses not deductible for tax purposes	184,880	180,684	175,953
Underprovision of tax in prior year	-	-	31,331
Deferred tax assets not recognised on property, plant and equipment	3,030	3,030	1,789
Tax expense for the year	62,300	62,300	695,043

Deferred tax assets have not been recognized in respect of the following item:-

	Group	Company	
	2023	2023	2022
	RM	RM	RM
Excess of depreciation over the capital allowance claimed on property, plant and equipment	2,370	2,370	(661)

Deferred tax assets have not been recognized in respect of the above item as there is no assurance that future taxable income will be sufficient to allow the benefits to be realized.

The above are subject to the approval of the tax authorities.

20. FINANCIAL INSTRUMENTS

20.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorized as follows:-

(a) Financial assets and financial liabilities measured at amortised cost ("AC").

Group 2023	Carrying Amount	AC
Financial assets	**RM**	**RM**
Trade and other receivables	12,856,892	12,856,892
Deposit	360,538	360,538
Cash and cash equivalents	3,747,072	3,747,072
	16,964,502	16,964,502
Financial liability		
Trade and other payables	6,079,687	6,079,687

Company 2023	Carrying Amount	AC
Financial assets	**RM**	**RM**
Trade and other receivables	13,536,382	13,536,382
Deposit	110,538	110,538
Cash and cash equivalents	3,187,133	3,187,133
	16,834,053	16,834,053
Financial liability		
Trade and other payables	6,055,536	6,055,536

2022 Financial assets	Carrying Amount RM	AC RM
Trade and other receivables	18,515,704	18,515,704
Deposit	111,870	111,870
Cash and cash equivalents	1,603,514	1,603,514
	20,231,088	20,231,088
Financial liabilities		
Trade and other payables	7,712,248	7,712,248
Bank overdraft	621,600	621,600
	8,333,848	8,333,848

21. RELATED PARTIES

The significant related parties transactions of the Company are disclosed below:-

	2023 RM	2022 RM
Key management personnel compensation		
Directors:-		
- Emoluments	384,657	382,721
Quesscorp Holdings Pte Ltd, holding company		
- Interest charges	84,526	105,479
- Sales	341,565	293,933
Quess Corp Limited, ultimate holding company		
- Sales	58,135	85,848
Agensi Perkerjaan Quess Recruit Sdn Bhd, subsidiary company		
- Sales	253,288	157,339
Agensi Pekerjaan Monster Malaysia Sdn Bhd, related company		
- Sales	16,544	44,633

Related party balances are disclosed in Notes 11 and 14 to the financial statements.

22. EMPLOYEES

The number of employees at the end of the financial year are as follows:-

	Group	Company	
	2023	2023	2022
	No.	No.	No.
Directors	3	2	2
Employees	940	939	1,346
	943	941	1,348

23. COMPARATIVE FIGURES

There are no comparative figures for the group balances as this is the first set of consolidated financial statements for the Group.

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, VIJAY SIVARAM and MOK MEI SHIEN, being the directors of QUESSGLOBAL (MALAYSIA) SDN. BHD., do hereby state that in our opinion, the financial statements set out on pages 6 to 29 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31st March 2023 and financial performance of the Group and the Company for the financial year ended 31st March 2023 in accordance with the Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated

17 MAY 2023

VIJAY SIVARAM

MOK MEI SHIEN

STATUTORY DECLARATION PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT 2016

I, MOK MEI SHIEN, I.C. No. 770130-06-5568, being the director primarily responsible for the accounting records and financial management of QUESSGLOBAL (MALAYSIA) SDN. BHD., do solemnly and sincerely declare that the financial statements set out on pages 6 to 29 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in Wilayah Persekutuan on

17 MAY 2023

MOK MEI SHIEN

Before me,

PESURUHJAYA SUMPAH
W725
ABDUL SHUKOR MD NOOR
01.01.2021 - 31.12.2023
MALAYSIA

COMMISSIONER FOR OATHS

G1-1-2, GROUND FLOOR, MENARA 1 DUTAMAS,
SOLARIS DUTAMAS, NO. 1, JALAN DUTAMAS 1,
50480 KUALA LUMPUR

HALS & Associates
Chartered Accountants
AF No: 0755

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Quessglobal (Malaysia) Sdn. Bhd. which comprise the statement of financial position as at 31st March 2023 of the Group and the Company and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group and the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 29.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at 31st March 2023 and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (*on Professional Ethics, Conduct and Practice*) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards*) ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Group and the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Group and the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and the Company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

* Identify and assess the risks of material misstatement of the financial statements of the Group and the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

* Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

* Evaluate the overall presentations, structure and content of the financial statements of the Group and the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

* Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

HALS & ASSOCIATES
A.F. 0755
CHARTERED ACCOUNTANTS

Lim Kian Keong
Bil 02043/09/2024 J
Partner

KUALA LUMPUR

DATE: 17 MAY 2023

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

The pages which follow do not

form part of the Statutory

financial statements of the Company

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2023

	2023 RM	2022 RM
REVENUE	49,804,683	56,664,426
Less: COST OF SALES		
Associate staff cost		
- Salary and incentive	41,491,939	43,435,681
- EPF, Socso and EIS	3,750,582	4,892,995
- Background verification	11,014	11,746
- Insurance	486,936	666,613
- Medical expenses	30,531	239,024
- Work permit	114,601	117,928
Consumption cost	11,098	347,712
Miscellaneous expenses	19,819	1,583,306
Travelling and conveyance	46,786	-
	(45,963,306)	(51,295,005)
GROSS PROFIT	3,841,377	5,369,421
Add: OTHER INCOME		
Interest income	1,257	11,170
Gain on foreign exchange		
- realised	1,653	5,962
	2,910	17,132
	3,844,287	5,386,553
Less:		
ADMINISTRATIVE EXPENSES (Schedule I)	(4,265,652)	(3,240,779)
FINANCE COST (Schedule I)	(84,526)	(120,898)
	(4,350,178)	(3,361,677)
(LOSS)/PROFIT BEFORE TAXATION	(505,891)	2,024,876

Schedule I

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31ST MARCH 2023

	2023 RM	2022 RM
Advertisement	21,563	25,016
Allowance for doubtful debts	590	-
Audit fee		
- current year's provision	23,000	14,198
- underprovision in prior year	10,500	-
Bad debts written off	634,239	-
Bank charges	14,233	11,712
Courier and postage	-	2,864
Depreciation	32,028	51,456
Director emoluments	384,657	382,721
Electricity	5,260	9,234
EPF and Socso	281,822	273,812
General expenses	(113)	(164)
Interest income overaccrued	33,172	-
Login cost	38,881	14,947
Loss on foreign exchange		
- unrealised	-	3,700
Maintenance	23,644	4,984
Office rental	174,818	151,060
Printing and stationery	8,145	10,826
Professional and legal fee	144,808	76,390
Rates	97,761	4,837
Salary, bonus and EIS	2,243,086	2,074,575
Secretarial fee	4,952	-
Staff welfare	12,621	45,639
Telephone	75,143	71,893
Travelling expenses	842	11,079
	4,265,652	3,240,779

FINANCE COST
FOR THE YEAR ENDED 31ST MARCH 2023

	2023 RM	2022 RM
Interest charges	84,526	120,898

QUESS SELECTION & SERVICES PTE. LTD.

(Co. Reg. No.: 201715683K)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Joe Tan & Associates PAC
Chartered Accountants

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Incorporated with Limited Liability Regn No. 200801266N

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QUESS SELECTION & SERVICES PTE. LTD.
(Co. Registration No.: 201715683K)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

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QUESS SELECTION & SERVICES PTE. LTD.
(Co. Registration No.: 201715683K)

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The directors are pleased to present their statement to the member together with the audited financial statements of Quess Selection & Services Pte. Ltd. (the "Company") for the financial year ended 31 March 2023.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and

(b) at the date of this statement, having regard to the financial support from the holding company, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The directors of the Company in office at the date of this statement are:

Lohit Bhatia
Guruprasad Srinivasan
Pallipakkam Ramachandran Sridharan
Vikas Kumar

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act 1967 (the Act), the directors of the company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

Name of directors and company in which interests are held	Number of ordinary shares			
	Direct Interest		Indirect Interest	
Ordinary shares of the company	At 01.04.2022	At 31.03.2023	At 01.04.2022	At 31.03.2023
-Lohit Bhatia	-	36,528	44,783	44,783
-Guruprasad Srinivasan	-	123,598	100,533	100,533

5. SHARES OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of option to take up unissued shares of the Company.

There were no unissued shares of the Company under option as at the end of the financial year.

6. AUDITOR

JOE TAN & ASSOCIATES PAC, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,

Vikas Kumar
Director

Guruprasad Srinivasan
Director

Singapore

17 MAY 2023

QUESS SELECTION & SERVICES PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Quess Selection & Services Pte. Ltd., (the Company) which comprise the statement of financial position of the Company as at 31 March 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.2 in the financial statements, which indicates that the Company incurred net loss of S$224,398 (2022: S$245,913) and a capital deficit of S$1,614,675 (2022: S$1,390,277) for the financial year ended 31 March 2023. As stated in Note 2.2, these events or conditions, along with other matters as set forth in Note 2.2, indicate that a material uncertainty exist that may affect on the Company's ability to continue as a going concern. Our Opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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

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

Responsibility of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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 directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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Auditor's Responsibilities for the Audit of the Financial Statements. (Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Joe Tan & Assoc PAC

JOE TAN & ASSOCIATES PAC

Public Accountants and

Chartered Accountants

Singapore
Date: 17 MAY 2023

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QUESS SELECTION & SERVICES PTE. LTD.
(Co. Reg. No.: 201715683K)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 S$	2022 S$
ASSETS			
Current assets:			
Trade and other receivables	4	18,257	50,100
Contract assets	5	10,900	-
Cash and cash equivalents	6	96,305	139,425
		125,462	189,525
Total assets		125,462	189,525
EQUITY AND LIABILITIES			
Equity:			
Share capital	7	200,000	200,000
Accumulated losses		(1,814,675)	(1,590,277)
Equity attributable to owners of the company		(1,614,675)	(1,390,277)
Current liabilities:			
Trade and other payables	8	1,740,137	1,579,802
		1,740,137	1,579,802
Total liabilities		1,740,137	1,579,802
Total equity and liabilities		125,462	189,525

The accompanying notes form an integral part of these financial statements.

QUESS SELECTION & SERVICES PTE. LTD.
(Co. Reg. No.: 201715683K)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023 S$	2022 S$
Revenue	9	197,502	113,841
Cost of services		(69,654)	(6,697)
Gross Profit		127,848	107,144
Other income	10	-	9,245
Administrative expenses		(352,246)	(362,302)
Loss before tax	12	(224,398)	(245,913)
Income tax expense	13	-	-
Loss for the year, representing total comprehensive loss for the year		(224,398)	(245,913)

The accompanying notes form an integral part of these financial statements.

QUESS SELECTION & SERVICES PTE. LTD.
(FKA: Comtelpro Pte Ltd)
(Co. Reg. No.: 201715683K)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Share capital S$	Accumulated losses S$	Total S$
At 1 April 2021	200,000	(1,344,364)	(1,144,364)
Loss for the year, representing total comprehensive loss for the year	-	(245,913)	(245,913)
At 31 March 2022	200,000	(1,590,277)	(1,390,277)
At 1 April 2022	200,000	(1,590,277)	(1,390,277)
Loss for the year, representing total comprehensive loss for the year	-	(224,398)	(224,398)
At 31 March 2023	200,000	(1,814,675)	(1,614,675)

The accompanying notes form an integral part of these financial statements.

QUESS SELECTION & SERVICES PTE. LTD.
(Co. Reg. No.: 201715683K)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	Note	2023 S$	2022 S$
Cash flows from operating activities			
Loss before tax		(224,398)	(245,913)
Changes in working capital:			
Trade and other receivables		31,843	(9,760)
Contract assets		(10,900)	7,950
Trade and other payables		160,335	213,203
Net cash used in operating acivities		(43,120)	(34,520)
Net decreases in cash and cash equivalents		(43,120)	(34,520)
Cash and cash equivalents at 1 April		139,425	173,945
Cash and cash equivalents at 31 March	6	96,305	139,425

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Quess Selection & Services Pte. Ltd. (the "Company) is incorporated and domiciled in Singapore with its registered office and principal place of business at 4 Robinson Road, #12-01 The House of Eden, Singapore 048543.

The principal activities of the Company consist of acting as employment agencies (excluding maid agencies) which provide general (non-IT) staffing and corporate training services as well as motivation courses. There are no significant changes in the nature of these activities during the financial year.

The Company's immediate holding company is Quesscorp Holdings Pte. Ltd., incorporated in Singapore.

The Company's ultimate holding company is Quess Corp Limited, incorporated in India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements are presented in Singapore dollar and are prepared in accordance with the provisions of the Singapore Companies Act, 1967 and Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (S$), which is the Company's functional currency. All financial information presented in Singapore Dollar, unless otherwise indicated.

2.2 GOING CONCERN

The financial statements of the Company have been prepared on a going concern basis notwithstanding the net capital deficiency of approximately $1,614,675 and $1,390,277 as at 31 March 2023 and 31 March 2022 respectively. These factors indicate the existence of a material uncertainty which may cast significant doubt over the Company's ability to continue as a going concern.

The ability of the Company to continue as a going concern is dependent on the undertaking of its immediate holding company, Quesscorp Holdings Pte. Ltd., to provide continuing financial support to enable the Company to meet its liabilities as and when they fall due.

If the Company is unable to continue in operational existence for the foreseeable future, the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. In addition, the Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.3 ADOPTION OF NEW AND REVISED STANDARDS

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2.4 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 Presentation of Financial Statements and FRS Practise Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
FRS 117 *Insurance Contracts*	1 January 2023
Amendments to FRS 116 *Leases:* Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to FRS 1 *Presentation of Financial Statements:* Non-current Liabilities with Covenants	1 January 2024
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.5 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.6 FINANCIAL INSTRUMENTS

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Company only has debt instruments at amortised cost.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.6 FINANCIAL INSTRUMENTS - CONTINUED

(a) Financial assets - continued

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.7 IMPAIRMENT OF FINANCIAL ASSETS

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.7 IMPAIRMENT OF FINANCIAL ASSETS - CONTINUED

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 -months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.8 CONTRACT ASSETS

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

2.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

2.10 PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.11 EMPLOYEE BENEFITS

(a) Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.12 REVENUE RECOGNITION

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised service to the customer, which is when the customer obtains control of the service. A performance obligation is satisfied at a point in time. The amount of revenue recognised is the amount allocated to the satisfies performance obligation.

Rendering of services

The Company is providing employment agencies services.

Revenue from services is recognised when consultancy services have been performed and rendered.

2.13 TAXES

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.13 TAXES - CONTINUED

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.14 RELATED PARTIES

A related party is defined as follows:

a) A person or a close member of that person's family is related to the Group and Company if that person:
   (i) Has control or joint control over the Company;
   (ii) Has significant influence over the Company; or
   (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions apply:
   (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
   (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
   (iii) Both entities are joint venture of the same third party.
   (iv) One entity is a joint ventures of a third entity and the other entity is an associate of the third entity.
   (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
   (vi) The entity is controlled or jointly controlled by a person identified in (a);
   (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
   (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

2.15 SHARE CAPITAL

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgement made in applying accounting policies

Determination of functional currency

In determining the functional currency of the Company, judgment is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 15(a)

The carrying amount of the Company's trade receivables as at 31 March 2023 was S$11,771 (2022: S$43,994).

4. TRADE AND OTHER RECEIVABLES

	2023 S$	2022 S$
Trade receivables		
- Third parties	11,771	43,994
	11,771	43,994
Other receivables		
- Prepayments	486	106
- Deposits	6,000	6,000
	18,257	50,100

Trade receivables are non-interests bearing and are generally on 30 – 90 (2022: 30 – 90) days' term.

They are recognized at their original invoices amounts which represents their fair values on initial recognition. They are unsecured.

Other receivables are non-trade in nature, unsecured, interest-free and have no fixed term of repayment.

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL was as follows:

	2023 S$	2022 S$
At 1 April	-	9,245
Reversal of bad debts written off (Note 10)	-	(9,245)
At 31 March	-	-

The carrying amount of trade and other receivables approximate their fair values.

5. CONTRACT ASSETS

The contract assets primarily relate to the Company's right to consideration for work completed and not billed, as the rights are conditioned on the Company's future performance in satisfying the respective performance obligation at each reporting date.

The following table show the contract assets:

	2023 S$	2022 S$
Contract assets	10,900	-

6. CASH AND CASH EQUIVALENTS

	2023 S$	2022 S$
Cash at bank	36,305	79,425
Banker's guarantee	60,000	60,000
	96,305	139,425

The banker's guarantee has a maturity term of 6 to 40 months from the end of the financial year and it is interest free.
The carrying amounts of cash and cash equivalents approximate their fair values.

7. SHARE CAPITAL

	2023		2022	
	No of shares	S$	No of shares	S$
Issued and fully paid ordinary shares:				
At 1 April and 31 March	200,000	200,000	200,000	200,000

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value

8. TRADE AND OTHER PAYABLES

	2023 S$	2022 S$
Trade payables due to related company	57,170	-
Other payables:		
- Salaries, CPF and FWL payables	1,517	26,929
- Accruals	19,299	7,642
- Amount due to related company (non-trade)	1,662,066	1,541,511
- GST payables	85	3,720
	1,740,137	1,579,802

Other payables are non-trade in nature, unsecured, interest free and have no fixed term of repayments.

The amount due to related party are non-trade in nature, unsecured, interest-free and repayment on demand.

The carrying amounts of other payables approximate their fair values.

9. REVENUE

	2023 S$	2022 S$
Service rendered (At a point in time)	197,502	113,841

10. OTHER INCOME

	2023 S$	2022 S$
Reversal of bad debts written off (Note 4)	-	9,245
	-	9,245

11. EMPLOYEE BENEFITS

	2023 S$	2022 S$
Staff costs:		
Salaries and bonuses	303,625	320,511
CPF Contribution	21,427	30,555
Incentives	7,547	1,171
Staff Welfare others	5,901	-
Mobile expenses	136	-
Food expenses	22	-
Local conveyance	107	-
	338,765	352,237

12. LOSS BEFORE TAX

	2023 S$	2022 S$
Loss before tax has been arrived at after charging/ (crediting):		
Employee benefits (Note 11)	338,765	352,237
Legal & professional fees	3,240	2,908
Reversal of bad debts written off	-	(9,245)

13. INCOME TAX EXPENSE

No income tax expense recognised in profit or loss for the financial period ended 31 March 2023 and 31 March 2022.

Relationship between tax expense and accounting loss

A reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the financial years ended 31 March 2023 and 31 March 2022 were as follows:

	2023 S$	2022 S$
Loss before tax	(224,398)	(245,913)
Tax at the statutory tax rate at 17% (2022: 17%)	(38,148)	(41,805)
Tax effect on non-deductible expenses	35	-
Loss transferred to holding company	38,113	41,805
	-	-

The Company has unutilised tax losses of approximately S$571,676 (2022:S$571,676) as at balance sheet date which can be carried forward for offsetting against future taxable profits, subject to agreement by the tax authorities and compliance with the relevant provision of the Singapore Income tax Act. The potential deferred tax benefits from unutilised tax losses have not been recognised in the financial statements as it is not probable that the future taxable profit will not be available against the deferred tax benefits.

14. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	2023 S$	2022 S$
Transactions with fellow subsidiaries:		
Consultancy income	-	28,803
Sub-contractor fee	64,125	-
Advances from related party	-	196,082

15. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk and interest rate risk).

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables and contract assets. For other financial assets (including investment securities and cash), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

15. FINANCIAL RISK MANAGEMENT – CONTINUED

(a) Credit risk – continued

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 365 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

15. FINANCIAL RISK MANAGEMENT – CONTINUED

(a) Credit risk – continued

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	Category	12-month or lifetime ECL	Gross carrying amount S$	Loss allowance S$	Net carrying amount S$
31 March 2023						
Trade receivables	4	Note 1	Lifetime ECL (simplified)	11,771	-	11,771
Other receivables [(a)]	4		12 - Month ECL	6,000	-	6,000
					-	
31 March 2022						
Trade receivables	4	Note 1	Lifetime ECL (simplified)	43,994	-	43,994
Other receivables[(a)]	4		12 - Month ECL	6,000	-	6,000
					-	

[(a)] Other receivables exclude prepayment.

Trade receivables (Note 1)

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

15. FINANCIAL RISK MANAGEMENT – CONTINUED

(a) Credit risk – continued

	Trade receivables days past due				
	Not past due	1 to 90 days	91 to 180 days	181 to 270 days	Total
	S$	S$	S$	S$	S$
2023					
ECL rate	0%	0%	0%	0%	
Estimated total gross carrying amount at default	11,771	-	-	-	11,771
ECL	-	-	-	-	-
					11,771
2022					
ECL rate	0%	0%	0%	0%	
Estimated total gross carrying amount at default	8,557	35,437	-	-	43,994
ECL	-	-	-	-	-
					43,994

Information regarding loss allowance movement of trade receivables is disclosed in Note 4.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

The Company has no significant concentration of credit risk other than those balances with holding company and related companies. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Other receivables

The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

15. FINANCIAL RISK MANAGEMENT – CONTINUED

(b) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Company's operations are financed mainly through equity. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount S$	Contractual Cash flows S$	One year or less S$
2023			
Financial Assets			
Cash and cash equivalents	96,305	96,305	96,305
Contract assets	10,900	10,900	10,900
Trade and other receivables [a]	17,771	17,771	17,771
	124,976	124,976	124,976
Financial Liabilities			
Trade and other payables [b]	1,740,052	1,740,052	1,740,052
	1,740,052	1,740,052	1,740,052
Total net undiscounted financial liabilities	(1,615,076)	(1,615,076)	(1,615,076)
2022			
Financial Assets			
Cash and cash equivalents	139,425	139,425	139,425
Trade and other receivables [a]	49,994	49,994	49,994
	189,419	189,419	189,419
Financial Liabilities			
Other payables [b]	1,576,082	1,576,082	1,576,082
	1,576,082	1,576,082	1,576,082
Total net undiscounted financial liabilities	(1,386,663)	(1,386,663)	(1,386,663)

[a] This amount has excluded prepayments.
[b] This amount has excluded GST payable.

15. FINANCIAL RISK MANAGEMENT – CONTINUED

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from cash and cash equivalents.

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest-bearing financial instruments at the end of the financial year.

(ii) Foreign currency risk

The Company is not exposed to foreign currency risk as it has no transactions denominated in foreign currencies.

16. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Assets and liabilities not measured at fair value

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximate their fair value due to the short-term nature of their balances.

Trade receivables

The carrying amounts of these receivables (including trade balances due from/to holding and related companies) approximate their fair values as they are subject to normal trade credit terms.

17. FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2023 S$	2022 S$
Financial assets measured at amortised cost		
Trade and other receivables [a] (Note 4)	17,771	49,994
Contract assets	10,900	-
Cash and cash equivalents (Note 6)	96,305	139,425
Total Financial assets measured at amortised cost	124,976	189,419
Financial liabilities measured at amortised cost		
Trade and other payables [b] (Note 8)	1,740,052	1,576,082
Total financial liabilities measured at amortised cost	1,740,052	1,576,082

[a] This amount has excluded prepayments.
[b] This amount has excluded GST payable.

18. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment and return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2023 and 31 March 2022.

The Company is not subject to any externally imposed capital requirements. The Company's overall strategy remains unchanged from 2022.

19. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2023 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on

QUESS SELECTION & SERVICES PTE. LTD.

(Co. Reg. No.: 201715683K)

THE ACCOMPANYING SUPPLEMENTARY DETAILED STATEMENT OF

PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

HAS BEEN PREPARED FOR MANAGEMENT PURPOSES ONLY

AND DOES NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

QUESS SELECTION & SERVICES PTE. LTD.
(Co. Reg. No.: 201715683K)

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Appendix A

	2023 S$	2022 S$
Revenue		
Consultancy income	197,502	113,841
Less: Cost of services		
Consultants' salaries	-	(8,674)
CPF contribution	-	1,323
FWL & SDL	5,093	-
Insurance expenses	436	303
Recruitment expenses	-	13,745
Sub-contractor fees	64,125	-
	(69,654)	(6,697)
Gross profit	127,848	107,144
Other income		
Reversal of bad debts written off	-	9,245
	-	9,245
Less:		
Administrative expenses **(Appendix B)**	(352,246)	(362,302)
Loss before tax	(224,398)	(245,913)

QUESS SELECTION & SERVICES PTE. LTD.
(Co. Reg. No.: 201715683K)

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Appendix B

	2023 S$	2022 S$
Administrative expenses		
Audit fees	7,800	6,400
Bank charges	661	721
Legal & Professional Fees	3,240	2,908
Office supplies	-	36
Penalty	204	-
Other travel expense	1,026	-
Miscellaneous expenses	550	-
Salaries and related costs		
Incentives	7,547	1,171
Staff salaries	303,625	320,511
Staff CPF contribution	21,427	30,555
Staff Welfare others	5,901	-
Mobile expenses	136	-
Food expenses	22	-
Local conveyance	107	-
	352,246	362,302

QUESSCORP SINGAPORE PTE. LTD.

(Company Registration Number: 199801439D)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Joe Tan & Associates PAC
Chartered Accountants

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QUESSCORP SINGAPORE PTE. LTD.
(Company Registration Number: 199801439D)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

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QUESSCORP SINGAPORE PTE. LTD.
(Company Registration Number: 199801439D)

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The directors are pleased to present their statement to the members together with the audited financial statements of Quesscorp Singapore Pte. Ltd. (the Company) for the financial year ended 31 March 2023.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date; and

(b) at the date of the statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The directors of the Company in office at the date of this statement are:

Lohit Bhatia	
Guruprasad Srinivasan	
Pallipakkam Ramachandran Sridharan	(Appointed on 1 November 2022)
Vikas Kumar	(Appointed on 1 November 2022)

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor any time during the financial year was the company a party to any arrangement whose object are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of share in, or debentures of, the Company or any other body corporate.

4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the Act), the directors of the company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

	Direct interest		Indirect interest	
Name of directors	**At the beginning of financial year**	**At the end of financial year**	**At the beginning of financial year**	**At the end of financial year**
Ordinary shares of the Company				
Lohit Bhatia	-	-	44,783	36,528
Guruprasad Srinivasan	-	-	100,533	123,598
Pallipakkam Ramachandran Sridharan	-	-	-	-
Vikas Kumar	-	-	-	-

5. SHARE OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of option to take up unissued shares of the Company.

There were no unissued shares of the Company under option as at the end of the financial year.

6. AUDITOR

JOE TAN & ASSOCIATES PAC, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors

Lohit Bhatia
Director

Vikas Kumar
Director

Singapore

17 MAY 2023

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF

QUESSCORP SINGAPORE PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Quesscorp Singapore Pte. Ltd. (the Company), which comprise the statement of financial position of the Company as at 31 March 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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

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

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Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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 directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Joe Tan & Assoc PAC

JOE TAN & ASSOCIATES PAC
Public Accountants and
Chartered Accountants

Singapore

17 MAY 2023

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QUESSCORP SINGAPORE PTE. LTD.
(Company Registration Number: 199801439D)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 S$	2022 S$
ASSETS			
Non-current assets			
Investment in subsidiary	4	1	1
Plant and equipment	5	140,890	115,400
Right-of-use assets	6	539,900	770,324
		680,791	885,725
Current assets			
Trade and other receivables	7	13,688,314	14,041,175
Contract assets	8	11,926,864	9,994,369
Cash and cash equivalents	9	11,419,255	6,101,490
		37,034,433	30,137,034
Total assets		37,715,224	31,022,759
EQUITY AND LIABILITIES			
Equity			
Share capital	10	500,000	500,000
Retained earnings		19,797,713	15,697,038
Equity attributable to owners of the Company		20,297,713	16,197,038
Non-current liabilities			
Lease liabilities	11	309,329	560,486
		309,329	560,486
Current liabilities			
Trade and other payables	12	13,913,187	11,273,589
Lease liabilities	11	270,352	248,065
Contract liabilities	8	1,265,648	1,675,620
Income tax payable		1,658,995	1,067,961
		17,108,182	14,265,235
Total liabilities		17,417,511	14,825,721
Total equity and liabilities		37,715,224	31,022,759

The accompanying notes form an integral part of these financial statements.

QUESSCORP SINGAPORE PTE. LTD.
(Company Registration Number: 199801439D)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023 S$	2022 S$
Revenue	13	136,723,165	100,932,057
Cost of services		(123,138,560)	(90,588,119)
Gross Profit		13,584,605	10,343,938
Other income	14	43,385	193,504
Administrative expenses		(3,877,327)	(3,702,672)
Finance costs	15	(36,774)	(49,197)
Profit before tax	16	9,713,889	6,785,573
Income tax expense	17	(1,613,214)	(1,093,601)
Profit after tax, representing total comprehensive income for the year		8,100,675	5,691,972

The accompanying notes form an integral part of these financial statements.

QUESSCORP SINGAPORE PTE. LTD.
(Company Registration Number: 199801439D)

STATEMENT OF CHANGE IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Share capital S$	Retained earnings S$	Total S$
At 1 April 2021		500,000	15,305,066	15,805,066
Profit for the year, representing total comprehensive income for the year		-	5,691,972	5,691,972
Dividends paid	19	-	(5,300,000)	(5,300,000)
At 31 March 2022		500,000	15,697,038	16,197,038
At 1 April 2022		500,000	15,697,038	16,197,038
Profit for the year, representing total comprehensive income for the year		-	8,100,675	8,100,675
Dividends paid	19	-	(4,000,000)	(4,000,000)
At 31 March 2023		500,000	19,797,713	20,297,713

The accompanying notes form an integral part of these financial statements.

QUESSCORP SINGAPORE PTE. LTD.
(Company Registration Number: 199801439D)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023 S$	2022 S$
Cash flows from operating activities			
Profit before tax		9,713,889	6,785,573
Adjustments for:			
Depreciation of plant and equipment	5	45,875	49,875
Depreciation of right-of-use assets	6	251,853	249,835
Interest expense on lease liabilities		36,774	49,197
Reversal for provision of expected credit losses	7	-	(10,795)
		10,048,391	7,123,685
Changes in working capital:			
Trade and other receivables		360,337	(3,335,489)
Trade and other payables		2,639,598	3,634,303
Contract assets		(1,932,495)	(2,520,064)
Contract liabilities		(409,972)	332,377
Cash generated from operations		10,705,859	5,234,812
Income tax paid		(1,022,180)	(1,313,182)
Net cash generated from operating acivities		9,683,679	3,921,630
Cash flows from investing activities			
Acquisition of plant and equipment	5	(78,841)	(14,865)
Net cash used in investing activities		(78,841)	(14,865)
Cash flows from financing activities			
Interest expense on lease liability		(36,774)	(49,197)
Payment of principal portion of lease liabilities		(250,299)	(235,405)
Dividends paid	19	(4,000,000)	(5,300,000)
Net cash used in financing activities		(4,287,073)	(5,584,602)
Net increase/(decrease) in cash and cash equivalents		5,317,765	(1,677,837)
Cash and cash equivalents at 1 April		6,101,490	7,779,327
Cash and cash equivalents at 31 March	9	11,419,255	6,101,490

Note A: Reconciliation of liabilities arising from financing activities

			Non-cash changes		
	1 April	Principal and interest payment	Modification of lease liabilities	Acceretion of interest	31 March
	S$	S$	S$	S$	S$
2022					
Lease liabilities	1,043,956	(284,602)	-	49,197	808,551
2023					
Lease liabilities	808,551	(287,073)	21,429	36,774	579,681

The accompanying notes form an integral part of these financial statements.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Quesscorp Singapore Pte. Ltd. (the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business at 4 Robinson Road, #12-01 The House of Eden, Singapore 048543.

The principal activities of the Company are those of providing information technology consultancy services. There are no significant changes in the nature of these activities during the financial period.

The Company's immediate holding company is Quesscorp Holdings Pte. Ltd., incorporated in Singapore. The Company's ultimate holding company is Quess Corp Limited, incorporated in India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (S$), which is the Company's functional currency.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial period beginning on 1 April 2022. The adoption of these standards did not have any material effect on the financial statements of the Company.

2.3 Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

The directors expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

The following are new / revised / amendments to FRSs issued by the Accounting Standards Council of Singapore up to 31 December 2022 which are effective for annual reporting periods beginning after 1 January 2022.

Description	Effective for annual periods beginning on or after
Amendments to FRS 1 *Presentation of Financial Statements*: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 *Presentation of Financial Statements* and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Standards issued but not yet effective (Continued)

Description	Effective for annual periods beginning on or after
Amendments to FRS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 *Income Taxes*: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
FRS 117 *Insurance Contracts*	1 January 2023
Amendments to FRS 116 *Leases*: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to FRS 1 *Presentation of Financial Statements*: Non-current Liabilities with Covenants	1 January 2024
Amendments to FRS 110 *Consolidated Financial Statements* and FRS 28 *Investments in Associates and Joint Ventures*: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.5 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Office equipment	3 years
Computer and software	1 years
Renovation	5 years

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Plant and equipment (Continued)

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 Investment in subsidiary

The investment in subsidiary is carried at cost less any accumulated allowance for impairment. On disposal of investment in subsidiary, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

2.7 Consolidation

The company did not consolidate the accounts of its subsidiary due to the exemption under FRS110 Consolidated Financial Statements as follows:

(a) it is wholly owned subsidiary of another entity;
(b) its debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the counter market, including local and regional markets);
(c) it did not file, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organization for the purpose of issuing any class of instruments in a public market; and
(d) its ultimate parent produces consolidated financial statements that are available for public use.

2.8 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash- generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Financial instruments (Continued)

(b) Financial liabilities (Continued)

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.10 Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.11 Contract assets, contract liabilities and trade receivables

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Contract assets, contract liabilities and trade receivables (Continued)

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Section Financial instruments – initial recognition and subsequent measurement.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from customer. If customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

2.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.14 Employee benefits

(a) Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlements

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The undiscounted liability for leave expected to be settled wholly within twelve months from the reporting date is recognised for annual leave as a result of services rendered by employees up to the end of the reporting period. The Company allows employee leave entitlements to carry forward for a maximum period of twelve months.

2.15 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Leases (Continued)

(a) As lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight- line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.6.

The Company's right-of-use assets are presented in Note 6.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.16 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Dividend

Final dividends proposed by the directors are not accounted for in shareholders' equity as an appropriation of retained profits, until they have been approved by the shareholders in a general meeting when these dividends have been approved by the shareholders and declared, they are recognised as liability.

Interim dividends are simultaneously proposed and declared because the articles of association of the Company grant the directors the authority to declare interim dividends consequently interim dividends are recognised as a liability when they are proposed and declared.

2.18 Revenue

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

The Company is providing staffing services.

Revenue from services are recognised when consultancy services are rendered and all criteria for acceptance have been satisfied.

2.19 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.19 Taxes (Continued)

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.20 Related Parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:
  (i) has control or joint control over the Company;
  (ii) has significant influence over the Company; or
  (iii) is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:
  (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  (iii) both entities are joint ventures of the same third party.
  (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
  (vi) the entity is controlled or jointly controlled by a person identified in (a);
  (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

3.1 Judgements made in applying accounting policies

(a) Determination of functional currency

In determining the functional currency of the Company, judgement is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

(b) Determination of lease term of contracts with extension options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company's office premises lease contracts include extension options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to extend the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the extension. After the commencement date, the Company reassesses the lease term whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend (e.g. construction of significant leasehold improvements or significant customisation to the leased asset).

The Company do not include the extension option in the lease term for the lease of office premises.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 23(a).

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

3.2 Key sources of estimation uncertainty (Continued)

(a) Provision for expected credit losses of trade receivables (Continued)

The carrying amount of the Company's trade receivables as at 31 March 2023 was S$10,515,701 (2022: S$11,942,252).

(b) Provision for income taxes

The Company recognises liabilities of expected tax issues based on their best estimates of the likely taxes due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax positions in the period in which such determination is made. The carrying amounts of the Company's income tax payable as at 31 March 2023 was S$1,658,995 (2022: S$1,067,961).

(c) Leases – estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The incremental borrowing rate therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

4. INVESTMENT IN SUBSIDIARY

	2023 S$	2022 S$
Unquoted investments		
Equity shares, at cost	1	1

The details of the subsidiary held by the Company are as follows:

Name	Principal activities	Country of incorporation	Effective interest of the Company		Cost of investment	
			2023	2022	2023	2022
Held by the Company:			%	%	S$	S$
Comtelink Sdn. Bhd. *	Provide consultancy services	Malaysia	100	100	1	1

* Audited by Selva & Associates Chartered Accountants, Malaysia for the financial year ended 31 March 2023.

5. PLANT AND EQUIPMENT

	Office equipment	Computers and software	Renovation	Total
	S$	S$	S$	S$
Cost				
At 1 April 2021	16,664	145,839	196,370	358,873
Additions	-	7,389	7,476	14,865
Disposal	-	-	(38,570)	(38,570)
At 31 March 2022	16,664	153,228	165,276	335,168
Additions	2,500	76,341	-	78,841
Disposal	-	-	(7,476)	(7,476)
At 31 March 2023	19,164	229,569	157,800	406,533
Accumulated depreciation				
At 1 April 2021	10,723	136,621	67,419	214,763
Depreciation	4,518	13,777	31,580	49,875
Disposal	-	-	(44,870)	(44,870)
At 31 March 2022	15,241	150,398	54,129	219,768
Depreciation	813	13,502	31,560	45,875
Disposal	-	-	-	-
At 31 March 2023	16,054	163,900	85,689	265,643
Carrying amount				
At 31 March 2022	1,423	2,830	111,147	115,400
At 31 March 2023	3,110	65,669	72,111	140,890

6. RIGHT-OF-USE ASSETS

	Office premises	Total
	S$	S$
Cost		
At 1 April 2021	1,249,174	1,249,174
Additions	-	-
At 31 March 2022	1,249,174	1,249,174
Modification of lease liabilities	21,429	21,429
At 31 March 2023	1,270,603	1,270,603

6. RIGHT-OF-USE ASSETS (CONTINUED)

	Office premises S$	Total S$
Accumulated depreciation		
At 1 April 2021	229,015	229,015
Depreciation	249,835	249,835
At 31 March 2022	478,850	478,850
Depreciation	251,853	251,853
At 31 March 2023	730,703	730,703
Carrying amount		
At 31 March 2022	770,324	770,324
At 31 March 2023	539,900	539,900

During the financial year, the Company renegotiated and modified an existing lease contract for office premises by revised lease payments. The corresponding remeasurement to lease liability is presented at statement of cash flows.

7. TRADE AND OTHER RECEIVABLES

	2023 S$	2022 S$
Trade receivables:		
- Third parties	11,612,691	12,027,486
- Related companies	121,320	-
	11,734,011	12,027,486
Less: Allowance for expected credit losses	(85,234)	(85,234)
	11,648,777	11,942,252
Other receivables:		
- Advances to employees	53,557	21,832
- Amounts due from immediate holding company	-	316,550
- Amounts due from related parties	1,719,235	1,541,511
- Deposits	116,150	71,151
- Interest receivables from immediate holding company	-	6,393
- Other receivables	9,922	45,000
- Prepayments	140,673	96,486
	13,688,314	14,041,175

Trade receivables are unsecured, non-interest bearing and are generally settled on 30 to 90 (2022: 30 to 90) days' term.

Other receivables are non-trade in nature, unsecured, interest-free and have no fixed term of repayment.

7. TRADE AND OTHER RECEIVABLES (CONTINUED)

The amount due from immediate holding company, related parties and advances to employees are non-trade in nature, unsecured, interest free and have no fixed term of repayment.

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL was as follows:

	2023 S$	2022 S$
At 1 April	85,234	96,029
Reversal of expected credit losses	-	(10,795)
At 31 March	85,234	85,234

8. CONTRACT ASSETS AND LIABILITIES

The contract assets primarily relate to the Company's right to consideration for work completed and not billed, as the rights are conditioned on the Company's future performance in satisfying the respective performance obligation at each reporting date. The contract liabilities primarily relate to our Company's obligation to render services to customers for which the Company has received consideration from the customer.

The following table show the contract assets and liabilities:

	2023 S$	2022 S$
Current:		
Contract assets	11,926,864	9,994,369
Contract liabilities	(1,265,648)	(1,675,620)

9. CASH AND CASH EQUIVALENTS

	2023 S$	2022 S$
Cash in hand	7,534	4,011
Cash at banks	11,411,721	6,093,189
Banker's guarantee	-	4,290
	11,419,255	6,101,490

9. CASH AND CASH EQUIVALENTS (CONTINUED)

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at the end of the financial year:

	2023 S$	2022 S$
Cash in hand	7,534	4,011
Cash at banks	11,411,721	6,093,189
Banker's guarantee	-	4,290
	11,419,255	6,101,490
Banker's guarantee	-	(4,290)
	11,419,255	6,097,200

The carrying amount of cash and cash equivalents approximate their fair values.

10. SHARE CAPITAL

	2023		2022	
	Number of shares	S$	Number of shares	S$
Issued and fully paid ordinary shares:				
At 1 April and 31 March	500,000	500,000	500,000	500,000

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

11. LEASE LIABILITIES

	2023 S$	2022 S$
Current:		
- Lease liabilities	270,352	248,065
Non-current:		
- Lease liabilities	309,329	560,486
	579,681	808,551

12. TRADE AND OTHER PAYABLES

	2023	2022
	S$	S$
Trade payables:		
- Sub-Contractor payables	-	246,812
Other payables:		
- Salaries, CPF and FWL payables	8,992,274	8,256,664
- Accruals	1,289,915	332,582
- Amount due to ultimate holding company	6,859	-
- Amount due to immediate holding company	374,649	321,815
- Amount due to related parties	351,490	325,149
- Provision for incentives	197,221	45,000
- GST payables	2,700,779	1,745,567
	13,913,187	11,273,589

Trade payables are non-interest bearing and are generally settled on 30 to 90 (2022: 30 to 90) days' term.

The amounts due to immediate holding company and related parties are unsecured, non-trade in nature, interest-free and repayable on demand.

13. REVENUE

	2023	2022
	S$	S$
Service rendered (at the point in time)	136,723,165	100,932,057

14. OTHER INCOME

	2023	2022
	S$	S$
Dividend income	-	165,209
Reversal of expected credit losses (Note 7)	-	10,795
Other income	-	17,500
Foreign exchange gain	43,385	-
	43,385	193,504

15. FINANCE COSTS

	2023 S$	2022 S$
Interest expense on		
- Lease liabilities (Note 21 (c))	36,774	49,197

16. PROFIT BEFORE TAX

	2023 S$	2022 S$
Profit before taxation has been arrived at after charging/(crediting):		
Depreciation of plant and equipment (Note 5)	45,875	49,875
Depreciation of right-of-use assets (Note 6)	251,853	249,835
Employee benefits (Note 18)	3,203,869	3,177,789
Interest expense on lease liabilities	36,774	49,197
Reversal of expected credit losses	-	(10,795)
Net foreign exchange (gain)/loss	(43,385)	15,990

17. INCOME TAX EXPENSE

The major components of income tax expense recognised in profit or loss for the financial period ended 31 March 2023 and 31 March 2022 were:

	2023 S$	2022 S$
Current income tax		
- Current year	1,613,214	989,937
Deferred tax assets		
- Current year	-	103,664
Income tax expense recognised in profit or loss	1,613,214	1,093,601

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial period ended 31 March 2023 and 31 March 2022 were as follows:

	2023 S$	2022 S$
Profit before tax	9,713,889	6,785,573

17. INCOME TAX EXPENSE (CONTINUED)

	2023 S$	2022 S$
Tax at the statutory tax rate at 17% (2022: 17%)	1,651,361	1,153,547
Tax effect on non-taxable income	-	(28,086)
Tax effect on non-deductible expenses	8,483	10,932
Statutory stepped income exemption	(17,425)	(17,425)
Group relief	(38,113)	(41,805)
Deferred tax assets not recognised	44,307	(658)
Others	(35,399)	17,096
	1,613,214	1,093,601

18. EMPLOYEE BENEFITS

	2023 S$	2022 S$
Key management compensation:		
Director's remuneration (Note 20)	409,536	400,144
Staff costs:		
- Salaries and bonuses	2,684,433	2,620,294
- CPF contribution	78,622	87,758
- Foreign worker levy	-	42,784
- Staff amenities	31,278	26,809
	3,203,869	3,177,789

19. DIVIDEND

	2023 S$	2022 S$
Declared and paid during the financial year		
Interim exempt (one-tier) dividend for 2023: S$8.00 (2022: S$10.60) per share	4,000,000	5,300,000

20. SIGNIFICANT RELATED PARTIES TRANSACTIONS

In addition to information disclosed elsewhere in the financial statements, the following are significant related party transactions entered into by the Company with its related parties, at terms agreed between both parties.

20. SIGNIFICANT RELATED PARTIES TRANSACTIONS (CONTINUED)

	2023 S$	2022 S$
Transactions with ultimate holding company:		
- Sub-contractor fee	47,355	-
Transactions with immediate holding company:		
- Expenses on behalf of	25,351	-
Transactions with fellow subsidiary:		
- Sales to	121,321	-
- Rental income	-	17,500
- Sub-contractor fee	201,063	28,803
- Loan to	-	324,675
Key management personnel compensation		
Director's remuneration & allowance (Note 18)	409,536	400,144

21. LEASES

Company as a lessee

The Company has lease contracts for office premises. The Company's obligations under these leases are secured by the lessor's title to the leased assets. The Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension options which are further discussed below.

(a) Carrying amounts of right-of-use assets

	Office premises S$	Total S$
At 1 April 2021	1,020,159	1,249,174
Depreciation	(249,835)	(229,015)
At 31 March 2022	770,324	1,020,159
Additions	21,429	-
Depreciation	(251,853)	(249,835)
At 31 March 2023	539,900	770,324

(b) Lease liabilities

The carrying amounts of lease liabilities disclosed in Note 11 and the statements of cash flows respectively and the maturity analysis of lease liabilities is disclosed in Note 23(b).

21. LEASES (CONTINUED)

(c) Amounts recognised in profit or loss

	2023 S$	2022 S$
Depreciation of right-of-use assets (Note 16)	251,853	249,835
Interest expense on lease liabilities (Note 15)	36,774	49,197
Total amount recognised in profit or loss	288,627	299,032

(d) Total cash outflow

The Company had total cash outflows for leases of S$287,073 (2022: S$284,602).

(e) Extension options

The Company's lease contract for office premises include extension options. The option is negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension options are reasonably certain to be exercised (Note 3.1 (b)).

22. FAIR VALUE OF ASSETS AND LIABILITIES

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximate their fair value due to the short-term nature of their balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

23. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk and interest rate risk).

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables and loan to the holding company. For other financial assets (including investment securities and cash), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (Continued)

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	Category	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				S$	S$	S$
31 March 2023						
Trade receivables	7	Note 1	Lifetime ECL (simplified)	11,734,011	(85,234)	11,648,777
Other receivables [(i)]	7	Note 1	12-month ECL	1,845,307	-	1,845,307
					(85,234)	

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (Continued)

	Note	Category	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				S$	S$	S$
31 March 2022						
Trade receivables	7	Note 1	Lifetime ECL (simplified)	12,027,486	(85,234)	11,942,252
Other receivables [(i)]	7	Note 1	12-month ECL	1,980,605	-	1,980,605
					(85,234)	

[(i)] This excludes advances to employees and prepayments.

Trade receivables (Note 1)

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

	Trade receivables				
		Days past due			
	Not past due	1-90 days	91-180 days	>180days	Total
	S$	S$	S$	S$	S$
31 March 2023					
ECL rate	0.001%	0.12%	0.72%	35%	
Estimated total gross carrying amount at default	8,996,684	1,451,758	1,069,375	216,194	11,734,011
ECL	(102)	(1,739)	(7,688)	(75,705)	(85,234)
					11,648,777
31 March 2022					
ECL rate	0.06%	0.32%	2.52%	80.20%	
Estimated total gross carrying amount at default	4,626,212	7,091,077	243,107	67,089	12,027,485
ECL	(2,577)	(22,718)	(6,128)	(53,811)	(85,234)
					11,942,252

Information regarding loss allowance movement of trade receivables is disclosed in Note 7.

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (Continued)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

The Company has no significant concentration of credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Other receivables including amount due from related parties

The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

(b) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand- by credit facilities. The Company finances its working capital requirements through a combination of funds generated from operations. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount	Contractual cash flows	One year or less	One to five years
	S$	S$	S$	S$
2023				
Financial Assets				
Trade and other receivables [i]	13,494,084	13,494,084	13,494,084	-
Cash and cash equivalents	11,419,255	11,419,255	11,419,255	-
	24,913,339	24,913,339	24,913,339	-

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk (Continued)

	Carrying amount	Contractual cash flows	One year or less	One to five years
	S$	S$	S$	S$
2023				
Financial Liabilities				
Trade and other payables [ii]	11,015,187	11,015,187	11,015,187	-
Lease liabilities (Note 11)	579,681	613,507	294,483	319,024
	11,594,868	11,628,694	10,309,670	319,024
Total net undiscounted financial assets/(liabilities)	13,318,471	13,284,645	13,603,669	(319,024)
2022				
Financial Assets				
Trade and other receivables [i]	13,922,857	13,922,857	13,922,857	-
Cash and cash equivalents	6,101,490	6,101,490	6,101,490	-
	20,024,347	20,024,347	20,024,347	-
Financial Liabilities				
Trade and other payables [ii]	9,483,022	9,483,022	9,483,022	-
Lease liabilities (Note 11)	808,551	877,522	284,602	592,920
	10,291,573	10,360,544	9,767,624	592,920
Total net undiscounted financial assets/(liabilities)	9,732,774	9,663,803	10,256,723	(592,920)

[i] The amount excludes advance to employees and prepayments.

[ii] The amount excludes GST payables and provision for incentives.

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from cash and cash equivalents and borrowings.

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market risk (Continued)

(i) Interest rate risk (Continued)

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

(ii) Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

24. FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2023	2022
	S$	S$
Financial assets measured at amortised cost		
Trade and other receivables [(i)] (Note 7)	13,494,084	13,922,857
Cash and cash equivalents (Note 9)	11,419,255	6,101,490
Total financial assets measured at amortised cost	24,913,339	20,024,347
Financial liabilities measured at amortised cost		
Trade and other payables [(ii)] (Note 12)	11,015,187	9,483,022
Lease liabilities (Note 11)	579,681	808,551
Total financial liabilities measured at amortised cost	11,594,868	10,291,573

(i) The amount excluded advance to employees and prepayments.

(ii) The amount excluded GST payables and provision for incentives.

25. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

25. CAPITAL MANAGEMENT (CONTINUED)

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made to the objectives, policies or processes during the financial years ended 31 March 2023 and 31 March 2022. The Company's overall strategy remains unchanged during the financial period.

26. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2023 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 17 MAY 2023

QUESSCORP SINGAPORE PTE. LTD.

(Company Registration Number: 199801439D)

THE ACCOMPANYING SUPPLEMENTARY DETAILED STATEMENT OF PROFIT OR LOSS

AND OTHER COMPREHENSIVE INCOME HAS BEEN PREPARED FOR MANAGEMENT

PURPOSES ONLY AND DOES NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

QUESSCORP SINGAPORE PTE. LTD.
(Company Registration Number: 199801439D)

DETAILED OF STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Appendix A

	2023 S$	2022 S$
Revenue		
Consultancy income	136,723,165	100,932,057
	136,723,165	100,932,057
Less: Cost of services		
Consultants salaries	116,836,969	84,465,895
CPF contribution	2,062,012	2,426,491
FWL & SDL	808,081	425,087
Medical insurance	345,107	289,631
Recruitment expenses	727,186	529,302
Sub-contractor fee	1,106,946	2,405,961
Travelling expenses - consultants	446,972	-
Staff amenities - consultants	805,287	45,752
	(123,138,560)	(90,588,119)
Gross profit	13,584,605	10,343,938
Other income		
Dividend income	-	165,209
Other income	-	17,500
Reversal of provision of expected credit losses	-	10,795
Foreign exchange gain	43,385	-
	43,385	193,504
Less:		
Administrative expenses **(Appendix B)**	(3,877,327)	(3,702,672)
Finance costs **(Appendix B)**	(36,774)	(49,197)
Profit before tax	9,713,889	6,785,573

QUESSCORP SINGAPORE PTE. LTD.
(Company Registration Number: 199801439D)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Appendix B

	2023 S$	2022 S$
Administrative expenses		
Audit fees	35,300	20,300
Advertisement	50,063	-
Bank charges	15,023	10,856
Cleaning charges	13,989	12,590
Depreciation of plant and equipment	45,875	49,875
Depreciation of right-of-use assets	251,853	249,835
Equipment rental	1,008	2,555
Legal & professional fees	56,568	67,745
Maintenance & repairs	24	150
Miscellaneous expenses	5,767	22,495
Office supplies	-	3,417
Permits & licenses	-	420
Postage & delivery	9,430	671
Rate and tax	1,221	-
Refreshment	44	2,327
Relocation expenses	13,861	-
Storage costs	5,286	3,972
Subscription	12,295	32,044
Telephone	68,008	15,148
Travelling expenses - internal	80,719	9,430
Training expenses	250	1,600
Utilities charges	6,874	3,463
Foreign exchange loss	-	15,990
Salaries and related costs		
Director remuneration & allowance	409,536	400,144
Staff salaries and bonuses	2,684,433	2,620,294
CPF contribution	78,622	87,758
Foreign worker levy	-	42,784
Staff amenities - internal	31,278	26,809
	(3,877,327)	(3,702,672)
Finance cost		
Interest expenses on lease liabilities	36,774	49,197
	(36,774)	(49,197)

QUESSCORP HOLDINGS PTE. LTD.

Company Reg. No.: 201526129N

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

Joe Tan & Associates PAC
Chartered Accountants

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QUESSCORP HOLDINGS PTE. LTD.
(Company Reg. No.: 201526129N)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

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QUESSCORP HOLDINGS PTE. LTD.
(Company Reg. No.: 201526129N)

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

The directors are pleased to present the statement to the members together with the audited financial statements of Quesscorp Holdings Pte. Ltd. (the Company) for the financial year ended 31 March 2023.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The directors of the Company in office at the date of this statement are:

Keckeis Roman Werner
Sandro Lang
Guruprasad Srinivasan
Kamal Pal Hoda (Appointed on 10 January 2023)

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE OF SHARES OR DEBENTURES

Neither at the end nor at any time during the financial year was the Company a party to any arrangement whose object are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

4. DIRECTORS' INTEREST IN SHARES OR DEBENTURES

None of the directors of the Company holding office at the reporting date had any interest in the shares or debentures of the Company or any related corporations either at the beginning or the end of financial year.

5. SHARE OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

6. AUDITOR

JOE TAN & ASSOCIATES PAC, Public Accountants and Chartered Accountants, has expressed its willingness to accept appointment as auditor.

On behalf of the Board of Directors

Guruprasad Srinivasan
Director

Kamal Pal Hoda
Director

Singapore

20 MAY 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

QUESSCORP HOLDINGS PTE. LTD.

Report on the Financial Statements

Opinion

We have audited the financial statements of Quesscorp Holdings Pte. Ltd. (the Company), which comprise the statement of financial position as at 31 March 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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

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

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Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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 directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Joe Tan & Assoc PAC

JOE TAN & ASSOCIATES PAC
Public Accountants and
Chartered Accountants

Singapore

20 MAY 2023

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QUESSCORP HOLDINGS PTE. LTD.
(Company Reg. No.: 201526129N)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	2023 S$	2022 S$
ASSETS			
Non-current assets			
Investment in subsidiaries	4	60,237,681	58,779,590
Investment in joint venture	5	15,868	15,868
Other investment	6	280,496	280,496
		60,534,045	59,075,954
Current assets			
Trade and other receivables	7	6,483,776	7,121,716
Cash and cash equivalents	8	345,144	513,861
		6,828,920	7,635,577
Total assets		67,362,965	66,711,531
EQUITY AND LIABILITIES			
Equity			
Share capital	9	45,269,610	45,269,610
Retained earnings		21,194,025	21,126,415
Capital reserve		86,327	86,327
Translation reserve		(5,879)	(4,227)
		66,544,083	66,478,125
Non-current liabilities			
Other payables	10	-	19,061
		-	19,061
Current liabilities			
Other payables	10	231,957	214,345
Income tax liabilities		586,925	-
		818,882	214,345
Total liabilities		818,882	233,406
Total equity and liabilities		67,362,965	66,711,531

The accompanying notes form an integral part of these financial statement.

QUESSCORP HOLDINGS PTE. LTD.
(Company Reg. No.: 201526129N)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023 S$	2022 S$
Revenue	11	531,829	525,465
Cost of services		(183,925)	(367,319)
Gross Profit		347,904	158,146
Other income	12	7,457,115	6,766,832
Administrative costs		(1,000,484)	(822,180)
Finance costs	13	-	(94,666)
Profit before tax	14	6,804,535	6,008,132
Income tax expense	15	586,925	-
Profit after tax		6,217,610	6,008,132
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss			
Foreign exchange differences on transalation of foreign operations		(1,652)	2,573
Other comprehensive income for the year, net of tax		(1,652)	2,573
Total comprehensive income for the year		6,215,958	6,010,705

The accompanying notes form an integral part of these financial statements.

QUESSCORP HOLDINGS PTE. LTD.
(Company Reg. No.: 201526129N)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	Share Capital S$	Retained Earnings S$	Capital Reserve S$	Translation Reserve S$	Total S$
Balance as at 1 April 2021		45,269,610	20,618,283	86,327	(6,800)	65,967,420
Other comprehensive loss		-	-	-	2,573	2,573
Dividends	16		(5,500,000)			(5,500,000)
Profit for the year, representing total comprehensive income for the year		-	6,008,132	-	-	6,008,132
		-	508,132	-	2,573	510,705
Balance as at 31 March 2022		**45,269,610**	**21,126,415**	**86,327**	**(4,227)**	**66,478,125**
Other comprehensive income		-	-	-	(1,652)	(1,652)
Dividends	16	-	(6,150,000)	-	-	(6,150,000)
Profit for the year, representing total comprehensive income for the year		-	6,217,610	-	-	6,217,610
		-	67,610	-	(1,652)	65,958
Balance as at 31 March 2023		**45,269,610**	**21,194,025**	**86,327**	**(5,879)**	**66,544,083**

The accompanying notes form an integral part of these financial statements.

QUESSCORP HOLDINGS PTE. LTD.
(Company Reg. No.: 201526129N)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	Note	2023 S$	2022 S$
Cash flows from operating activities			
Profit before tax		6,804,535	6,008,132
Adjustments for :			
Translation reserve		(1,652)	2,573
Impairment on investment of subsidiaries		602,000	-
Gain of disposal on investment in subsidiaries		-	(197,621)
Interest expense		-	94,666
Interest income		(73,405)	(98,630)
Operating cash flows before working capital changes		7,331,478	5,809,120
Change in working capital :			
Trade and other receivables		637,940	1,879,592
Other payables		(1,449)	(530,574)
Cash generated from operations		7,967,969	7,158,138
Income tax paid		-	-
Net cash generated from operating activities		7,967,969	7,158,138
Cash flows from investing activities			
Acquisition of subsidiary		(2,060,091)	-
Proceeds from disposal of investment in subsidiaries		-	10,514,000
Interest received		73,405	98,630
Net cash generated from/(used in) investing activities		(1,986,686)	10,612,630
Cash flows from financing activities			
Loan Interests paid		-	(94,666)
Dividends paid	16	(6,150,000)	(5,500,000)
Proceeds from bank borrowings	A	-	(12,917,558)
Net cash used in financing activities		(6,150,000)	(18,512,224)
Net decrease in cash and cash equivalents		(168,717)	(741,456)
Cash and cash equivalents at 1 April		513,861	1,255,317
Cash and cash equivalents at 31 March	8	345,144	513,861

Note A: Reconciliation of liabilities arising from financing activities

The table below details changes in the Company's liabilities arising from financing activites.

	At beginning of year S$	Financing cash flows S$	At end of year S$
2023			
Bank borrowings	-	-	-
	-	-	-
2022			
Bank borrowings	12,917,558	(12,917,558)	-
	12,917,558	(12,917,558)	-

The accompanying notes form an integral part of these financial statements.

1. General

The Company is a private company limited by shares and incorporated and domiciled in the Republic of Singapore.

The registered office address of the Company is 8 Temasek Boulevard, #32-01 Suntec Tower Three, Singapore 038988.

The principal activities of the Company are those of investment holding and providing other information service activities and IT support service and trading. The principal activities of the subsidiaries are disclosed in Notes 4 to the financial statements. During the financial year, the Company also operates a branch in Dubai.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements of the Company have been drawn up in accordance with Singapore Financial Reporting Standards (FRSs). The financial statements have been prepared on historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (S$), which is the Company's functional currency. All financial information presented in Singapore Dollar, unless otherwise indicated.

2.2 ADOPTION OF NEW AND AMENDED STANDARDS AND INTERPRETATIONS

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in prepared these financial statements

The director expects that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

The following are new / revised / amendments to FRSs issued by the Accounting Standards Council of Singapore up to 31 December 2022 which are effective for annual reporting periods beginning after 1 January 2022:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

Description	Effective for annual periods beginning on or after
Amendment to FRS1 *Presentation of Financial Statements*: (Classification of Liabilities as Current or Non-current)	1 January 2023
Amendment to FRS1 *Presentation of Financial Statements* and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendment to FRS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*: Definition of Accounting Estimates	1 January 2023
Amendment to FRS 12 *Income Taxes*: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
FRS 117 *Insurance Contracts*	1 January 2023
Amendments to FRS 116 *Leases*: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to FRS 1 *Presentation of Financial Statements*: Non – current Liabilities with Covenants	1 January 2024
Amendment to FRS 110 *Consolidated Financial Statements* and FRS 28 *Investment in Associates and Joint Ventures*: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

2.4 BASIS OF CONSOLIDATION

The company did not consolidate the accounts of its subsidiary due to the exemption under FRS110 Consolidated Financial Statements as follows:

a) it is wholly-owned subsidiary or is a partially-owned subsidiary of another entity and all its other owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the parent not presenting consolidated financial statement;

b) its debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the counter market, including local and regional markets):

c) it did not file, nor is it in the process of filing, its financial statements with a securities commission or other regulatory organisation for the purpose of issuing any class of instruments in a public market: and

d) its ultimate or any intermediate parent produces financial statements that are available for public use, in which subsidiaries are consolidated or are measured at fair value through profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.5 FINANCIAL INSTRUMENTS

a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at Fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, Fair value through other comprehensive income (FVOCI) and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.5 FINANCIAL INSTRUMENTS – CONTINUED

b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.6 IMPAIRMENT OF FINANCIAL ASSETS

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 - months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.6 IMPAIRMENT OF FINANCIAL ASSETS - CONTINUED

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.7 CASH AND CASH EQUIVALENTS

Cash and bank balances in the statement of financial position comprise cash on hand, cash at bank and demand deposits which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, cash at bank and fixed deposits.

2.8 INVESTMENT IN SUBSIDIARIES

The investment in subsidiary is carried at cost less any accumulated allowance for impairment. On disposal of investment in subsidiary, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

2.9 JOINT VENTURE

The Company is a party to a joint arrangement when there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Company and at least one other party. The Company classifies its interests in joint arrangements as either:

- Joint ventures: where the Company has rights to only the net assets of the joint arrangement;

or

- Joint operations: where the Company has both the rights to assets and obligations for the liabilities of the joint arrangement.

- In assessing the classification of interests in joint arrangements, the Company considers:

  - The structure of the joint arrangement;
  - The legal form of joint arrangements structured through a separate vehicle;
  - The contractual terms of the joint arrangement agreement; and
  - Any other facts and circumstances (including any other contractual arrangements).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.9 JOINT VENTURE (CONTINUED)

The Company accounts for its interest in joint venture in the manner described below:-

Joint venture

Joint venture is initially recognised in the statement of financial position at cost, and subsequently accounted for using the equity method less any impairment losses. Any premium paid for a joint venture above the fair value of the Company's share of the identifiable assets, liabilities and contingent liabilities acquired is included in the carrying amount of the investment in joint venture.

Under the equity method, the Company's share of post-acquisition profits and losses and other comprehensive income is recognised in the statement of comprehensive income. Post-acquisition changes in the Company's share of net assets of joint

ventures and distributions received are adjusted against the carrying amount of the investments.

Losses of a joint venture in excess of the Company's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Company's net investment) are not recognised, unless the Company has incurred legal or constructive obligations to make good those losses or made payments on behalf of the associate or joint venture.

Where the Company transacts with a joint venture, unrealised profits are eliminated to the extent of the Company's interest in the joint venture. Unrealised losses are also eliminated, but only to the extent that there is no impairment.

2.10 BORROWING

Interest-bearing bank loans and overdrafts are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Company's accounting policy for borrowing costs (see above).

2.11 BORROWING COSTS

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

2.12 PLANT AND EQUIPMENT

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Furniture and fittings	3 years
Office equipment	3 years

Fully depreciated assets still in use are retained in the financial statements.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.13 RELATED PARTIES

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:
   i. has control or joint control over the Company;
   ii. has significant influence over the Company; or
   iii. is a member of the key management personnel of the Company or of a parent of the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 RELATED PARTIES (CONTINUED)

(b) An entity is related to the Company if any of the following conditions apply:

i. the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
ii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
iii. both entities are joint ventures of the same third party.
iv. one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
v. the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
vi. the entity is controlled or jointly controlled by a person identified in (a);
vii. a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
viii. the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

2.14 PROVISIONS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.15 SHARE CAPITAL

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 REVENUE RECOGNITION

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation is satisfied at a point in time.

Rendering of services (at a point of time)

Revenue from rendering of services is recognised when services are rendered and upon customers' acceptance.

2.17 GOVERNMENT GRANTS

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

2.18 TAXES

(a) Current Income Tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 TAXES – CONTINUED

(b) Deferred Tax - continued

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Goods and Service Tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

1. here the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

2. Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.19 FOREIGN CURRENCY TRANSACTIONS AND BALANCES

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(a) Judgements made in applying accounting policies

(i) Determination of functional currency

In determining the functional currency of the Company, judgment is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

(ii) De-facto control

De-facto control exists when the size of an entity's own voting rights relative to the size and dispersion of other vote holders, give the entity the practical ability unilaterally to direct the relevant activities of the investee.

The Company holds 49% of voting rights in Monster Malaysia Sdn. Bhd. with the remaining 51% of voting rights being held by an unrelated individual shareholder.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade and other receivables is disclosed in Note 8(a). The carrying amount of the Company's trade receivables as at 31 March 2023 was S$257,134 (2022: S$55,772).

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

(b) Key sources of estimation uncertainty (Continued)

(i) Estimated impairment of subsidiaries

When a subsidiary is in net equity deficit and has suffered operating losses, a test is made whether the investment in the investee has suffered any impairment in accordance with the stated accounting policy. This determination requires significant judgement. An estimate is made of the future probability of the investee, including factors such as industry and sector performance, and operational and financial cash flow.

4. INVESTMENT IN SUBSIDIARIES

	2023 S$	2022 S$
Unquoted equity shares, at cost	60,839,681	58,779,590
Less: Accumulated impairment loss	(602,000)	-
	60,237,681	58,779,590

	2023 S$	2022 S$
Accumulated impairment loss:		
At 1 April	-	-
Provision for impairment loss	602,000	-
At 31 March	602,000	-

4. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation/ Place of business	Percentage of equity held		Cost of investment		Principal activities
		2023 %	2022 %	2023 S$	2022 S$	
Quesscorp Singapore Pte. Ltd. (1)	Singapore	100	100	53,233,505	53,233,505	Staffing
Quess Selection & Solution Pte. Limited (2)	Singapore	100	100	602,000	602,000	Staffing
MFXchange Holdings, Inc. (3)	Canada	51	51	3,978,142	3,978,142	Information Technology
Quessglobal Malaysia Sdn. Bhd.(4)	Malaysia	100	100	180,086	180,086	Staffing
Quess Corp Lanka (Private) Limited (5)	Sri Lanka	100	100	785,857	785,857	IT Staffing
Quess Corp NA LLC(6)	United States of America	100	100	2,060,091	-	Staffing
				60,839,681	58,779,590	

(1) Audited by Joe Tan & Associates PAC, Chartered Accountants of Singapore. Shares in this subsidiary is pledged to a bank for bank loan. (Note 12)
(2) Audited by Joe Tan & Associates PAC, Chartered Accountants of Singapore.
(3) Audited by Liggett & Webb P.A. Certified Public Accountants of New York. 49% equity interest in subsidiary is held by a related company.
(4) Audited by Hals & Associates, Chartered Accountant of Malaysia.
(5) Audited by PricewaterhouseCoopers, Sri Lanka.
(6) Not audited yet.

The holding company has undertaken the responsibility to provide financial support to all the above subsidiaries in the event that the investments in these subsidiaries are impaired. As a result, no impairment allowance is made for the following subsidiaries whose total equities are lower than that of the company's cost of investments in the subsidiaries and that the management's forecasted recoverable value is higher than carrying value based on the assumption used and market condition.

4. INVESTMENT IN SUBSIDIARIES (CONTINUED)

In line with Singapore Companies Act Cap 50 section 201(1) (2) (11) and FRS 110 the Company is exempt from presenting consolidated accounts. The Company satisfies all the conditions of FRS 110 paragraph 4(a) from presenting consolidated financial statements for the year;

i. it is wholly-owned subsidiary or is a partially-owned subsidiary of another entity and all its other owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the parent presenting consolidated financial statements;
ii. its debt or equity instruments are not traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets);
iii. it did not file, nor it is in the process of filing, its financial statements with a securities commission or other regulatory organization for the purpose of issuing any class of instruments in a public market; and
iv. its ultimate or any intermediate parent produces consolidated financial statements that are available for public use.

5. INVESTMENT IN JOINT VENTURE

	2023 S$	2022 S$
Unquoted equity shares, at cost	15,868	15,868
	15,868	15,868

Details of the joint venture are as follows:

Name of joint venture	Country of incorporation/ Place of business	Percentage of equity held		Cost of investment		Principal activities
		2023 %	2022 %	2023 S$	2022 S$	
Himmer Industrial (Malaysia) Sdn. Bhd. (1)	Malaysia	49	49	15,868	15,868	IT Engineering

(1) Audited by Hafiz & Associates, Chartered Accountant of Malaysia

6. OTHER INVESTMENTS

	2023 S$	2022 S$
Investment in sole establishments	280,496	280,496

This relates to an interest in sole establishment incorporated in Dubai which is held in trust by an individual director.

7. TRADE AND OTHER RECEIVABLES

	2023 S$	2022 S$
Trade receivables		
- Third parties	257,134	52,772
	257,134	52,772
Loan receivables from subsidiaries	1,323,311	1,673,004
Loan receivables from related companies	1,734,576	2,131,202
Loan receivables from third party	2,961,076	2,961,076
Amount due from joint venture	1,373	1,373
Interest receivables	7,100	7,100
Deposits	22,869	22,869
Prepayments	-	78,992
Other receivables	167,277	181,829
GST receivables	11,500	11,500
Advances to suppliers	(2,439)	-
	6,483,777	7,121,716

Trade receivables are non-interest bearing and are generally on 30 to 60 (2022: 30 to 60) days' term.

Loan receivable from third party is non-trade in nature, unsecured, bear interest at 5% per annum and is repayable on demand.

Loan receivables from subsidiaries and related companies are unsecured, bear interest at 2.25% (2022: 2.25%) per annum and are repayable on demand.

Amount due from joint venture and other receivables are non-trade in nature, unsecured, interest free and has no fixed term of repayment.

8. CASH AND CASH EQUIVALENTS

	2023 S$	2022 S$
Cash at banks	345,144	513,861

9. SHARE CAPITAL

	2023		2022	
	No. of shares	S$	No. of shares	S$
Issued and fully paid ordinary shares				
At 1 April and 31 March	45,269,608	45,269,610	45,269,608	45,269,610

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

10. OTHER PAYABLES

	2023 S$	2022 S$
Current Liabilities		
Accruals	9,782	-
Loan payable to holding company	183,925	185,000
Other payables	38,250	29,345
	231,957	214,345
Non-Current Liabilities		
Other payables	-	19,061
	-	19,061
Total	231,957	233,406

Other payables are non-trade in nature, unsecured, interest free and have no fixed term of repayment.

Loan payable to subsidiary and holding company are non-trade in nature, unsecured, interest-free and has no fixed term of repayment.

11. REVENUE

	2023 S$	2022 S$
Rendering of services (at a point in time)	531,829	525,465

12. OTHER INCOME

	2023 S$	2022 S$
Dividend income	7,351,652	6,424,804
Unrealised foreign exchange gain	32,058	38,277
Interest income from related companies	73,405	98,630
Miscellaneous income	-	7,500
Gain on sale of investments in subsidiaries	-	197,621
	7,457,115	6,766,832

13. FINANCE COSTS

	2023 S$	2022 S$
Bank loan interest	-	94,666

14. PROFIT BEFORE TAX

	2023 S$	2022 S$
Profit before tax has been arrived at after charging/(crediting) :		
Legal and professional fees	47,947	17,578
Loan interest charged by holding company (Note 18)	-	54,485
Loan processing fees	78,993	370,000
Unrealised foreign exchange loss	247,465	52,693
Exceptional Item	-	249,062
Gain on sale of investments in subsidiaries	-	(197,621)
Unrealised foreign exchange gain	(32,058)	(38,277)
Rental	-	6,112

15. INCOME TAX EXPENSE

The major components of income tax expense recognised in profit for the financial years ended 31 March 2023 and 31 March 2022 were:

	2023 S$	2022 S$
Income tax		
- Current year	586,925	-
Income tax expense recognised in profit or loss	586,925	-

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial year ended 31 March 2023 and 31 March 2022 were as follows

	2023 S$	2022 S$
Profit before income tax	7,421,289	6,008,132
Income tax using the statutory tax rate of 17% (2022: 17%)	1,261,619	1,021,382
Adjustments:		
Non-deductible expenses	36,619	24,484
Non-taxable income	(692,479)	(1,047,940)
Deferred tax assets not recognised	-	2,074
Statutory stepped income exemption	(17,425)	-
Utilisation of unabsorbed losses in prior years	(1,410)	-
	586,924	-

16. DIVIDENDS

	2023 S$	2022 S$
Declared and paid during the financial year		
Dividends on ordinary shares:		
- Interim exempt (one-tier) dividend for 2023: S$0.14 (2022: S$0.12)	6,150,000	5,500,000

17. SIGNIFICANT RELATED PARTY TRANSACTIONS

Other than the related party information disclosed elsewhere in the financial statements, the following are significant related party transactions entered into by the Company with related parties as follows:

	2023 S$	2022 S$
With related companies		
Interest income from loans to related companies	73,405	98,630

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk and interest rate risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables and loan to the immediate holding company. For other financial assets (including cash and cash equivalents), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

a) Credit risk – continued

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating;
- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the same debtor;
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganization;
- There is a disappearance of an active market for that financial asset because of financial difficulty;

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

a) Credit risk - continued

The Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	Category	12 month or lifetime ECL	Gross carrying amount S$	Loss allowance S$	Net carrying amount S$
31 March 2023						
Trade receivables [i]		Note 1	Lifetime ECL (simplified)	257,134	-	257,134
Other receivables		Note 1	12-month ECL	6,217,582	-	6,217,582
31 March 2022						
Trade receivables [i]		Note 1	Lifetime ECL (simplified)	52,772	-	52,772
Other receivables		Note 1	12-month ECL	6,978,452	-	6,978,452

[i] This excludes prepayment, GST receivables and advance to suppliers.

Trade receivables (Note 1)

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

a) Credit risk - continued

	Not past due	181- 270 days	Total
	S$	S$	S$
31 March 2023			
ECL rate	0%	0%	
Estimated total gross carrying amount at default	204,362	52,772	257,134
ECL	-	-	-
			257,134
31 March 2022			
ECL rate	0%	0%	
Estimated total gross carrying amount at default	-	52,772	52,772
ECL	-	-	-
			52,772

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to credit risk

The Company has no significant concentration of credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Other receivables including amount due from related parties

The Company assessed the lastest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly , the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

(b) Liquidity risk

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	2023			
	Carrying amount S$	Contractual cash flows S$	One year or less S$	Two to five years S$
Financial assets				
Trade and other receivables [a]	6,474,716	6,474,716	6,474,716	-
Cash and cash equivalents	345,144	345,144	345,144	-
Total undiscounted financial assets	6,819,860	6,819,860	6,819,860	-
Financial liabilities				
Other payables	231,957	231,957	231,957	-
Total undiscounted financial liabilities	231,957	231,957	231,957	-
Total net undiscounted financial asset	6,587,903	6,587,903	6,587,903	-

	2022			
	Carrying amount S$	Contractual cash flows S$	One year or less S$	Two to five years S$
Financial assets				
Trade and other receivables [a]	7,031,224	7,031,223	7,031,223	-
Cash and cash equivalents	513,861	513,861	513,861	-
Total undiscounted financial assets	7,545,085	7,545,084	7,545,084	-
Financial liabilities				
Other payables	233,406	233,406	214,345	19,061
Total undiscounted financial liabilities	233,406	233,406	214,345	19,061
Total net undiscounted financial asset/(liabilities)	7,311,679	7,311,678	7,330,739	(19,061)

[a] This amount excludes prepayment, GST receivables and advance to suppliers.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – CONTINUED

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their loan to holding company, cash and cash equivalents and bank borrowings.

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

At the reporting date, if the interest rates had been 100 (2022: 100) basis points higher/ lower with all other variables held constant, the Company's loss before tax would have been S$ NIL (2022: S$ NIL) higher/ lower, arising mainly as a result of higher/ lower interest income/ expenses on floating rate cash at bank and floating rate bank borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was as follows:

	2023 S$	2022 S$
Fixed rate instruments		
Financial assets		
Loan receivables from subsidiaries	1,323,311	1,673,004
Loan receivables from related parties	1,734,576	2,131,202
Loan receivables from third party	2,961,076	2,961,076
	6,018,963	6,765,281

Interest on financial instruments subject to floating interest rates is repriced regularly. Interests on financial instruments at fixed rates are fixed until the maturity of the instruments. The other financial instruments of the Company that are not included in the above table are not subject to interest rate risk.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – CONTINUED

(c) Market risk - continued

(ii) Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of the Company, primarily United States Dollar (USD), Malaysia ringgit (MYR), Arab Emirates Dirhams (AED) and Vietnamese Dong (DONG).

The Company's currency exposures to the USD, MYR, AED and DONG at the reporting date were as follows:

	2023			
	USD S$	MYR S$	AED S$	DONG S$
Financial assets				
Trade and other receivables	2,961,076	930,985	230,053	22,869
Cash and cash equivalents	345,144	-	-	-
	3,306,220	930,985	230,053	22,869
Financial liabilities				
Other payables	231,957	-	-	-
	231,957	-	-	-
Foreign currency exposure	3,074,263	930,985	230,053	22,869

	2022			
	USD S$	MYR S$	AED S$	DONG S$
Financial assets				
Trade and other receivables	2,961,076	1,289,311	230,053	22,869
Cash and cash equivalents	330,815	-	-	-
	3,291,891	1,289,311	230,053	22,869
Financial liabilities				
Other payables	197,011	-	-	-
	197,011	-	-	-
Foreign currency exposure	3,094,880	1,289,311	230,053	22,869

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – CONTINUED

(c) Market risk - continued

(ii) Foreign currency risk - continued

A 10% strengthening of Singapore dollar against the foreign currencies denominated balances as at the reporting date would decrease profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit after tax	
	2023 S$	2022 S$
United States Dollar	255,164	256,875
Malaysia Ringgit	77,272	107,013
Arab Emirates Dirhams	19,094	19,094
Vietnamese Dong	1,898	1,898

A 10% weakening of Singapore Dollar against the above currencies would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

19. FAIR VALUES OF ASSETS AND LIABILITIES

ASSETS AND LIABILITIES NOT MEASURED AT FAIR VALUE

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximate their fair value due to the short-term nature of their balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables (including trade balances due from/to holding and related companies) approximate their fair values as they are subject to normal trade credit terms.

Bank borrowings, loan receivables from third party and subsidiaries

The carrying amounts of bank borrowings, loan receivables from third party and subsidiaries approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

20. FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2023 S$	2022 S$
Financial assets measured at amortised cost		
Trade and other receivables (Note 8) [(a)]	6,474,716	7,031,224
Cash and cash equivalents (Note 9)	345,144	513,861
Total financial assets measured at amortised cost	6,819,860	7,545,085
Financial liabilities measured at amortised cost		
Other payables (Note 11) [(a)]	231,957	233,406
Total financial liabilities measured at amortised cost	231,957	233,406

[(a)] This amount excludes the prepayment, GST receivables and advance to suppliers.

21. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2023 and 31 March 2022.

22. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2023 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 20 May 2023.

QUESSCORP HOLDINGS PTE. LTD.
(Company Reg. No.: 201526129N)

THE ACCOMPANYING SUPPLEMENTARY STATEMENT OF PROFIT OR LOSS

AND OTHER COMPREHENSIVE INCOME

HAS BEEN PREPARED FOR MANAGEMENT PURPOSES ONLY

AND DOES NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

QUESSCORP HOLDINGS PTE. LTD.
(Company Reg. No.: 201526129N)

DETAILED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

	2022 S$	2021 S$
Revenue		
Service income	531,829	525,465
Less: Cost of services	(183,925)	(367,319)
Gross profit	347,904	158,146
Add:Other income		
Dividend income	7,351,652	6,424,804
Interest income from related companies	73,405	98,630
Miscellenous income	-	7,500
Gain on sale of investments in subsidiaries	-	197,621
Unrealised foreign exchange gain	32,058	38,277
	7,457,115	6,766,832
Less:		
Administrative costs		
Bank charges	13,983	19,936
Duties and taxes	-	43,976
Exceptional Item	-	249,062
Loan interest charged by holding company	-	54,485
Loan processing fees	78,993	370,000
Legal and professional fees	47,947	17,578
Postage and Courier	-	250
Registration and renewals	-	2,693
Rental	6,357	6,112
Sponsorship fees	3,739	5,395
Impairment on investment in subsidiaries	602,000	-
Unrealised forex exchange loss	247,465	52,693
	1,000,484	822,180
Finance costs		
Bank loan interest	-	94,666
Total Expenses	(1,000,484)	(916,846)
Profit before tax	6,804,535	6,008,132

AUDITOR'S REPORT

AND

AUDITED FINANCIAL STATEMENTS

Of

Quess Services Limited

FOR THE YEAR ENDED 31th March, 2023

ARTISAN
Chartered Accountants
Corporate Office:
Sonargaon Terrace (2nd Floor), House-52, Road-13/C, Block-E, Banani, Dhaka-1213, Bangladesh
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INDEPENDENT AUDITOR'S REPORT

QUESS SERVICES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Quess Services Limited,** which comprise the statement of financial position as at 31 March 2023, statement of Profit or Loss and Other Comprehensive Income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Company give true and fair view of the financial position of the Company as at 31 March 2023, and of its financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Security and Exchange Rules 2020 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with **International Standards on Auditing (ISAs).** Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises all of the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the report, if we conclude that there is a material misstatement therein, it is required to communicate the matter to those charged with governance.

Corporate Office: Sonargaon Terrace (2nd floor), House # 52, Road # 13/C, Block # E, Banani, Dhaka-1213, Bangladesh.
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audit@artisan-ca.com
www.artisan-ca.com

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, The Companies Act 1994, The Security and Exchange Rules 2020 and other applicable laws and regulations for such internal control as management determines is necessary to enable the preparation of financial statements that 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists,

ARTISAN Dhaka Chartered Accountants

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we are required to draw attention in our auditors report to the related disclosure in the financial statements or, if such disclosure is inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Limitations of our procedures

Our tests were limited to document reviews and interviews with office employees and management. Within the scope of work covered by this report, we have not participated in any activities with external stakeholders and have only conducted limited testing aimed at verifying the validity of information provided by the entity.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report that:

(a) We have obtained all the information and explanation which to best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
(b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
(c) The company's Statement of Financial Position, Statement of Comprehensive Income and Statement of Cash flows dealt with by the report is in agreement with the books of account; and
(d) The expenditure incurred was for the purpose of Company's business.

Dr. ASM Hossain Tayiab FCA, FIPA, FFA
Partner
Enrol. No. 0977
ARTISAN
Chartered Accountants
DVC: 2307040977AS377790

Place: Dhaka.
Dated: 4th July 2023

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Quess Services Limited
Statement of financial position
As at 31 March 2023

Particulars	Notes	31 March 2023 Taka	31 March 2022 Taka
Non current assets			
Property, plant & equipment	4	-	-
		-	-
Current Assets			
Cash & cash equivalents	5	2,969,815	3,087,009
Advance, deposit & prepayment	6	905,341	700,405
		3,875,156	**3,787,414**
TOTAL ASSETS		**3,875,156**	**3,787,414**
Equity			
Share capital	7	4,200,000	4,200,000
Retained earnings		(4,198,825)	(4,796,002)
		1,175	**(596,002)**
Non-Current liabilities			
Intercompany Loan	8	3,350,741	3,350,741
		3,350,741	**3,350,741**
Current liabilities			
Other current liabilities	9	523,241	1,032,676
		523,241	**1,032,676**
TOTAL EQUITY & LIABILITIES		**3,875,156**	**3,787,414**

Annexed notes from 1.00 to 16.00 form an integral part of the financial statements

Mr. Lohit Bhatia
Chairman

Mr. Kundan Kumar Lal
Director

Signed in terms of our separate report of even date annexed.

Dr. A.S.M. Hossain Tayiab, FCA
Partner
Enrol. No. 0977
ARTISAN
Chartered Accountants

Date: 04 JUL 2023
Place: Dhaka

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Quess Services Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2023

Particulars	Notes	31 March 2023 Taka	31 March 2022 Taka
Revenue	10	237,822	17,921,079
Operating expenses	11	-	(15,027,659)
Gross profit		**237,822**	**2,893,420**
Administrative expenses	12	(264,016)	(3,083,475)
Other Income /(expenses)	13	-	32,723
Profit before tax		**(26,194)**	**(157,332)**
Income tax expenses	9.4	(1,427)	(107,723)
Profit/(loss) for the year		**(27,621)**	**(265,055)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(27,621)**	**(265,055)**

Annexed notes from 1.00 to 16.00 form an integral part of the financial statements

Mr. Lohit Bhatia
Chairman

Mr. Kundan Kumar Lal
Director

Signed in terms of our separate report of even date annexed.

Dr. A.S.M. Hossain Tayiab, FCA
Partner
Enrol. No. 0977
ARTISAN
Chartered Accountants

Date: 04 JUL 2023
Place: Dhaka

Scanned with OKEN Scanner

Quess Services Limited
Statement of Changes in equity
For the period ended 31 March 2023

Particulars	Share capital	Retained earnings	Total
Opening balance as at 1 April 2022	4,200,000	(4,796,002)	(596,002)
Add: Prior period adjustment		624,798	624,798
Profit/(loss) for the period	-	(27,621)	(27,621)
Balance as at 31 March 2023	**4,200,000**	**(4,198,825)**	**1,175**

Statement of Changes in equity
For the period ended 31 March 2022

Particulars	Share capital	Retained earnings	Total
Opening balance as at 1 April 2021	4,200,000	(4,530,947)	(330,947)
Profit/(loss) for the period	-	(265,055)	(265,055)
Balance as at 31 March 2022	**4,200,000**	**(4,796,002)**	**(596,002)**

Annexed notes from 1.00 to 16.00 form an integral part of the financial statements

Mr. Lohit Bhatia
Chairman

Mr. Kundan Kumar Lal
Director

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Quess Services Limited
Statement of Cash Flows
for the period ended 31 March 2023

Particulars	31 March 2023 Taka	31 March 2022 Taka
A. Cash flows from operating activities		
Net profit/(loss) for the year	(27,621)	(265,055)
Adjustments:		
Add: Depreciation	-	55,040
Add: Prior period adjustments	624,798	-
Less: Profit/(loss) on disposal	-	(35,240)
Adjusted profit/(loss)	597,177	(245,255)
Changes in working capital:		
(Increase)/decrease in trade and other receivables	-	4,717,101
(Increase)/decrease in advance deposit & prepayment	(204,936)	238,054
Increase/(decrease) in trade and other payable	-	(1,917,442)
Increase/(decrease) in other current liabilities	(509,435)	(9,790)
Net cash used in operating activities	**(117,194)**	**2,782,669**
B. Cash flows from investing activities		
Disposal of property, plant and equipment	-	101,000
Net cash used in investing activities	**-**	**101,000**
C. Cash flows from financing activities		
Inter company loan	-	-
Proceeds from share capital	-	-
Net cash from financing activities	**-**	**-**
D. Net change in cash and cash equivalents (A+B+C)	**(117,194)**	**2,883,669**
E. Opening cash and cash equivalents	**3,087,009**	**203,341**
F. Cash and cash equivalents as at 31 March 2023 (D+E)	**2,969,815**	**3,087,009**

Annexed notes from 1.00 to 16.00 form an integral part of the financial statements

Mr. Lohit Bhatia
Chairman

Mr. Kundan Kumar Lal
Director

ARTISAN Chartered Accountants

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1.0 Reporting entity

Quess Services Limited (the 'Company') was formed and incorporated with the Registrar of Joint Stock Companies and Firms, Bangladesh on 25 June 2019 under the Companies Act 1994 as a private limited company limited by shares vide Registration no: C-152770/2019. The address of the registered office of the company is Ambon Complex (6th Floor), 99, Mohakhali C/A, Dhaka, PO : 1212, Bangladesh.

2.0 Basis of accounting

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

Details of the company's accounting policies, including changes during the period, if any, are included in Notes-03.

2.1 Authorization for issue

These financial statements were authorized for issue by the Board of Directors of the company on 03 June, 2023.

2.2 Other regulatory compliances

The Company is required to comply with following major laws and regulations along with the Companies Act 1994:

The Income Tax Ordinance, 1984
The Income Tax Rules, 1984
The Value Added Tax Act, 2012
The Value Added Rules, 2016
The Customs Act, 1969

2.3 Reporting period

The financial year of the company covers the period from 01 April 2022 to 31 March 2023.

2.4 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (Taka/Tk./BDT), which is the company's functional currency. All financial information presented in Taka has been rounded to the nearest integer.

2.5 Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognized prospectively.

a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.

b) Assumptions and estimation uncertainties

Information about assumptions, estimation and uncertainties that have a significant risk of resulting in a material adjustment in the period ending 31 March 2020 is included in the following notes:

.0 Significant accounting policies

Accounting policies set out below have been applied consistently to all periods presented in these financial statements. Comparative information has been rearranged wherever considered necessary to conform to the current period's presentation.rearranged wherever considered necessary to conform to the current period's presentation.

Details of the significant accounting policies of the company are set out below.

ARTISAN Chartered Accountants Dhaka

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3.1 Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

3.1.1 Financial assets

The company classifies non-derivative financial assets into financial assets 'at amortized cost, 'held-to-maturity' financial assets, 'loans and receivables' or 'available-for-sale' financial assets. Financial assets includes cash and cash equivalents, trade and other receivables, investment and advance, deposits and prepayments.

The company derecognizes a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the company is recognized as a separate financial asset or liability.

i. Financial assets measured at amortised cost

Financial assets are classified as "financial assets at amortized cost" if both of the following conditions are met:

- the financial assets are held within a business model for which the objective is to hold financial assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost are measured at amortized cost using the effective interest method, less any impairment. Interest income based on the effective interest rate is recognized in profit or loss.

ii. Debt financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are classified as "debt financial assets at FVTOCI" if both of the following conditions are met:

- the financial assets are held within a business model for which the objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, debt financial assets at FVTOCI are measured at fair value, and gains or losses arising from changes in fair value are recognized in other comprehensive income. Any cumulative amounts recognized in other comprehensive income are reclassified to profit or loss upon derecognition. Foreign exchange gains and losses arising on monetary financial assets classified as debt financial assets at FVTOCI and interest income calculated using the effective interest method relating to debt financial assets at FVTOCI are recognized in profit or loss.

iii. Equity financial assets at fair value through other comprehensive income (FVTOCI)

At initial recognition, the Company has made an irrevocable election for equity financial assets that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income and classifies such investments as "equity financial assets at FVTOCI." Subsequent to initial recognition, equity financial assets at FVTOCI are measured at fair value, and gains or losses arising from changes in fair value are recognized in other comprehensive income.

As at the balance sheet date the company had no financial assets at fair value through other comprehensive income.

ARTISAN Chartered Accountants

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iv. Financial assets at fair value through profit or loss (FVTPL)

Financial assets are classified as "financial assets at FVTPL," if they are classified as neither "financial assets at amortized cost," "debt financial assets at FVTOCI," nor "equity financial assets at FVTOCI."

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value and gains or losses arising from changes in fair value, dividend income and interest income are recognized in profit or loss.

v. Impairment of financial assets

A loss allowance is recognized for expected credit losses on financial assets at amortized cost, debt financial assets at FVTOCI, and contract assets under IFRS 15 "Revenue from Contracts with Customers." At each fiscal period-end, the Company assesses whether the credit risk on financial assets has increased significantly since initial recognition. If the credit risk on financial assets has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to the 12-month expected credit losses. If the credit risk on financial assets has increased significantly since initial recognition or for credit impaired financial assets, the Company measures the allowance account for the financial assets at an amount equal to the lifetime expected credit losses. However, the Company always measures the loss allowance at an amount equal to the lifetime expected credit losses for trade receivables and contract assets.

The carrying amount of financial assets is directly reduced against the loss allowance when the Company has no reasonable expectations of recovering financial assets in their entirety, or a portion thereof.

3.1.2 Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'financial liabilities measured at amortized cost' and the classification is determined at initial recognition. Company's financial liabilities mainly include trade and other payables and loans and borrowings.

i. Financial liabilities at fair value through profit or loss (FVTPL)

Non-derivative financial liabilities are classified into "financial liabilities at FVTPL" when the entire hybrid contract, including more than one embedded derivative, is designated and accounted for as a financial liability at FVTPL. Subsequent to initial recognition, liabilities at FVTPL are measured at fair value and gains or losses arising from changes in fair value and interest costs are recognized in profit or loss.

ii. Financial liabilities measured at amortized cost

Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method (EIR). Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated

by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Other financial liabilities include loans and borrowings, trade and other payables.

Financial assets and financial liabilities are offset, and the net amounts are presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the recognized amounts, and intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

.2 Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. provisions ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the reporting date. Where the company expects some or all of a provisionto be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provisionis presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provisiondue to the passage of time is recognized as a finance cost.

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3.3 Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Foreign currency differences are generally recognized in profit or loss. For this period no foreign exchange loss was recognised.

3.4 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The entity recognizes revenue based on the obligations perfomed under the contract. The entity recognises revenue when it transfers control over a product or service to a customer. Revenue from the rendering of services recognized by the reference to the stage of completion of the transaction, when the following conditions are met.

Contract balances

Contract asset: An entity's right to consideration in exchange for goods or services that the entity has transferred to a customer.

Contract liability: An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer.

Receivable: An entity's right to consideration that is unconditional (only the passage of time is required before payment of that consideration is due).

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	31 March 2023
Receivables	-
Contract assets	-
Contract liabilities	-

Tk. 237,822 of revenue is recognized from performance obligations satisfied (or partially satisfied) for the period from 01 April 2022 to 31 March 2023.

At the reporting date no goods or services were completed for which invoice was not issued, as a result no contract assets is recognized. The contract assets are transferred to receivables when the rights become unconditional. Advances received from the contract with customers during the reporting period are recognized in the financial statement as liability.

Cost relating to obtaining the contract has not been capitalized as it is already been expensed in prior periods.

3.5 Current Tax

Provision for the Income Tax has been made as per The Income Tax Ordinance, 1984 as amended up to Finance Act 2022.

3.6 Events after reporting period

Events after the reporting period that provide additional information about the company's position at the date of statement of financial position or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

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Quess Services Limited
Notes to the Financial statements
As at and for the period from 01 April 2022 to 31 March 2023

Notes	Particulars		30 June 2023 Taka	30 June 2022 Taka
4.0	**Property, plant & equipment**			
	Opening balance		-	285,918
	Add:Addition during the year		-	-
			-	**285,918**
	Less:Accumulated depreciation	(Note 4.1)	-	(220,158)
	Less: Disposal during the year		-	**(65,760)**
	Written down value		-	-
4.1	Accumulated depreciation			
	Opening balance		-	165,118
	Add:Charged for the year		-	55,040
			-	**220,158**
	Less: Disposal during the year		-	**(220,158)**
			-	-
5.0	**Cash & cash equivalents**			
	Cash in hand		6	6
	Cash at bank	(Note: 5.1)	2,969,809	3,087,003
			2,969,815	**3,087,009**
5.1	Cash at bank			
	BRAC Bank		27,494	44,684
	Standard Chartered Bank		2,942,315	3,042,319
			2,969,809	**3,087,003**
6.0	**Advance, deposit & prepayment**			
	Advance income tax	(Note: 6.1)	700,405	700,405
	Advance VAT	(Note: 6.2)	204,936	-
			905,341	**700,405**

		31-Mar-23 Taka	31-Mar-22 Taka
6.1	**Advance income tax**		
	Opening balance	700,405	317,991
	Add: Addition during the year	-	382,414
		700,405	**700,405**
6.2	**Advance VAT**		
	Opening balance	-	-
	Add: Addition for prior period adjustment	204,936	-
		204,936	

The Advance VAT relates to excess VAT that was paid to VAT authorities in the form of VAT deductions on source.

7.0	**Share capital**		
	Authorized:		
	500,000 ordinary share of Tk 100 each	50,000,000	50,000,000
	Issued, subscribed and paid up:		
	42,000 ordinary share of Tk 100 each	**4,200,000**	**4,200,000**

Number and percentage of shareholdings as at 31 March 2023

Shareholders	Weight	No. of Share		share price
Quess Corp Limited, India Represented By: Mr. Lohit Bhatia	90%	41,990	100	4,199,000
Mr. Kundan Kumar Lal	10%	10	100	1,000
Total		**42,000**		**4,200,000**

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Quess Services Limited

Notes to the Financial statements

As at and for the period from 01 April 2022 to 31 March 2023

Notes	Particulars		30 June 2023 Taka	30 June 2022 Taka
8.0	**Intercompany Loan**			
	Quess Corp. Limited, India		**3,350,741**	**3,350,741**
9.0	**Other current liabilities**			
	TDS payable	(Note: 9.1)	-	1,247
	VAT payable	(Note: 9.2)	-	448,615
	VDS payable	(Note: 9.3)	-	-
	Audit fees		40,250	69,783
	Acnabin payable		178,750	210,217
	Provision for income tax	(Note: 9.4)	304,241	302,814
			523,241	**1,032,676**
9.1	TDS payable			
	TDS payable-Salary		1,247	1,247
	Less: Prior period adjustment		(1,247)	-
			-	**1,247**
9.2	VAT payable			
	Opening balance		448,615	353,183
	Add: Addition during this year		-	536,883
	Less: Adjusted during the year		(30,000)	(441,451)
	Less: Prior period adjustment		(418,615)	-
			-	**448,615**
9.3	VDS payable			
	Opening balance		-	105,163
	Less: Adjustment during this year		-	(105,163)
			-	-

9.4 Provision for Income tax

In accordance to Income Tax Ordinance 1984 under section 82C Minimum Tax, Company required to pay Corporation tax based on their gross receipt which is irrespective of its profit or Loss

Gross receipt during the period		**Rate**	**31-Mar-23 Taka**	**31-Mar-22 Taka**
Revenue	237,822	0.60%	1,427	107,526
Other Income	-	0.60%	-	196
	237,822	0.60%	1,427	107,723
Add: Provision of previous year			302,814	204,103
less: paid during the year			-	(9,012)
Total			**304,241**	**302,814**

10.0	**Revenue**		
	Sales of service	**237,822**	**17,921,079**
11.0	**Cost of sales**		
	Associates salary	-	**15,027,659**

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Notes	Particulars	30 June 2023 Taka	30 June 2022 Taka

12.0 Administrative expenses

Stationery	-	5,430
Mobile bill	-	5,158
Internet bill	-	33,334
Courier	-	60
Conveyance	-	28,642
Legal fees	37,836	9,878
Core Employee Salary	-	1,433,782
Cleaner salary	-	16,000
Office Rent & Bills	-	770,000
VDS on office rent	-	115,500
Miscellaneous	-	5,776
Utility Expense	-	76,282
Entertainment	-	2,012
Audit Fees	40,250	40,000
Consultancy fee	167,750	451,111
Water bill	-	2,763
Fine & penalty	-	9,914
Depreciation	-	55,040
Bank Charges	18,180	18,340
ID print expense	-	4,453
IT Maintenance	-	-
	(264,016)	**(3,083,475)**

13.0 Other Income/Expense

Other income	-	35,240
Exchange loss/gain	-	(2,517)
	-	**32,723**

14.0 Related parties

During the year the company carried out a number of transactions with related parties in the normal course of business and "on an arms length basis", the name of the related parties, nature of the transaction and their balances at the year end set out below:

Transaction with the parent and related entities

Nature of transaction	Quess Corp. Limited, India Parent Company March' 2023	Quess Corp. Limited, India Parent Company March' 2022
Opening balance	3,350,742	3,350,742
Reimbursable expenses	-	-
Settlement	-	-
Balance as at 31 March 2023	**3,350,742**	**3,350,742**

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Notes	Particulars	30 June 2023 Taka	30 June 2022 Taka

15.0 Going concern disclosure

The Management of Quess Services Limited has decided to voluntarily wind up the company. The winding up process is ongoing and will be completed within the next accounting period.

16.0 Other disclosures

There are no permanent employees appointed by Quess Services Limited as on 31 March 2023. No material events had occurred after the reporting period to the date of issue of these financial statements which could affect the values stated in the financial statements.

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BIN HAMAD MATHEW JOSEPH AND ASSOCIATES
CHARTERED ACCOUNTANTS EST.

QUESSCORP MANAGEMENT CONSULTANCIES
DUBAI, UNITED ARAB EMIRATES

FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT
FOR THE PERIOD ENDED 31 MARCH 2023

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Email:info@bhmjassociates.com | www.bhmjassociates.com

QUESSCORP MANAGEMENT CONSULTANCIES
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For the Year Ended 31 March 2023

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GENERAL INFORMATION

Entity's Name	**:-**	**QUESSCORP MANAGEMENT CONSULTANCIES**
Legal Status	**:-**	Sole Establishment
Owner	**:-**	Mr. Lohit Bhatia Om Parkash Bhatia
Local Service Agent	**:-**	Mr. Khadim Obaid Khadim Mohammed
Registered Office Address	**:-**	PO Box - 32936 Dubai United Arab Emirates
Bank	**:-**	Abu Dhabi Commercial Bank
Auditors	**:-**	Bin Hamad Mathew Joseph & Associates Chartered Accountants Est. Dubai United Arab Emirates

QUESSCORP MANAGEMENT CONSULTANCIES
DUBAI,UNITED ARAB EMIRATES

DIRECTOR'S REPORT

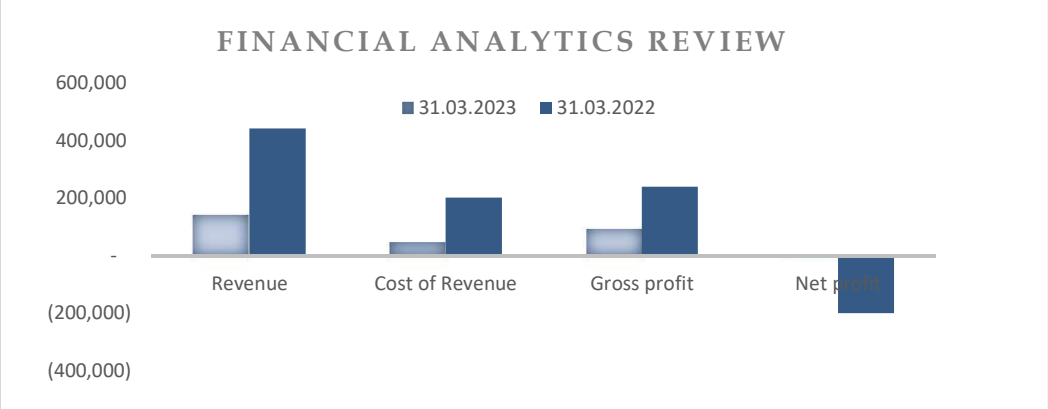
The owner have pleasure in presenting this report and the audited financial statements for the year ended 31.03.2023

Principal activities of the Entity :

The main business activities of the entity are facilities resources planning consultancy, marketing research & consultancies, management consultancies.

Financial Overview:

	31.03.2023 (AED)	31.03.2022 (AED)
Revenue	143,801	442,007
Cost of Revenue	48,164	202,791
Gross profit	**95,637**	**239,216**
Net profit	**(2,199)**	**(200,631)**
Gross profit margin	**67%**	**54%**



Role of the Owner:

The owner is the company's principal decision-making forum. He has the overall responsibility for leading and supervising the company and is accountable to stakeholders for delivering sustainable stakeholder value through his guidance and supervision of the company's business. The principal sets the strategies and policies of the company. He monitors performance of the company's business, guides and supervises its management.

Going concern:

The attached financial statements have been prepared on a going concern basis. While preparing the financial statements the management has made an assessment of the company's ability to continue as a going concern. The management has not come across any evidence that causes the management to believe that material uncertainties related to the events or conditions existed, which may cast significant doubt on the company's ability to continue as a going concern.

QUESSCORP MANAGEMENT CONSULTANCIES
DUBAI,UNITED ARAB EMIRATES

DIRECTOR'S REPORT

Events after the year end of reporting period:

In the opinion of the owner, no transaction or event of a material and unusual nature, favourable or unfavourable has arisen in the interval between the end of the financial year and the date of this report, that is likely to affect, substantially the result of the operations or the financial position of the company.

Auditors:

M/s. **BIN HAMAD -MATHEW JOSEPH & ASSOCIATES CHARTERED ACCOUNTANTS EST.**, Dubai, United Arab Emirates is willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General Meeting.

Statement of Owner's responsibilities:

The applicable requirements, requires the owner to prepare the financial statements for each financial year which presents fairly in all material respects, the financial position of the company and its financial performance for the year then ended.

The financial statements for the year under review, have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The owner confirms that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the company and enables them to ensure that the financial statements comply with the requirements of applicable statute. The owner also confirms that appropriate accounting policies have been selected and applied consistently in order that the financial statements reflect fairly the form and substance of the transactions carried out during the year under review and reasonably present the company's financial conditions and results of its operations.

These financial statements were approved by the Board and signed on behalf by the undersigned.

_____

Authorised Signatory
15th May 2023

INDEPENDENT AUDITOR'S REPORT

To
THE OWNER
QUESSCORP MANAGEMENT CONSULTANCIES
DUBAI
UAE

Opinion

We have audited the accompanying financial statements of M/S **QUESSCORP MANAGEMENT CONSULTANCIES** (the Establishment) which comprise the statement of financial position for the year ended 31 March 2023 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements present fairly in material respects, the financial position of M/S **QUESSCORP MANAGEMENT CONSULTANCIES** for the year ended 31 March 2023 and its financial performance in accordance with International Financial Reporting Standards (IFRS).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Establishment within the meaning of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information/Matter

Turnover in the financials and VAT Return filed are subject to reconciliation. Independent confirmations from the company's bank, debtors and creditors were not received as at the auditor's report date.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control that the management determines as necessary to enable the preparation of financial statements that are free from material statement, whether due to fraud or error.

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as the Management determines as necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

The objectives of our audit 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 ISAs 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the planning and performance of the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Establishment internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Establishment ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our auditor's report. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Establishment to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

We also confirm that, in our opinion, the financial statements include in all material respects, the applicable requirements of the UAE Federal Commercial Companies Law No.2 of 2015. We further confirm that proper financial records have been kept by the company. We have obtained all the information and explanations which are required for the purpose of our audit and, to the best of our knowledge and belief, no violations of the above mentioned law have occurred during the year which would have had a material effect on the business of the company or on its financial position.

For **Bin Hamad, Mathew Joseph and Associates**
Chartered Accountants Est.

Dubai, United Arab Emirates

15th May 2023

QUESSCORP MANAGEMENT CONSULTANCIES

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Notes	31.03.2023	31.03.2022
ASSETS		**(AED)**	**(AED)**
Current assets			
Cash and Bank Balances	5	28,651	47,670
Accounts and Other Receivables	6	448,233	283,021
Total Current Assets		**476,884**	**330,691**
Non Current assets			
Property, plant and equipment	7	-	-
Total Non Current Assets		**-**	**-**
TOTAL ASSETS		**476,884**	**330,691**
EQUITY AND LIABILITIES			
Current Liabilities			
Accounts & Other Payables	8	628,199	428,550
Due to related party	9	-	81,616
Total Current Liability		**628,199**	**510,166**
Non Current Liabilities			
Provision for employee's end of service benefits	10	192,928	289,581
Unsecured Loan	11	3,855,308	3,728,296
Total Non Current Liability		**4,048,236**	**4,017,877**
Total Liability		**4,676,435**	**4,528,043**
EQUITY			
Share Capital	12	200,000	200,000
Retained Earnings		(4,578,579)	(4,576,380)
Owner's Current Account		179,028	179,028
Total Equity		**(4,199,551)**	**(4,197,352)**
TOTAL EQUITY & LIABILITIES		**476,884**	**330,691**

The annexed notes 1- 20 form an integral part of these financial statements.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them.

The financial statements were approved, authorized and signed on 15th May 2023 on behalf of the management by :-

AUTHORISED SIGNATORY **AUDITOR'S REPORT ATTACHED**

QUESSCORP MANAGEMENT CONSULTANCIES

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31.03.2023	31.03.2022
		(AED)	(AED)
Revenue	13	143,801	442,007
Cost of Revenue	14	(48,164)	(202,791)
GROSS PROFIT		**95,637**	**239,216**
Operating Expenses			
General and Administrative Expenses	15	(97,836)	(438,355)
Depreciation	7	-	(1,492)
PROFIT/(LOSS) FOR THE YEAR		**(2,199)**	**(200,631)**
Other Comprehensive Income/Loss		-	-
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		**(2,199)**	**(200,631)**

The annexed notes 1- 20 form an integral part of these financial statements.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them.

The financial statements were approved, authorized and signed on 15th May 2023 on behalf of the management by :-

AUTHORISED SIGNATORY **AUDITOR'S REPORT ATTACHED**

QUESSCORP MANAGEMENT CONSULTANCIES

STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Capital	Retained Earnings	Owner's Current Account	Total
	(AED)	(AED)	(AED)	(AED)
As at 01.04.2021	**200,000**	**(4,375,749)**	**179,028**	**(3,996,721)**
Profit/(Loss) for the year	-	(200,631)	-	(200,631)
Movements during the year	-	-	-	-
Transfer during the year	-	-	-	-
As at 31.03.2022	**200,000**	**(4,576,380)**	**179,028**	**(4,197,352)**
Profit/(Loss) for the year	-	(2,199)	-	(2,199)
Movements during the year	-	-	-	-
Transfer during the year	-	-	-	-
As at 31.03.2023	**200,000**	**(4,578,579)**	**179,028**	**(4,199,551)**

The annexed notes 1- 20 form an integral part of these financial statements.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them.

The financial statements were approved, authorized and signed on 15th May 2023 on behalf of the management by :-

AUTHORISED SIGNATORY **AUDITOR'S REPORT ATTACHED**

QUESSCORP MANAGEMENT CONSULTANCIES

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2023

	31.03.2023 (AED)	31.03.2022 (AED)
Operating Activities		
Net Profit/(Loss) for the year	(2,199)	(200,631)
Adjustments for :-		
Depreciation	-	1,492
Provision for employees' end of service benefits	-	37,383
Operating profit before changes in working capital	**(2,199)**	**(161,756)**
Changes in Working Capital		
Decrease/(Increase) in Accounts & Other Recievables	(165,212)	(121,481)
Decrease/(Increase) in Related Party	-	81,616
Increase/(Decrease) in Accounts & Other Payables	199,649	(3,662,021)
(Decrease)/Increase in Related Party	(81,616)	-
Net Changes in Working Capital	**(47,179)**	**(3,701,886)**
Cash (used in) generated from operating activities	**(49,378)**	**(3,863,642)**
Less :-Extraordinary Items		
Gratuity Paid	(96,653)	-
Net Cash (used in) generated from operating activities	**(146,031)**	**(3,863,642)**
Financing Activities		
Net Changes in Borrowings	127,012	3,728,296
Net Cash (used in) generated from Financing Activities	**127,012**	**3,728,296**
Net Increase/(Decrease) in Cash & Cash Equivalents	(19,019)	(135,346)
Cash & Cash Equivalents at the beginning of the year	47,670	183,016
Cash & Cash Equivalents at the end of the year	**28,651**	**47,670**

The annexed notes 1- 20 form an integral part of these financial statements.

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making the judgments underlying them.

The financial statements were approved, authorized and signed on 15th May 2023 on behalf of the management by :-

AUTHORISED SIGNATORY **AUDITOR'S REPORT ATTACHED**

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

1.1 QUESSCORP MANAGEMENT CONSULTANCIES (the entity) is a Sole Establishment licensed by Dubai economy, Government of Dubai, United Arab Emirates by virtue of professional License No. 640999, issued on 15th June 2010.

1.2 Owner

The owner of the establishment is **Mr. Lohit Bhatia Om Parkash Bhatia** (*a citizen of India*).

1.3 Service Agent

Service Agent of this establishment is **Mr. Khadim Obaid Khadim Mohammed (** *a citizen of UAE).*

1.4 Business Activities

The main business activities of the entity are facilities resources planning consultancy, marketing research & consultancies, management consultancies.

1.5 Location

The registered office of the entity is situated at PO Box-39936,Dubai,United Arab Emirates.

2 ACCOUNTING PERIOD

The financial statements relate to the year ended 31 March 2023 [Current Year]
The previous year figures relate to the year ended 31 March 2022 [Previous Year]

3 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements have been prepared under historical cost basis. The financial statements are presented in Arab Emirates Dirhams (AED) and all values are rounded to the nearest Arab Emirate Dirham. The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

b) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

c) Property , plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. The cost of property, plant and equipment is their purchase price together with any incidental expenses.
Depreciation is calculated on the straight line method, at rates calculated to reduce the cost of assets to their estimated residual values over their expected useful lives.

d) Receivables

Provision for doubtful recovery is based on estimation, however, reliability is re-assessed at the end of every financial year and additional provisions are created on the basis of risks involved. Management considers that all receivables are fully realizable, hence no provision is created.

e) Current or Non-current classification

The entity presents assets and liabilities in statement of financial position based on current/ non current classification.

An asset as current when it is:
Expected to be realized or intended to be sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realized within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

It is expected to be settled in normal operating cycle or it is held primarily for the purpose of trading or it is due to be settled with in twelve months after the reporting period, or there is no unconditionalright to defer the settlement of the liability for at least twelve months after the reporting period.

f) Fair value measurement

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

The principal or the most advantageous market must be accessible to by the entity.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Level 1. Inputs are quoted price (unadjusted) in active market for identical asset or liabilities that the entity can access at the measurement as a whole.
Level 2. Inputs are inputs, other than quoted prices included with in Level1,that are observable for the asset or liability, either directly or indirectly.
Level 3. Inputs are observable inputs for the asset or liability.

g) Foreign currency transactions and balances

In preparing the financial statements of the Entity, transactions in currencies other than the entity's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried fair value are denominated in foreign currency.
Currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency neither are nor translated. Exchange differences on monetary items are recognized in profit and loss in the period in which they arise.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analyzed between translation differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortized cost are recognized in profit or loss and other changes in carrying amount are recognized in other comprehensive income.

Translation differences in non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in other comprehensive income.

h) Impairment of tangible assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimating to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of comprehensive income.

i) Financial instruments

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument.

I) Financial assets

Financial assets are classified into the following specified categories: financial assets "at fair value through income statement' (FVTIS), 'held to maturity' investments, 'available for sale' financial assets and 'loans & receivables'.
All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets at fair value through income statement

Financial assets at fair value through income statement are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

Regular purchases and sales of financial assets are recognized on the trade –date- the date on which the entity commits to purchase or sell the asset. Transaction costs directly attributable to the acquisition are recognized immediately in income statement.
Gains or losses arising from changes in the fair value of the financial assets at fair value through income statement category are presented in the income statement.

Dividend income from financial assets at fair value through income statement is recognized in the income statement when the entity's right to receive payments is established.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non- current assets. The entity's loans and receivables comprise 'trade and other receivables', 'cash and cash equivalents' 'due from/ to related parties', 'shareholders' loan' and 'loan from/ to related parties' in the statement of financial position. Loans and receivables are measured at amortized cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non- current assets. Trade and other receivables are initially recognized at fair value and subsequently measured at amortized cost reduced by appropriate allowance for estimated doubtful debts.

Impairment of financial assets

Assets carried at amortized cost:

The entity assesses at the end of each reporting period, whether there is objective evidence that a financial asset or group of financial assets have been impaired. A financial asset or group of financial assets is impaired and impairment losses are recognized only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss' event) and that loss event or events has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty where observable date indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the previously recognized impairment loss is recognized in the income statement.

De-recognition of financial assets

The entity derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the entity recognizes it retained interest in the asset and an associated liability for amounts it may have to pay. If the entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the entity continues to recognize the financial asset.

II)Financial Liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade and other payables are recognized initially at fair value and subsequently are measured at amortized cost using effective interest method.

Loans and borrowings

Borrowings are recorded at the proceeds received, net of direct issue costs. Finance charges are accounted on accrual basis and are added to the carrying value of the instruments to the extent that they are not settled in the period in which they arise.

De-recognition of financial liabilities

The entity de-recognizes financial liabilities when and only when the entity's obligations are discharged, cancelled or they expire. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Provisions

Provisions are recognized when the entity has a present obligation as a result of a past event, it is probable that the entity will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measure reliably.

End of Service Benefits

End of service benefits are accrued in accordance with the terms of employment of the establishment's employees at the reporting dates, having regard to the requirements of UAE Labour Laws. Employee entitlements to annual leave and leave passage are recognized when they accrue to employees and an accrual is made for the estimated liability arising as a result of services rendered by employees up to the reporting date. These accruals are included in current liabilities, while that relating to end of service benefits is disclosed as a non current liability.

j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

k) Foreign Currency Transactions

Transactions in foreign currency are converted into U.A.E Dirhams at the rates prevailing when entered into. The balance in foreign currency amounts are converted into U.A.E Dirhams at the rate of exchange prevailing at the balance sheet date. Gains and losses generated from transactions have been dealt with in profit and loss account.

l) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The entity assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The entity has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criterion described below must also be met before revenue is recognized.

m) Cash and Cash Equivalents

For the purpose of Statement of Cash Flows, cash and cash equivalents consist of cash in hand and bank balances.

n) Accounting Estimates.

The treatments of accounting estimates are in conformity with the provisions of IAS-8 with significant effect (if any) being sufficiently disclosed.

❖ **CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES**

Application Of New International Financial Reporting Standards and International Accounting Standards

Standards, amendments and interpretations to existing standards that are effective and have not been adopted early by the entity.

The following new and amended IFRS and International Accounting Standards (IAS) that are applicable to the organisation have been published and are mandatory for accounting periods of the organisation beginning on or after the reporting period, but which have not been adopted early by the Organisation:

➢ ***Amendments to IFRS 3 - Definition of a Business***

Entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. The amendments clarify that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. They also clarify that a business can exist without including all of the inputs and processes needed to create outputs. That is, the inputs and processes applied to those inputs must have 'the ability to contribute to the creation of outputs' rather than 'the ability to create outputs'.

The amendments specify that if a set of activities and assets does not have outputs at the acquisition date, an acquired process must be considered substantive only if: (a) it is critical to the ability to develop or convert acquired inputs into outputs; and (b) the inputs acquired include both an organised workforce with the necessary skills, knowledge, or experience to perform that process, and other inputs that the organised workforce could develop or convert into outputs. In contrast, if a set of activities and assets has outputs at that date, an acquired process must be considered substantive if: (a) it is critical to the ability to continue producing outputs and the acquired inputs include an organised workforce with the necessary skills, knowledge, or experience to perform that process; or (b) it significantly contributes to the ability to continue producing outputs and either is considered unique or scarce, or cannot be replaced without significant cost, effort or delay in the ability to continue producing outputs.

- ***Amendments to IFRS 9, IAS 39 & IFRS 7 - Interest Rate Benchmark Reform***

Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures, which concludes phase one of its work to respond to the effects of Interbank Offered Rates (IBOR) reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark with an alternative nearly risk-free interest rate. The amendments include a number of reliefs, which apply to all hedging relationships that are directly affected by the interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument.

Amendments are consistent with those for IFRS 9, but with the following differences:
• Prospective assessment of hedge effectiveness, it is assumed that the benchmark on which the hedged cash flows are based (whether or not it is contractually specified) and/or the benchmark on which the cash flows of the hedging instrument are based, are not altered as a result of IBOR reform.
• Retrospective assessment of hedge effectiveness, to allow the hedge to pass the assessment even if the actual results of the hedge are temporarily outside the 80%-125% range, during the period of uncertainty arising from IBOR reform.

- ***Amendments to IAS 1 & IAS 8 - Definition of Material***

The materiality will depend on the nature or magnitude of information, or both. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements. The amendments replaced the threshold 'could influence', which suggests that any potential influence of users must be considered, with 'could reasonably be expected to influence' in the definition of 'material'. In the amended definition, therefore, it is clarified that the materiality assessment will need to take into account only reasonably expected influence on economic decisions of primary users.

- ***The Conceptual Framework for Financial Reporting***

The revised Conceptual Framework for Financial Reporting (the Conceptual Framework) is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

- ***Amendments to IFRS 16 - Covid-19-Related Rent Concessions***

In May 2020, the IASB amended IFRS 16 Leases to provide relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. The amendment does not apply to lessors.
The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:
• The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
• Any reduction in lease payments affects only payments originally due on or before 30 June 2021.
• There is no substantive change to other terms and conditions of the lease.

[*1 June 2020*]

- ***STANDARDS ISSUED BUT NOT YET EFFECTIVE***

At the date of authorization of these financial statements, the entity has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

- ***Amendments to IAS 1 - Classification of Liabilities as Current or Non-current***

An entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies regardless of whether the lender tests for compliance at that date or at a later date.

[*1 January 2022*]

- ***Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use***

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

[*1 January 2022*]

- ***Ammendments to IAS 37 - Onerous Contracts – Costs of Fulfilling a Contract***

The Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. A 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

[*1 January 2022*]

- ***Annual IFRS Improvements***

The following improvements were finalised in last years:

• IFRS 1 - The entity applies the amendment for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted.

• IFRS 9 - The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. There is no similar amendment proposed for IAS 39. 1 January 2022. Earlier application is permitted.

• IFRS 16 - This removes potential confusion regarding the treatment of lease incentives when applying IFRS 16.

• IAS 41 - An entity applies the amendment to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted.

- ***Amendments to IFRS 10 and IAS 28 - Sales or Contribution of Assets between an Investor and its Associate or Joint Venture***

The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

[*Deferred until further notice*]

- **Value Added Tax [VAT]**

In accordance with the UAE Federal Decree-Law No. 8 of 2017 and its executive regulations, the supplies of the Company, except the zero-rated and exempt, are taxable at 5%. The Company files its VAT return within 28 days after end of every quarter.

4 CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statement requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liability affected in future periods.

Estimates and judgments are continuously evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The key assumptions concerning the future and other key sources of estimation of uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a) Depreciation of property, plant and equipment

Management assigns useful lives and residual values to property, plant and equipment based on the intended use and the economic lives of those assets. Subsequent changes in circumstances could result in the actual useful lives or residual values differing from initial estimates. Where the management determines that the useful; life or residual value of an asset requires amendment, the net book amount in excess of the residual value is depreciated over the revised remaining useful life.

b) Impairment of assets

Assessments of net recoverable amounts of property, plant and equipment, all financial assets other than trade and other receivables are based on assumptions regarding future cash flows expected to be received from the related assets.

c) Impairment of accounts receivables

The management regularly undertakes a review of the recovery status of amounts due from either third parties or related parties. Such review is made on variety of factors, including the overall quality and aging of the receivables, continuing credit evaluation of the customer's financial conditions. Based on the review, assumptions are made regarding the extent of impairment allowance required.

d) Going Concern

These financial statements are prepared on a going concern basis which is assumed that the Company will continue to operate as a going concern in a foreseeable future. In order to support the continuance of the Company's operations, the Directors confirm that sufficient funds will be made available as may be necessary.

5 CASH AND CASH EQUIVALENTS

	31.03.2023	31.03.2022
	(AED)	(AED)
Balance with Banks	28,651	47,670
	28,651	**47,670**

6 ACCOUNTS AND OTHER RECEIVABLES

	31.03.2023	31.03.2022
	(AED)	(AED)
Accounts Receivables	71,463	33,377
Advance to Staff	10,000	25,798
Refundable Deposit	1,000	122,138
Prepaid Expense	4,106	4,639
Advance paid to Suppliers	122,138	-
Loans and Advances	188,915	1,000
VAT Refundable	50,611	-
Other Receivables	-	96,069
	448,233	**283,021**

7 PROPERTY, PLANT AND EQUIPMENTS

Movements in property, plant and equipment are shown in page no.27

8 ACCOUNTS AND OTHER PAYABLES

	31.03.2023 (AED)	31.03.2022 (AED)
Accounts Payables	361,865	214,197
Accrued Expenses	266,334	214,353
	628,199	**428,550**

9 RELATED PARTY BALANCES

The Company, in the normal course of business carries out transactions with other business enterprises that fall within the definition of a related party. The company believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties. Related parties include companies and establishments under common ownership and common management and control their partners and key management personnel.

	31.03.2023 (AED)	31.03.2022 (AED)
Due to Related Party		
Quess Corp Holdings (Dubai Branch)	-	81,616
	-	**81,616**

10 PROVISION FOR EMPLOYEES' END OF SERVICE BENEFITS

	31.03.2023 (AED)	31.03.2022 (AED)
Balance as at 1 st April	289,581	252,198
Adjusted		
Charge for the Year	-	37,383
Paid during the Year	96,653	-
Balance as at 31st March	**192,928**	**289,581**

11 UNSECURED LOAN

	31.03.2023 (AED)	31.03.2022 (AED)
Unsecured Loan	3,855,308	3,728,296
	3,855,308	**3,728,296**

12 SHARE CAPITAL

The Capital of the Sole Establishment **:-** **AED 200,000**

13 REVENUE

	31.03.2023 (AED)	31.03.2022 (AED)
Revenue	143,801	442,007
	143,801	**442,007**

14 COST OF REVENUE

	31.03.2023	31.03.2022
Direct Expenses	48,164	202,791
	48,164	**202,791**

15 GENERAL AND ADMINISTRATIVE EXPENSES

	31.03.2023 (AED)	31.03.2022 (AED)
Salaries and Allowances	-	86,071
Legal, Licenses, Professional expenses	27,247	10,913
Rent	14,872	12,980
Exchange Loss	-	252,897
Communication expense	35,936	38,943
Bank Charges	19,781	36,551
	97,836	**438,355**

16 FINANCIAL INSTRUMENTS

In accordance with the International Financial Reporting Standards (IFRS) regarding financial instruments, the following disclosures are made. Financial assets of the company include receivables, deposits and cash balance. Financial liabilities comprises of payables.

17 FINANCIAL RISK MANAGEMENT

The Company's activities expose to a variety of financial risks. The Company's overall risk management sponsorship focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company identified the following major financial risks.

a) Exchange Rate Risk

There is no significant exchange risk as substantially all financial assets and financial liabilities are denominated in U.A.E Dirhams or US Dollar to which the Dirham is fixed.

b) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk from its receivables.

c) Liquidity Risk

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities at maturity date.

The Company manages the liquidity risk through risk management frame work for the Company's liquidity requirements by maintaining adequate reserves, sufficient cash and cash equivalent to ensure funds are available to meet its commitments for liabilities as they fall due.

18 FAIR VALUE

The fair value of a financial instrument is the amount for which the asset could be exchanged or a liability settled between willing parties in an arm's length transaction. The fair values of the financial assets and liabilities approximate their net book amounts as reflected in these financial statements.

	31.03.2023	31.03.2022
	(AED)	(AED)
Financial Assets		
Accounts & Other Receivables (*Less:-Prepayments*)	444,127	257,223
Cash and Cash Equivalents	28,651	47,670
	472,778	**304,893**
Financial Liabilities		
Accounts & Other Payables	628,199	428,550
Unsecured Loan	3,855,308	3,728,296
Employees end of service benefits	192,928	289,581
	4,676,435	**4,446,427**

19 EVENTS AFTER THE END OF THE REPORTING PERIOD

There were no significant events occurring after the financial position date that would have any material effect on the financial statements of the entity.

20 COMPARATIVE FIGURES

Comparative figures have been reclassified or regrouped, wherever it necessary, to confirm the presentation adopted in the current year.

FOR QUESSCORP MANAGEMENT CONSULTANCIES

AUTHORISED SIGNATORY

QUESSCORP MANAGEMENT CONSULTANCIES
NOTES TO THE FINANCIAL STATEMENTS

PROPERTY, PLANT AND EQUIPMENTS

(Refer Note .7)

	Furniture & Fixtures	Office Equipments	Total
	(AED)	(AED)	(AED)
Cost			
As at 01.04.2021	161,495	58,808.00	**220,303**
Additions	-	-	**-**
Disposals	-	-	**-**
As at 31.03.2022	**161,495**	**58,808**	**220,303**
Additions	-	-	**-**
Disposals	-	-	**-**
As at 31.03.2023	**161,495**	**58,808**	**220,303**
Accumulated Depreciation			
As at 01.04.2021	161,495	57,316	**218,811**
Charge during the Year		1,492	**1,492**
Disposal	-	-	**-**
As at 31.03.2022	**161,495**	**58,808**	**220,303**
Charge during the Year		-	**-**
Disposal		-	**-**
As at 31.03.2023	**161,495**	**58,808**	**220,303**
Net Book Value			
As at 31.03.2023	**-**	**-**	**-**
As at 31.03.2022	**-**	**-**	**-**

Quess Corp NA LLC
(Year ending March 31 2023)

(Amounts in USD)

Balance Sheet as at	Note	31 Mar 2023	31 Mar 2022
ASSETS			
Non-current assets			
Financial assets			
Deferred tax assets (net)	1	2,74,198	-
Other non-current assets	2	4,363	-
Total non-current assets		**2,78,561**	-
Current assets			
Financial assets			
(i) Investments		-	-
(ii) Trade receivables	3	40,384	-
(iii) Cash and cash equivalents	4	2,70,259	-
(vi) Unbilled revenue	5	11,452	-
Other current assets	6	22,488	-
Total current assets		**3,44,583**	-
Total assets		**6,23,144**	-
EQUITY AND LIABILITIES			
Statements of member's equity			
Member's Equity	7	15,01,000	-
Accumulated Surplus	8	(10,36,908)	-
Member's Equity		**4,64,092**	-
Total Liabilities and Member's Equity		**4,64,092**	-
Liabilities			
Non-current liabilities			
Financial liabilities			
Total non current liabilities		-	-
Current liabilities			
Financial liabilities			
(i) Borrowings		-	-
(ii) Trade payables	9	20,863	-
(iii) Other current financial liabilities	10	1,08,779	-
Income tax liabilities (net)		-	-
Current provisions		-	-
Other current liabilities	11	29,412	-
Total current liabilities		**1,59,054**	-
Total Liabilities		**1,59,054**	-
Total Equity and Liabilities		**6,23,145**	-

QUESS CORP NA LLC

Date 13-05-2023
Place Minnesota

Daniel Friker
WFM-CEO - North America

Quess Corp NA LLC

(Year ending March 31 2023)

(Amounts in USD)

Statement of profit and loss	Note	31 Mar 2023	31 Mar 2022
Income			
Revenue from operations	12	53,666	-
Other income		-	-
Total income		**53,666**	**-**
Expenses			
Employee benefit expenses	13	1,59,991	-
Finance costs		-	-
Depreciation and amortisation expense		-	-
Other expenses	14	12,04,781	-
Total expenses		**13,64,772**	**-**
Loss before exceptional items and tax		**(13,11,106)**	**-**
Share of profit of equity accounted investees (net of income tax)		-	-
Loss before tax		**(13,11,106)**	**-**
Tax expense			
Current tax		-	-
Deferred tax	15	(2,74,198)	-
Income tax expenses		**(2,74,198)**	**-**
Losses for the year		**(10,36,908)**	**-**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Total comprehensive income for the period		**(10,36,908)**	**-**
Total comprehensive income attributable to :			
Equity holders of the parent		(10,36,908)	-
Non-controlling interests		-	-

QUESS CORP NA LLC

Daniel Friker
WFM-CEO - North America

Date 13-05-2023
Place Minnesota

Quess Corp NA LLC

Statement of cash flows for the year ended 31 March 2023

(Amounts in USD)

Statement of Cash Flows	31 Mar 2023	31 Mar 2022
Cash flow from operating activities		
Profit for the period	(13,11,104.57)	-
Adjustments for:		
Depreciation and amortisation	-	-
Dividend on mutual fund	-	-
Loss/(Profit) on sale of fixed assets, net	-	-
Bad debts written off	-	-
Deposits written off	-	-
Liabilities no longer required written back	-	-
Provision for bad and doubtful debts, net	-	-
Provision for disputed tax claim	-	-
Other Comprehensive Income	-	-
Interest income on term deposits	-	-
Finance costs	-	-
Other finance income	-	-
Operating cash flows before working capital changes	**(13,11,104.57)**	-
(Increase)/Decrease in inventories, Trade receivables		
(Increase)/Decrease in Loans, other financial assets and other assets	(49,274.46)	-
Increase/(Decrease) in trade payables and other financial liabilities	20,862.50	-
Increase/(Decrease) in other liabilities and provisions	1,08,777.80	-
Cash generated from operations	**(12,30,738.73)**	-
Income taxes paid, net of refund		
Net cash (used in) / provided by operating activities (A)	**(12,30,738.73)**	-
Cash flows from investing activities		
Expenditure on property,plant and equipment and intangibles, net of sale proceeds		
Proceeds from issue of shares	**15,01,000.00**	-
Payments to acquire financial assets:		
Investment in equity instruments	-	-
Investment in preference securities	-	-
Investments in mutual funds	-	-
Bank deposits (having original maturity of more than three months)	-	-
Interest income on term deposits	-	-
Net cash (used in) / provided by investing activities (B)	**15,01,000.00**	-
Cash flows from financing activities		
Proceeds from borrowings	-	-
Proceeds from issue of other equity instrument	-	-
Loans repaid by subsidiaries	-	-
Redemption of CCD	-	-
Proceeds / (repayment) of short term borrowings, net	-	-
Proceeds from working capital loan	-	-
Repayment of working capital loan	-	-
Interest paid	-	-
Interest income	-	-
Net cash (used in) / provided by financing activities (B)	-	-
Net increase in cash and cash equivalents (A+B)	2,70,261.41	-
Cash and cash equivalents at the beginning of the period	-	-
Cash and cash equivalents acquired on amalgamation		
Effects of exchange differences on translation of foreign currency cash and cash equivalents		
Cash and cash equivalents at the end of the period (refer note 10)	**2,70,261.41**	-

QUESS CORP NA LLC

Daniel Fiker

WFM-CEO - North America

Date 13-05-2023

Place Minnesota

Quess Corp NA LLC
Notes to the financial statements for the period ended 31 Mar 2023

1 Deferred tax assets (net)

(Amounts in USD)

Particulars	31 Mar 2023	31 Mar 2022
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset on liabilities:		
Impairment loss allowance on financial assets	-	-
Provision on employee benefits- Gratuity	-	-
Provision on employee benefits- Compensated absences	-	-
Deffered Tax on Bonus	-	-
Provision for disputed Claims	-	-
Interest on Service Tax	-	-
Provision for rent Escalation	-	-
Present Valuation of Financial Instruments	-	-
Customer relationship	-	-
Goodwill	-	-
80JJAA	-	-
Deferred Tax others	2,74,198	-
Deferred tax asset on assets:		
Minimum alternate tax credit entitlement	-	-
Deffered tax on fixed assets	-	-
Net deferred tax assets	**2,74,198**	**-**

2 Other non-current assets

Particulars	31 Mar 2023	31 Mar 2022
Capital advances	-	-
Balances with government authorities	-	-
Prepaid expenses	4,363	-
	4,363	**-**

3 Trade receivables

Particulars	31 Mar 2023	31 Mar 2022
Unsecured		
Considered good*	40,384	-
Considered doubtful	-	-
	40,384	**-**
Loss allowance		
Unsecured considered good	-	-
Doubtful	-	-
	-	-
Net trade receivables	**40,384**	**-**

4 Cash and cash equivalents

Particulars	31 Mar 2023	31 Mar 2022
Cash and cash equivalents		
Cash in hand	-	-
Balances with banks		
In current accounts	2,70,259	-
In EEFC accounts	-	-
In deposit accounts (with original maturity of 3 months)	-	-
Cash and cash equivalents in balance sheet	**2,70,259**	**-**
Bank overdraft used for cash management purpose	-	-
Cash and cash equivalent in the statement of cash flow	**2,70,259**	**-**

5 Unbilled revenue

Particulars	31 Mar 2023	31 Mar 2022
Unbilled revenue	11,452	-
Less: Provision for impairment of unbilled revenue	-	-
	11,452	**-**

6 Other current assets

Particulars	31 Mar 2023	31 Mar 2022
Advances other than capital advances		
Advances to suppliers	-	-
Travel advances to employees	-	-
Other advances	-	-
Prepaid expenses	22,488	-
Balances with government authorities	-	-
	22,488	**-**

7 Statement of Member's Equity
(For year ending March 31, 2023)

Particulars	Member's Equity	Accumulated Surplus	Total Member's Equity
	-	-	-
Balance as on April 1 2022	**-**	**-**	**-**
Equity Infusion	15,01,000	-	15,01,000
Net Income for the year	-	(10,36,908)	(10,36,908)
Balance as on March 31 2023	**15,01,000**	**(10,36,908)**	**4,64,092**

8 Accumulated Surplus

Particulars	31 Mar 2023	31 Mar 2022
Securities premium account	-	-
Stock options outstanding account	-	-
Foreign currency translation reserve	-	-
Capital reserve account	-	-
Debenture redemption reserve	-	-
General reserve account	-	-
Other comprehensive income	-	-
Capital redemption reserve	-	-
Other Equity- Corporate Guarantee	-	-
Retained earnings	(10,36,908)	-
	(10,36,908)	**-**

Other non-current financial liabilities

9 Trade payables

Particulars	31 Mar 2023	31 Mar 2022
Other trade payables	20,863	-
	20,863	**-**

10 Other current financial liabilities

Particulars	31 Mar 2023	31 Mar 2022
Current maturities of long-term borrowings	-	-
Current maturities of finance lease obligations	-	-
Payable for acquisition of business		
Consideration payable	-	-
Contingent consideration payable	-	-
Current maturities of forward liability	-	-
Interest accrued and not due	-	-
Financial guarantee liability	-	-
Amount payable to related parties	-	-
Capital creditors	-	-
Lease liability	-	-
Other Payables		
Accrued salaries and benefits	-	-
Provision for expenses	1,08,779	-
Provision for bonus and incentive	-	-
Uniform deposits	-	-
	1,08,779	-

11 Other current liabilities

Particulars	31 Mar 2023	31 Mar 2022
Income received in advance	-	-
Advance received from customers	-	-
Balances payable to government authorities	29,412	-
Provision for rent escalation	-	-
Provision for customer deductions	-	-
Security deposits - Received from Vendors	-	-
Suspense account(system)	-	-
Control Accounts	-	-
	29,412	-

GUESS CORP NA LLC

Date 13-05-2023
Place Minnesota

Daniel Friker
WFM-CEO - North America

Quess Corp NA LLC
Notes to the financial statements for the period ended 31 Mar 2023

12 Revenue from operations

(Amounts in USD)

Particulars	31 Mar 2023	31 Mar 2022
Sale of services		
Staffing and recruitment services	53,666	-
Total sale of services	**53,666**	**-**

13 Employee benefits expense

Particulars	31 Mar 2023	31 Mar 2022
Salaries and wages	1,28,231	-
Contribution to provident and other funds	31,760	-
Expenses related to post-employment defined benefit plan	-	-
Expenses related to compensated absences	-	-
Staff welfare expenses	-	-
Expense on employee stock option scheme	-	-
	1,59,991	**-**

14 Other expenses

Particulars	31 Mar 2023	31 Mar 2022
Sub-contractor charges	13,393	-
Recruitment and training expenses	-	-
Rent	-	-
Power and Fuel	-	-
Repairs & maintenance		
- buildings	-	-
- plant and machinery	-	-
- others	-	-
Legal and professional fees (refer note 38.1)	11,55,053	-
Rates and taxes	-	-
Technological support services	-	-
Printing and stationery	-	-
Stores and tools consumed	-	-
Travelling and conveyance	2,045	-
Communication expenses	-	-
Provision for Cash Sales Receivable	-	-
Impairment loss on financial assets	-	-
Provision for Doubtful Retention Money Receivable	-	-
Provision for Security Deposit Clients	-	-
Deposits/Advances Written-off	-	-
Equipment hire charges	-	-
Insurance	31,412	-
Database access charges	-	-
Bank charges	995	-
Bad debts written off	-	-
Business promotion and advertisement expenses	-	-
Loss on sale of fixed assets, net	-	-
Foreign exchange loss, net	-	-
Expenditure on corporate social responsibility (refer note 38.2)	-	-
Miscellaneous expenses	1,884	-
Services reimbursement expenses	-	-
	12,04,781	**-**

QUESS CORP NA LLC

Daniel Friker
WFM-CEO - North America

Date 13-05-2023
Place Minnesota

Related party disclosures

QUESS CORP NA LLC

(Year ending March 31 2023)

(i) Name of related parties and description of relationship: (Please select the entities from the list shared herewith)

- Subsidiaries, associates and joint venture	MFXchange US, INC.
- Entity having common directors	-
- Entities in which key managerial personnel have significant influence	
Key executive management personnel	Pinaki Kar

ii) Related party transactions

(Amount in Entity Currency)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022

ii) Balance receivable from and payable to related parties as at the balance sheet date:

(Amount in Entity Currency)

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	-	-
Trade payables	20,863	-
	20,863	-

QUESS CORP NA LLC

Daniel Friker

WFM-CEO - North America

Date 13-05-2023

Place Minnesota

Quess Corp NA LLC
(Year ending March 31 2023)

1. Trade receivables and unbilled revenue

Trade receivable:

(Amount in INR millions)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction						
	Unbilled revenue	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables							
- Considered good	0.9	3.3	-	-	-	-	4.3
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables	-	-	-	-	-	-	-
- Considered good	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Intercompany AR balance	-	-	-	-	-	-	-
- Name of entities	-	-	-	-	-	-	-

2. Trade payables and provision for expenses

Trade payables:

(Amount in INR millions)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues (Provision for expense)	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises						
- Others	8.92	1.71	-	-	-	10.63
Disputed						
- Micro enterprises and small enterprises		-	-	-	-	-
- Others		-	-	-	-	-
Intercompany AP balance		-	-	-	-	-
MFXchange US, Inc.		1.71	-	-	-	1.71

QUESS CORP NA LLC

Daniel Friker
WFM-CEO - North America

Date 13-05-2023
Place Minnesota

ALLSECTECH, INC.

FINANCIAL STATEMENTS

MARCH 31, 2023 AND 2022

ALLSECTECH INC

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March 31, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Allsectech, Inc.
Princeton, NJ

Opinion

We have audited the accompanying financial statements of Allsectech, Inc. (" Company"), which comprise the balance sheets as of March 31, 2023 and 2022 , and the related statements of income, cash flow, and statements of stockholders' equity for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Allsectech, Inc as of March 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events ,considered in the aggregate, that raise substantial doubt about the Company 's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

R. Venkataraman

Ravi Venkataraman, CPA
Princeton, New Jersey
April 21, 2023

ALLSECTECH, INC.
BALANCE SHEETS
AS OF MARCH 31

		2023		2022
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	$	644,777	$	484,987
Accounts Receivable		1.536,392		1,344,815
Restricted Cash		6,276		6,274
Security Deposit		8,322		14,382
Prepaid expenses		58,249		84,421
Other Asset		223,433		75,123
Total Current Assets		**2,477,449**		**2,010,002**
PROPERTY AND EQUIPMENT				
Property and Equipment		-		1,536
Accumulated Depreciation		-		-
Net Property and Equipment		-		**1,536**
Total Assets	**$**	**2,477,449**	**$**	**2,011,538**
LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES				
Accounts Payable	$	86,286	$	14,542
Accounts Payable - Affiliate		928,724		1,297,027
Accrued Expenses		869,845		205,575
Total Current Liabilities		**1,884,855**		**1,517,144**
STOCKHOLDERS' EQUITY				
Common Stock-no par value, 3,000 shares authorized and 100 shares issued and outstanding		2,310,000		2,310,000
Retained Earnings		(1,717,406)		(1,815,606)
Total Stockholders' Equity		**592,594**		**494,394**
Total Liabilities and Equity	**$**	**2,477,449**	**$**	**2,011,538**

See Independent Auditor's Report and notes to financial statements

ALLSECTECH. INC.
STATEMENTS OF INCOME
FOR THE YEARS ENDED MARCH 31

	2023	2022
Operating Revenues	$ 16,212,272	$ 12,063,697
Cost of Revenues	(14,775,789)	(11,316,404)
Gross Profit	1,436,483	747,293
Operating Expenses (Schedule 1)	(1,328,534)	(801,510)
Income from operations	107,949	(54,217)
Interest Income and other income	1	2,350
Income before provision for income taxes	107,950	(51,867)
Provision for Income Taxes-State	(9,750)	(11,198)
Net Income/ (Loss)	**$ 98,200**	**$ (63,065)**

See Independent Auditor's Report and notes to financial statements

ALLSECTECH, INC.
STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED MARCH 31

	Common Stock	Retained Earnings	2023	Common Stock	Retained Earnings	2022
Balance at April 1, 2022	$ 2,310,000	$ (1,815,606)	$ 494,394	$ 2,310,000	$ (1,752,541)	$ 557,459
Capital Contributions during the year						
Prior Period Adjustment		-	-		-	-
Balance at March 31, 2022	**2,310,000**	**(1,815,606)**	**494,394**	**2,310,000**	**(1,752,541)**	**557,459**
Capital Contributions during the year						
Earnings/(Loss)-FY2023		98,200	98,200		(63,065)	(63,065)
Prior year adjustment	-	-	-	-	-	-
Balance at March 31, 2023	**$ 2,310,000**	**$ (1,717,406)**	**$ 592,594**	**$ 2,310,000**	**$ (1,815,606)**	**$ 494,394**

See Independent Auditor's Report and notes to financial statements

ALLSECTECH, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	$ 98,200	$ (63,065)
Depreciation	2,343	-
Adjustments to reconcile Net Income to net cash provided by operating activities:		
Restricted Cash	-	-
Accounts Receivable	(191,577)	(557,619)
Prepaid Expenses	26,172	(37,895)
Security Deposit-Rental	6,060	13,937
Other Asset	(148,312)	(56,714)
Accounts Payable	71,744	5,596
Accounts Payable-Affiliate	(368,303)	592,753
Accrued Expenses	664,270	880
Other Payable	-	-
Net Cash provided by Operating Activities	160,597	(102,127)
CASH FLOW FROM FINANCING ACTIVITIES		
Addition to Property and Equipment	(807)	(1,536)
Loan from parent	-	-
Net Cash used by Financing Activities	(807)	(1,536)
Net Cash increase for the Year	159,790	(103,663)
Cash And Cash Equivalents At Beginning Of Year	484,987	588,650
Cash And Cash Equivalents At End Of Year	**$ 644,777**	**$ 484,987**
Supplemental disclosure of cash flow information		
Cash paid during the years		
Interest	$ -	$ -
Income taxes	$ 9,750	$ 14,564

See Independent Auditor's Report and notes to financial statements

ALLSECTECH, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023

Note 1 – Description of Company's Business

Allsectech, Inc. (Allsectech/Company) was incorporated on September 14, 2000 in the State of Delaware. Allsectech is the wholly owned subsidiary of Allsec Technologies Limited (Technologies/Parent Company) a publicly held corporation in India.

Conneqt Business Solutions Limited ('Conneqt'), a subsidiary of Quess Corp Limited, had entered into share purchase agreements dated April 17, 2019 with Mr. Jagadish R, Mr. Saravanan A and First Carlyle Ventures Mauritius to acquire 9,349,095 equity shares, representing 61.35% of the voting share capital of Allsec Technologies Limited. The effective date of acquisition of equity shares by Conneqt was June 3, 2019.

Consequent to this transaction, Allsec Technologies Limited has become the subsidiary of Conneqt with effect from June 3, 2019. with effective date of acquisition being considered as 1st June 2022 in terms of IND AS accounting standards and Allsectech Inc has become a step down subsidiary of Conneqt.

Allsectech provides marketing services to Technologies, one of the world's leading providers of response management solutions and personalized customer care. Allsectech utilizes Technologies and parent company's wholly owned Philippines subsidiary Allsectech Manila Inc (Allsec-Manila) having its facilities in Manila to perform voice response services, and collection services of credit card and other receivables for its reputed customers. The Company has established a branch office in Manila, Philippines on November 8, 2012.

Note 2 – Summary of Significant Accounting Policies

This summary of significant accounting policies of Allsectech is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles in the United States of America and have been consistently applied in the preparation of the financial statements.

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ALLSECTECH, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2023

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. Accordingly, all significant receivables, payables, and other liabilities are recorded.

The financial statements are prepared on accrual basis. These financial statements are presented for the year ended March 31, 2023.

Liquidity & Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern.

Revenue Recognition

Allsectech provides voice response services and collection of credit card and other receivables services to reputed companies. Unbilled services represent revenue on services performed but not billed until the subsequent period. Advances received prior to providing services will be treated as deferred revenues and recognized when services are performed. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is recognized as services are performed in accordance with the specific terms of the contract with the customer. Unbilled revenue represents accrual of income relating to services provided but not billed as at the year end.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at 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.

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Cash

Cash consists primarily of working funds. For purposes of the Statements of Cash Flows, cash is defined as unrestricted cash balances and investments with original maturities of three months or less. As of March 31, 2023 and 2022, there were $6,575 and $6,575 respectively in restricted cash balances. The restricted cash represents five escrow accounts opened in order to comply with collection licenses requirements from various States.

Property, Equipment and Depreciation

Property and equipment are reflected at cost. Depreciation is provided using straight-line method over its estimated useful life of three years for computer and five years for Network Equipments. Maintenance and repairs are expensed as incurred.

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 360, *Property, Plant and Equipment*, *formerly* FASB No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. Recoverability of assets held and used is measured by a comparison of the carrying amount of an asset to undiscounted expected cash flows. Future events could cause the Company to conclude that impairment indicators exist and that long-lived assets may be impaired.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses are equal or approximate their fair values due to the short term maturity of those instruments.

Cost of Revenues

Costs of service delivery consist of payroll cost incurred for the employee actively involved marketing services, the amount paid to Allsec Technologies & Allsectech Manila for support services rendered to the customers and other outside services utilized by the Company.

See Independent Auditor's Report

Income Taxes

The Company provide for income taxes on the basis of FASC 740, *Income Taxes formerly* Statement of Financial Accounting Standards No. 109, "*Accounting for Income Taxes*" which requires recognition of deferred taxes based on the differences between the financial statement and the tax basis of assets and liabilities at enacted rates in effect in the years in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

Note 3. Property and Equipment

The following is a summary of property and equipment at cost, less accumulated depreciation:

Description	**2023**	**2022**
Computers & Accessories	2,343	$ 1,536
Furniture & Fixtures	-	-
Vehicles	-	-
Software Licenses	-	-
Network Equipments	-	-
Original Cost	**2,343**	**1,536**
Less: Accumulated Depreciation	**(2,343)**	**(0)**
Net Property & Equipment	$0	1,536

The useful lives of property and equipment for the purpose of computing depreciation are three to seven years. Depreciation expense amounted to $ 2,343 and $ 1,536 for the years ended March 31, 2023 and 2022 respectively.

See Independent Auditor's Report

Note 4. Income Taxes

For the year ended March 31, 2023 the company has created an adhoc provision of $85,355.84 towards tax purpose.

Note 5. Going Concern

The Company has reported a profit of $ 98,200 and loss of $ 63,065 for the years ended March 31, 2023 and 2022 respectively. In spite of the losses, management intends to continue operations in the U.S. The Company expects to execute existing orders to generate revenues. In addition, certain cost cutting measures have been taken including laying off few business development employees/consultants; renewal of office lease with lower office spaces after the existing lease period and other cost control measures

Note 6. Prepaid Expenses

Prepaid expenses as of March 31, 2023 consists of the following:

Prepaid Licenses and Permits	$ 12,345
Prepaid Rent	15,197
Prepaid Insurance	242
Other Prepaid Expenses	30,465
Total Prepaid Expenses	$ 58,249

Note 7. Commitments and Contingent Liabilities

The Company lease administrative office space under an operating lease. This lease provide for annual base rent, escalations and additional payments for real estate taxes and other occupancy costs.

For the years ended March 31, 2023 and 2022, rent expense amounted to $ 175,746 and $158,950 respectively.

Further, the lease was extended to the term of the lease through August 31, 2023 with the following terms.

Rent Payable from 03-01-22 through 02-28-23	$ 6,300 per month
Rent Payable from 03-01-23 through 08-31-23	$ 6,575 per month

See Independent Auditor's Report

Note 8. Concentrations

Allsectech maintains its cash balance in a bank located in New Jersey. This account is insured by the Federal Deposit Insurance Corporation up to balance of $250,000.The Company maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

Concentration of credit with respect to receivables is limited to Company's parent and companies with strong credit rating. The Company establishes an allowance for uncollectible trade accounts based on historical collection experience and management's evaluation of collectability of outstanding accounts receivable. Due to strong credit background of its customers and parent, the Company does not maintain an allowance for doubtful accounts.

Note 9. Subsequent Events

The Company has evaluated the need for disclosures and/or adjustments resulting from subsequent events through April 21, 2023. The evaluation did not result in any subsequent events that necessitated disclosures and/or adjustments.

Note 10. Impact of Covid -19 on business operations

Due to lock down in US and in other key markets of Allsectech, Inc.most of the clients are not operating at normal levels. While parent Allsec Technologies has a very strong balance sheet, Allsectech Inc. also has good cash reserves to be resilient enough to weather the COVID-19 impact. The management is taking proactive steps to rationalize and reduce costs wherever possible to reduce impact on margins and conserve cash.

Allsectech uses operationally generated cash flows to fund its business. It has sufficient liquid assets to tide over current and post-COVID-19 period. As of 31st March 2023, Allsectech has not utilized any credit facilities from banks or financial institutions. At this time, it is not envisaged that there will be change in this position.

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ALLSECTECH, INC.
SCHEDULE OF OPERATING EXPENSES
FOR YEARS ENDED MARCH 31

Operating expenses	2023	2022
Automobile Expense	$ -	$ -
Bank Service Charges	4,965	122
Business Promotion Exp	121,158	130,212
Connectivity Charges	6,116	3,824
Depreciation Expense	2,343	-
Security Charges	44,358	40,665
Insurance	41,492	46,378
Licenses and Permits	46,094	71,607
Office Supplies & Expense	3,924	(1,385)
Payroll Processing Fees	697	-
Professional Fees	708,429	283,873
Rent	175,746	158,950
Utilities	7,879	9,128
Repairs	72,130	17,110
Telephone	1,845	2,573
Recruitment Fee	58,000	34,000
Travel & Ent	33,358	4,453
Total	**$ 1,328,534**	**$ 801,510**

See Independent Auditor's Report and notes to financial statements

Allsectech Manila, Inc.
Trial Balance
As at March 31, 2023 and 2022
(Amounts in PHP)

Particulars	March 31, 2023	March 31, 2022
1101 · Petty Cash Fund	30,000	12,500
1102 · Cash In Bank:1102-5 · BDO - Peso Account	30,894,641	30,720,744
1102 · Cash In Bank:1102-6 · BDO Dollar Account	263,378,214	246,356,615
1102 · Cash In Bank:1102-7 · BDO-BIR-CBC-Hinge Account	6,127,644	3,925,064
1103 · Account Receivables:1103-2 · A/R from Customers	37,197,616	54,633,263
1103 · Account Receivables:1103-4 · A/R from Affiliates	38,610,981	32,863,661
1103 · Account Receivables:1103-5 · Unbilled Charges	18,354,434	7,102,231
1103 · Account Receivables:1103-6 · Accounts Receivable - Others	0	0
1103-3 A/R Others:Provision for Bad Debts	(149,337)	(117,428)
1103-7 A/R Others:Foreign Currency Receivable	45,216,000	61,982,000
1103-7-1 A/R Others:Foreign Currency Receivable:Premium on Forward Contract	(33,054)	(292,465)
1104 · Advances:1104-1 · Advances to Employees	110,150	286,064
1104 · Advances:1104-2 · Advances to Officers	107,467	5,293
1104 · Advances:1104-4 · Advances to Affiliates	78,714	84,451
1104 · Advances:1104-6 · Advances to Customers	-	-
1104 · Advances:1104-7 · Advances for Liquidation	184,037	380,141
1300 · Property, Plant & Equipment:1304 · CITE	117,863,272	113,195,424
1300 · Property, Plant & Equipment:1304 · CITE:1304-D · Accum Dep - CITE	(110,700,916)	(101,726,578)
1300 · Property, Plant & Equipment:1305 · OFFE	19,669,101	18,977,999
1300 · Property, Plant & Equipment:1305 · OFFE:1305-D · Accum Dep - OFFE	(18,329,438)	(17,733,771)
1300 · Property, Plant & Equipment:1306 · LHI	44,368,953	44,368,953
1300 · Property, Plant & Equipment:1306 · LHI:1306-D · Accum Dep - LHI	(44,266,453)	(44,198,120)
1307 Property, Plant & Equipment:Right of Use Asset	49,459,279	77,064,451
1308 Property, Plant & Equipment:Computer Software & Licenses	5,122,491	2,593,036
1308-D Property, Plant & Equipment:Computer Software & Licenses:Accum Amort - Computer Software & Licenses	(2,740,038)	(1,418,355)
1400 Refundable Deposits - Current	109,499	105,499
1401 · Prepaid Expenses:1401-1 · Prepaid Rent	364,205	197,502
1401 · Prepaid Expenses:1401-2 · Prepaid Insurance	153,030	86,220
1401 · Prepaid Expenses:1401-4 · Prepaid Others	4,569,004	5,260,511
1401 · Prepaid Expenses:1401-4 · Prepaid Others:1401-4A · Prepaid Others- Medical	352,651	247,655
1402 · Refundable Deposits	-	-
1402 · Refundable Deposits:1402-1 · Security Deposit - SSECC	9,097,021	8,280,228
1402 · Refundable Deposits:1402-3 · Security Deposit - Helius	95,075	95,075
1405 · Input Tax	-	-
2000 · Vouchers Payable	(2,420,921)	(1,929,861)
2102 · Accrued Expenses	(5,458,508)	(4,407,939)
2103 · SSS EC Payable	(2,092,060)	(1,442,520)
2104 · SSS Loan Payable	(239,118)	(251,881)
2105 · HDMF Payable	(134,300)	(108,600)
2106 · HDMF Loan Payable	(146,430)	(110,826)
2107 · PHIC Payable	(500,391)	(297,862)
2108 · W/Tax Payable - Expanded	(366,455)	(320,381)
2109 · W/Tax Payable - Compensation	(461,411)	(976,325)
2110 · Income Tax Payable	(12,269,506)	(6,260,313)
2111 · Output Tax	(2,643,311)	(1,390,675)
2113 Lease Liability - Current	(27,724,780)	-
2121 · Unearned Income	(100,000)	(427,010)
2124 · Withholding Tax - Final	-	(2,440,791)
2300 · 13th Month Payable	(4,496,894)	(4,005,461)
2301 · Sick Leave Encashment Payable	(2,094,315)	(1,902,758)
2302 · Due to AllsecTechnologies India	(0)	(0)
2303 Foreign Currency Payable	(43,543,200)	(62,352,000)
2401 Lease Liability	(23,964,760)	(76,437,266)
2402 Retirement Liability	(8,884,435)	(8,282,060)
3107 · Subscribed Common Shares	(81,250,000)	(81,250,000)
3201 · Retained Earnings	(889,970,491)	(681,016,447)
3204-1 Other comprehensive income:Remeasurement Gain	(1,988,608)	(722,842)
3203 Dividends	809,443,333	601,950,000
4202 · Service Income - Call Center	(462,967,194)	(394,660,358)
4203 · Service Income - Payroll	(59,987,142)	(49,701,158)
4207 · Service Income - Fin. Services	(129,626,256)	(134,274,349)
5101-2 · Salaries & Wages - Call Center	107,075,356	101,182,001
5101-5 · Salaries & Wages - Payroll	17,485,675	13,416,162
5101-6 · Salaries & Wages- Fin. Services	26,374,991	13,146,566
5102-2 · EIBA - Call Center	56,956,686	39,188,970
5102-5 · EIBA - Payroll	1,041,318	1,006,363
5102-6 · EIBA-Fin. Services	35,409,922	17,573,444
5103-2 · SSS Contributions - Call Center	10,134,295	8,936,310
5103-5 · SSS Contributions - Payroll	738,255	549,390
5103-6 · SSS Contributions-Fin Services	1,914,933	841,758

Navarro Amper & Co.
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Deloitte

Particulars	March 31, 2023	March 31, 2022
5104-2 · HDMF Contributions - Call Ctr.	519,300	474,800
5104-5 · HDMF Contributions - Payroll	31,600	23,600
5104-6 · HDMF Contributions-Fin.Services	66,300	38,500
5105-2 · PHIC Contributions - Call Ctr.	1,901,747	1,263,980
5105-5 · PHIC Contributions - Payroll	250,046	127,980
5105-6 · PHIC Contributions-Fin.Services	495,993	159,979
5107 · Telephone and Communication	6,688,438	6,480,211
5109 Amortization Expense - ROUA	27,605,172	25,249,947
5110 · Depreciation Expense - CITE	8,974,338	9,408,332
5111 · Rent Expense - COS	28,626,244	26,358,715
5112 · Power, Light and Water - COS	13,965,760	10,598,037
5113 IFRS 16 - Rent Reversal	(28,626,241)	(28,325,476)
5114 IFRS 16 - Finance Cost	3,917,463	1,781,968
5116 · Management and Professional Fee	917,874	18,164,308
5117 Redundancy Expense	371,930	522,385
5118 Amortization Expense - CSL	1,321,683	1,418,355
5300-2 · 13th Month Expense - CCA	7,394,142	7,018,776
5300-7 · 13th Month Expense - Payroll	1,281,471	938,883
5300-8 · 13th Month Expense-Fin Services	2,079,515	1,049,761
5301-2 · Sick Leave Encashment - CC	2,525,334	2,839,213
5301-7 · Sick Leave Encashment - Payroll	517,594	415,980
5301-8 · Sick Leave Encashment-Fin Serv.	649,957	307,798
5302-1 Retirement Expense - DBS	1,358,045	1,467,940
5302-2 Retirement Expense - HRO	91,491	(159,482)
5201-1 · Salaries & Wages - Admin	2,987,216	2,691,920
5201-2 · Salaries & Wages - Staff	9,530,946	8,564,995
5202-1 · EIBA - Admin	30,000	30,000
5202-2 · EBIA - Staff	930,000	737,231
5203-1 · SSS Contributions - Admin	28,035	25,860
5203-2 · SSS Contributions - Staff	617,808	553,605
5204-2 · HDMF Contributions - Staff	29,300	27,600
5205-1 · PHIC Contributions - Admin	19,300	10,800
5205-2 · PHIC Contributions - Staff	176,636	109,581
5206-2 · Trainings - Staff	26,200	32,200
5206-3 Hazard Pay	-	-
5207 · Medical Expenses	8,506,625	6,712,729
5208 · Telephone Expense	830,858	2,914,064
5209 · Rent Expense	1,847,921	4,405,078
5210 · Depreciation Expense	664,001	230,233
5212 · Taxes and Licenses	2,839,919	2,344,906
5213 · Power, Light and Water	79,877	62,231
5214 · Repairs and Maintenance	2,571,566	2,197,694
5216 · Transportation and Travel	32,741,550	15,567,524
5217 · Office Supplies	1,168,740	759,305
5219 · Insurance Expense	359,469	340,308
5220 · Representation & Entertainment	1,502,601	892,292
5221 · Common Area Charges	6,083,051	6,019,164
5224 · Recruitment Expenses	3,925,724	2,634,501
5228 · Miscellaneous Expense	11,840	5
5229 · Bank Charges	68,746	49,430
5234 · Security Services	3,123,453	2,859,112
5235 · Janitorial Services	2,093,022	2,481,768
5236 · Holidays Expense	874,485	298,884
5238 · Meal Expenses	551,626	829,896
5239 · Professional Fees - External	5,336,647	2,816,286
5241 Postage and courier	91,761	77,632
5242-3 Retirement Expense – Support	418,604	506,496
5243 Bad debts Expense	31,908	129,380
5300-3 · 13th Month Expense - Admin	184,113	157,029
5300-4 · 13th Month Expense - Staff	758,908	679,689
5301-3 · Sick Leave Encashment - Admin	110,120	92,825
5301-4 · Sick Leave Encashment - Staff	385,720	353,957
5403 · Utilities and Consumables	977,888	580,148
4301 · Interest Income - Peso Account	(16,514)	(19,635)
4302 · Interest Income - US Dollar A/C	(117,277)	(90,113)
4303 Interest Income from FV of Deposits	(501,673)	(102,225)
4401 · Realized Forex Gain (Loss)	(1,369,918)	573,998
4402 · Unrealized Forex Gain (Loss)	(22,840,040)	(9,101,953)
4501 · Miscellaneous Income	-	(1)
4403 P/L on FC Restatement	-2,400,800	826,000
4404 Premium Amortisation	98,589	-163,535
4405 P/L on FC Delivery	5,211,600	720,400
5407 · Income Tax Expense	27,956,129	23,797,072

As per our Report of even date

SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date: May 5,2023

Navarro Amper & Co.
For Identification Only
Deloitte

Allsectech Manila Inc.
Balance Sheet
(All amounts are in PHP, unless otherwise stated)

	Schedules	As at March 31, 2023	As at March 31, 2022
Equity and liabilities			
Shareholders' funds			
Share capital	1	81,250,000	81,250,000
Reserves and surplus	2	296,503,448	288,743,332
		377,753,448	**369,993,332**
Non-current liabilities			
Lease Liability	3	23,964,760	76,437,266
Retirement Liability	3	8,884,435	8,282,060
		32,849,195	**84,719,326**
Current liabilities			
Sundry creditors - others	4	10,073,744	8,667,568
Sundry creditors - non Trade	4	385,548	362,707
Accrued salaries and benefits	4	4,496,894	4,005,461
Lease liability	4	27,724,780	-
Provision for taxation	4	12,269,506	6,260,313
Forward Contract Liabilities - net	4	-	662,465
Other liabilities	4	6,197,929	6,977,153
		61,148,401	**26,935,668**
Total		**471,751,044**	**481,648,326**
Assets			
Non-current assets			
Fixed assets	5	60,446,251	91,123,039
Other non-current assets	6	9,192,096	8,375,303
		69,638,347	**99,498,342**
Current assets			
Cash and bank balances	8	300,430,499	281,014,923
Trade receivables	7	94,013,694	94,481,726
Short-term loans and advances	9	480,369	755,948
Prepayments and other current assets	10	5,548,389	5,897,387
Forward Contract Assets - net	11	1,639,746	-
		402,112,697	**382,149,984**
Total		**471,751,044**	**481,648,326**

As per our Report of even date

For Allsectech Manila Inc.

SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date: May 5,2023

Navarro Amper & Co.
For Identification Only
Deloitte

Allsectech Manila Inc.
Schedules to the Financial Statements
(Amounts in PHP)

		As at March 31, 2023	As at March 31, 2022
1	**Share Capital**		
	Capital Stocks - Common	81,250,000	81,250,000
		81,250,000	**81,250,000**
2	**Reserves and Surplus**		
	Reserves and surplus	288,743,332	680,767,596
	Profit for the period	213,987,683	208,954,044
	Dividends	(207,493,333)	(601,950,000)
	Remeasurement gain on retirement liability - OCI	1,265,766	971,693
	Net reserves and surplus in the statement of profit and loss	**296,503,448**	**288,743,332**
3	**Other Long-Term Liabilities**		
	Lease Liability	23,964,760	76,437,266
	Retirement liability	8,884,435	8,282,060
		32,849,195	**84,719,326**
4	**Current liabilities**		
	Sundry creditors - non trade	385,548	362,707
	Sundry creditors - others	10,073,744	8,667,568
	Accrued salaries and benefits	4,496,894	4,005,461
	Lease liability	27,724,780	-
	Provision for taxation	12,269,506	6,260,313
	Forward Contract Liabilities - net	-	662,465
	Other liabilities	6,197,929	6,977,153
		61,148,401	**26,935,668**
5	**Fixed Assets**		
	Property and equipment	181,901,326	176,542,375
	Right-of-use asset	49,459,279	77,064,451
	Intangible asset	5,122,491	2,593,036
	Accumulated depreciation	(176,036,845)	(165,076,823)
		60,446,251	**91,123,039**
6	**Other Non-current Assets**		
	Other financial assets - non current	9,192,096	8,375,303

Navarro Amper & Co.
For Identification Only
Deloitte

Allsectech Manila Inc.
Schedules to the Financial Statements
(Amounts in PHP)

	As at March 31, 2023	As at March 31, 2022
7 Current trade receivable (unsecured)		
Considered good	94,163,031	94,599,155
Allowance for expected credit losses	(149,337)	(117,428)
	94,013,694	**94,481,726**
8 Cash and bank balances		
Cash on hand	30,000	12,500
Balance with banks		
- in current accounts	300,400,499	281,002,423
	300,430,499	**281,014,923**
9 Short-term loans and advances (Unsecured, considered good unless stated otherwise)		
Advances recoverable in cash or in kind or for value to be received	401,654	671,497
Loan to subsidiary	78,714	84,451
	480,369	**755,948**
10 Prepayments and other current assets		
Prepayments and other current assets	5,548,389	5,897,387
	5,548,389	**5,897,387**
11 Forward Contract Assets - net		
Forward Contract Assets - net	1,639,746	-
	1,639,746	**-**

SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date: May 5,2023

Navarro Amper & Co.
For Identification Only
Deloitte

Allsectech Manila Inc.
Statement of Comprehensive Income
(All amounts are PHP, unless otherwise stated)

	Schedules	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations(net)		652,580,592	578,635,865
Other income - net	11	21,936,032	7,357,063
Total revenue (I)		**674,516,624**	**585,992,927**
Expenses			
Employee cost and benefits	12	306,757,264	237,380,854
Other expenses	13	83,264,145	77,722,694
Total (II)		**390,021,409**	**315,103,548**
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		**284,495,215**	**270,889,380**
Finance costs	14	3,986,209	1,831,398
Depreciation and amortization expense		38,565,194	36,306,866
Profit before tax		**241,943,812**	**232,751,115**
Provision for taxation			
Current tax		27,956,129	23,797,072
Profit for the year		**213,987,683**	**208,954,044**
Item that will not be Reclassified Subsequently to Profit or Loss			
Remeasurement gain on defined benefit obligation	2	1,265,766	971,693
Total Comprehensive Income for the Year		**215,253,449**	**209,925,737**

As per our Report of even date

For Allsectech Manila Inc.

SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date: May 5,2023

Navarro Amper & Co.
For Identification Only
Deloitte

Allsectech Manila Inc.
Schedules to the Financial Statements
(Amounts in PHP)

	For the year ended March 31, 2023	For the year ended March 31, 2022
11 Other Income - net		
Interest	635,463	211,972
Others	21,300,569	7,145,091
	21,936,032	**7,357,063**
12 Employee costs and benefits		
Salaries, wages and allowances	291,878,948	225,356,573
Recruitment and training	3,951,924	2,666,701
Staff welfare	10,926,392	9,357,579
	306,757,264	**237,380,854**
13 Other expenses		
Management and professional fee	917,874	18,164,308
Rent and amenities	7,930,975	8,457,480
Electricity	14,045,636	10,660,269
Professional and consultancy charges	5,336,647	2,816,286
Travel and conveyance	32,833,311	15,645,156
Telephone	7,519,296	9,394,275
Repairs and maintenance		
- Plant and machinery	2,571,566	2,197,694
- Others	5,216,475	5,340,880
Rates and taxes	2,839,919	2,344,906
Miscellaneous expenses	2,158,468	1,339,458
Other selling expenses	1,534,509	1,021,673
Insurance	359,469	340,308
	83,264,145	**77,722,694**
14 Finance costs		
Bank charges	68,746	49,430
Interest - others	3,917,463	1,781,968
	3,986,209	**1,831,398**

SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date: May 5,2023

Navarro Amper & Co.
For Identification Only
Deloitte

HIMMER INDUSTRIAL SERVICES (M) SDN. BHD.
Registration No : 201601014831 (1185762-T)
(Incorporated in Malaysia)

ANNUAL REPORT

31 DECEMBER 2022

S.Y.LOW & CO.
Chartered Accountants

HIMMER INDUSTRIAL SERVICES (M)SDN.BHD.
(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors submit their report and the audited financial statements of the Company for the financial year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The Company was dormant during the financial year.

RESULTS OF OPERATIONS

Profit / (Loss) after taxation for the financial year was RM(8,508.62).

In the opinion of the directors, the results of the Company's operations during the financial yearwere not substantially affected by any item, transaction or event of a material and unusual nature.

RESERVES AND PROVISIONS

No material transfers to or from reserves or provisions were made.

DIVIDENDS

The directors do not recommend payment of a dividend and no dividend has been paid or declared since the end of the previous financial year.

SHARE ISSUES AND OPTIONS

No shares or debentures were issued, and no options to take up unissued shares were granted during the financial year and at the end of the financial year, no options over unissued shares of the Company were outstanding.

DIRECTORS

The directors in office since the date of last report are :-

VIJAY SIVARAM

JEYASUBRAMANIAM A/L N.NARAYANAN (Appointed on 1-3-2023)

NORAFIZA BINTI HASHIM (Resigned on 1-3-2023)

ABANG ISKANDAR BIN ABANG MU'AS (Resigned on 1-3-2023)

The directors holding office at the end of the financial year had interests in shares of the Company and its related corporations as follows:-

	Number of Ordinary Shares			
	at 01-01-2022	Bought	Sold	at 31-12-2022
The Company	Nil	Nil	Nil	Nil
Related Corporations	Nil	Nil	Nil	Nil

None of the directors holding office at the end of the financial year had interest in shares of the Company and its related corporations.

DIRECTORS' BENEFITS

Neither at the end of, nor at any time during the financial year did there subsist any arrangements, to which the Company is a party, whereby directors might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no directors of the Company has received or has become entitled to receive a benefit, by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a Company in which he has a substantial financial interest.

AUDITORS' REMUNERATION

Auditors' remuneration of the Company for the financial year ended 31 December 2022 amounted to RM 2,000.

OTHER STATUTORY INFORMATION

Before the Statement of Comprehensive Income and the Statement of Financial Position were made out, the directors took reasonable steps :-

(a) to ascertain that proper action has been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts;

(b) to ensure that any current assets which were unlikely to realise their book value in the ordinary course of business were written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render :-

(a) the amount written off for bad debts or the allowance for doubtful debts inadequate to any substantial extent;

(b) the values attributed to current assets in the financial statements misleading;

(c) adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in the report or the financial statements which would render any amounts stated in the financial statements misleading.

At the date of this report :-

(a) no charges on the assets of the Company have arisen since the end of thefinancial yearto secure the liabilities of any other person;

(b) no contingent liabilities have arisen since the end of the financial year.

In the opinion of the directors :-

(a) no contingent or other liability have become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Company to meet its obligations when they fall due;

(b) in the interval between the end of the financial year and the date of thisreport, no item, transaction or event of a material and unusual nature likely to affect substantially the results of the Company's operations for the financial year in which this report is made, have arisen.

Registration No : 201601014831 (1185762 - T)

AUDITORS

The auditors, S.Y. LOW & CO., have indicated their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors,

.....
DIRECTOR (JEYASUBRAMANIAM A/L N.NARAYANAN)

.....
DIRECTOR (VIJAY SIVARAM)

Kuala Lumpur,

Dated : 26 JUL 2023

STATEMENT BY DIRECTORS
(Pursuant to Section 251(2) of the Companies Act, 2016)

We, the undersigned, being two of the directors of
HIMMER INDUSTRIAL SERVICES (M) SDN.BHD.
do hereby state that, in the opinion of the directors, the accompanying financial statements are drawn up in compliance with the Malaysian Private Entities Reporting Standard (MPERS) and the provisions of the Companies Act, 2016 so as to give a true and fair view of the state of affairs of the Company as at 31 December 2022 and of the results of their operations and of the cash flows of the Company for the year ended on that date.

Signed on behalf of the Board in accordance with a resolution of the directors,

.....
DIRECTOR (JEYASUBRAMANIAM A/L N.NARAYANAN)

.....
DIRECTOR (VIJAY SIVARAM)

Dated : 26 JUL 2023

STATUTORY DECLARATION
(Pursuant to Section 251(1) of the Companies Act, 2016)

I, JEYASUBRAMANIAM A/L N.NARAYANAN (NRIC NO : 540522-08-5409)
being the director primarily responsible for the financial management of
HIMMER INDUSTRIAL SERVICES (M) SDN.BHD.
do solemnly and sincerely declare that the accompanying financial statements are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)
declared by the abovenamed)
at Kuala Lumpur in the state)
of Wilayah Persekutuan)
on 26 JUL 2023)

.....
JEYASUBRAMANIAM A/L N.NARAYANAN

Before me,

PESURUHJAYA SUMPAH
W 905
CHEONG MUN HOW
01.12.2022-31.12.2024
MALAYSIA

NO. 31-1A, JALAN PANDAN 3/10,
PANDAN JAYA
55100 KUALA LUMPUR

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
HIMMER INDUSTRIAL SERVICES (M)SDN.BHD.
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of HIMMER INDUSTRIAL SERVICES (M)SDN. BHD., which comprise the statement of financial position as at 31 December 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 19.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 11 in the financial statements, which indicatesthat the Company's statement of financial position shows a deficiency of working capital of RM(284,622.98) and an accumulated losses of RM(384,622.98) as compared with the paid-up share capital of RM100,000.00. As stated in Note 11, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also :-

i) Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

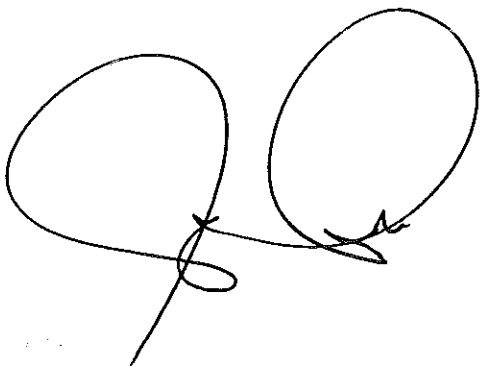
iv) Conclude on the appropriateness of the Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertaintyexists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;

v) Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

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

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



S.Y. LOW & CO.
Firm No. AF 1093
CHARTERED ACCOUNTANTS
87-1, JalanPuduUlu,
56100 Kuala Lumpur.

LOW SOOK YEE
C.A.(M)
Approval No.1691/8/23 (J)

Dated : 26 JUL 2023

HIMMER INDUSTRIAL SERVICES (M) SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 RM	2021 RM
NON CURRENT ASSETS			
Property, plant and equipment	5	0.00	1,412.72
		0.00	1,412.72
CURRENT ASSETS			
Cash and bank balances		30,435.91	40,538.21
		30,435.91	40,538.21
TOTAL ASSETS		30,435.91	41,950.93
EQUITY			
Share capital	6	100,000.00	100,000.00
Accumulated losses		(384,622.98)	(376,114.36)
		(284,622.98)	(276,114.36)
CURRENT LIABILITIES			
Other payables and accruals	7	301,753.89	304,760.29
Amount owing to directors	8	13,305.00	13,305.00
		315,058.89	318,065.29
TOTAL LIABILITIES		315,058.89	318,065.29
TOTAL EQUITY AND LIABILITIES		30,435.91	41,950.93

The accompanying notes form part of these financial statements.

HIMMER INDUSTRIAL SERVICES (M) SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 RM	2021 RM
REVENUE		0.00	0.00
ADMINISTRATIVE EXPENSES		(4,916.70)	(14,498.10)
OTHER OPERATING EXPENSES		(3,591.92)	(3,912.22)
PROFIT / (LOSS) before taxation	9	(8,508.62)	(18,410.32)
TAXATION	10	0.00	0.00
TOTAL COMPREHENSIVE INCOME/ (LOSS) after taxation		(8,508.62)	(18,410.32)

The accompanying notes form part of these financial statements.

HIMMER INDUSTRIAL SERVICES (M) SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	SHARE CAPITAL RM	ACCUMULATED LOSSES RM	TOTAL RM
Balance as at 31-12-2020	100,000.00	(357,704.04)	(257,704.04)
Profit / (Loss) for the year	0.00	(18,410.32)	(18,410.32)
Balance as at 31-12-2021	100,000.00	(376,114.36)	(276,114.36)
Profit / (Loss) for the year	0.00	(8,508.62)	(8,508.62)
Balance as at 31-12-2022	100,000.00	(384,622.98)	(284,622.98)

HIMMER INDUSTRIAL SERVICES (M) SDN. BHD.
(Incorporated in Malaysia)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 RM	2021 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	(8,508.62)	(18,410.32)
Adjustment for :-		
Depreciation	1,412.72	1,412.72
Operating profit / (loss) before working capital charges	(7,095.90)	(16,997.60)
Other payables and accruals	(3,006.40)	638.60
Amount owing to directors	0.00	6,675.00
Net cash flows from operating activities	(10,102.30)	(9,684.00)
Net increase / (decrease) in cash and cash equivalents	(10,102.30)	(9,684.00)
Cash and cash equivalents at beginning of year	40,538.21	50,222.21
Cash and cash equivalents at end of year	30,435.91	40,538.21

HIMMER INDUSTRIAL SERVICES (M)SDN.BHD.
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was dormant during the financial year.

The Company is a private limited liability company, incorporated and domiciled in Malaysia.

The registered office of the Company is at D-2-5, Megan Avenue 1,189 Jalan Tun Razak, 50400 Kuala Lumpur.

The principal place of business of the Company is at Unit 25-13A, Level 25, Q Sentral, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur.

The financial statements were approved and authorised for issue by the Board of Directors on 26 JUL 2023

2. BASIS OF PREPARATION

The financial statements of the Company have been prepared on the historical cost basis and in compliance with the Malaysian Private Entities Reporting Standard (MPERS) and the provisions of the Companies Act, 2016.

The financial statements are presented in Ringgit Malaysia (RM) which is the Company's functional currency.

Management has used estimates and assumptions in measuring the reported amount of assets and liabilities at the end of the reporting period and the reported amounts of revenue and expenses during the reported period. Judgements and assumptions are applied in the measurement and hence, the actual results may not coincide with the reported amounts.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 FINANCIAL INSTRUMENTS

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

Financial instruments are recognised on the statement of financial position when the Company has become a party to the contractual provisions of the instrument. At initial recognition, a financial instruments is recognised at transaction price, including transaction costs if the financial instruments is not measured at fair value through profit or loss, except a financing transaction. Financing transactions are measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Basic financial instruments include cash, debt instruments (receivables and payables), commitments to receive loans that cannot be settled net in cash, investments in non-convertible preference shares and non-puttable ordinary or preference shares.

FINANCIAL INSTRUMENTS THAT ARE DEBT INSTRUMENTS MEASURED AT AMORTISED COST

At the end of each reporting period, an entity shall measure financial instruments as follows, without any deduction for transaction costs the entity may incur on sale or other disposal.

Subsequent to initial recognition, debts instruments are measured at amortised cost using the effective interest method, whilst commitments to receive a loan are measured at cost less impairment.

Effective interest method is a method of calculating the amortised cost of financial assets and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash receipts through the expected life of the financial assets or, when appropriate, a shorter period, to the carrying amount of the financial assets.

A financial asset is derecognised when the contractual right to receive cash flows from the financial asset has expired or settled.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets are classified as at fair value through profit or loss when the financial assets are within the scope of Section 12 of the MPERS or if the financial assets are publicly traded or their fair value can otherwise be measured reliably without undue cost or effort.

Changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available for an equity instrument that is not publicly traded but is measured at fair value through profit or loss, its fair value at the last date that instrument was reliably measurable is treated as the cost of the instrument, and it is measured at this cost amount less impairment until a reliable measure of fair value becomes available.

A financial liability is derecognised only when it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires. An exchange between an existing borrower and lender of financial instruments with substantially different terms are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Any difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

3.2 PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment are initially measured at cost. For purchased asset, cost comprises purchase price plus directly attributed costs incurred in bringing the asset to its present location and condition for management's intended use.

Property, plant and equipment are depreciated on a straight line basis over their estimated useful lives. The useful lives of the respective classes of property, plant and equipment are as follows :-

	Useful life (years)
Computer	5

At the end of each reporting period, the residual values, useful lives and depreciation methods for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life, commencing in the current period.

Gain or loss arising from the disposal of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the statement of comprehensive income.

3.3 SHARE CAPITAL

Share capital issued by the Company is recognised at the proceeds received. Dividends on ordinary shares will be recognized as liabilities when the shareholders' rights to receive the dividends are established.

3.4 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash balances, deposits and other short term, highly liquid investments that are readily convertible to cash and are subject to insignificant risk of changes in value.

3.5 IMPAIRMENT OF ASSETS

The carrying amounts of the non financial assets are reviewed at each reporting date to determine whether there is any indication of impairment.

Where there is an indication of impairment, the carrying value of such assets are written down immediately to the respective recoverable amounts. The impairment loss is recognized in the statement of comprehensive income immediately.

Reversal of impairment losses recognized in prior years is recorded when here is an indication that the impairment losses recognized for the asset no longer exist or have decreased. Reversals of impairment loss are recognized as an income immediately in the statement of comprehensive income.

4. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect in determining the amounts recognised in the financial statements include the following :-

i.) Depreciation of property, plant and equipment

The cost of a property, plant and equipment is depreciated on the straight-line method or another systematic method that reflects the consumption of the economic benefits of the asset over its useful life. Estimates are applied in the selection of depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant and equipment may differ from the estimates applied and this may lead to gain or loss on an eventual disposal of an item of property, plant and equipment.

5. PROPERTY, PLANT AND EQUIPMENT

COST

	Balance at 01-01-2022 RM	Balance at 31-12-2022 RM
Computer	7,063.60	7,063.60

ACCUMULATED DEPRECIATION

	Balance at 01-01-2022 RM	Charge for the year RM	Balance at 31-12-2022 RM
Computer	5,650.88	1,412.72	7,063.60

COST

	Balance at 01-01-2021 RM	Balance at 31-12-2021 RM
Computer	7,063.60	7,063.60

ACCUMULATED DEPRECIATION

	Balance at 01-01-2021 RM	Charge for the year RM	Balance at 31-12-2021 RM
Computer	4,238.16	1,412.72	5,650.88

CARRYING AMOUNT

	Balance at 31-12-2022 RM	Balance at 31-12-2021 RM
Computer	0.00	1,412.72

6. SHARE CAPITAL

	2022 RM	2021 RM
Issued and fully paid 100,000 ordinary shares	100,000.00	100,000.00

7. OTHER PAYABLES AND ACCRUALS

	2022 RM	2021 RM
Other payables	298,853.89	294,671.89
Accrual of expenses	2,900.00	10,088.40
	301,753.89	304,760.29

8. AMOUNT OWING TO DIRECTORS

No fixed terms of repayment have been arranged for these unsecured, interest free balances.

9. PROFIT / (LOSS) BEFORE TAXATION

This is arrived at after charging / (crediting) :-	2022 RM	2021 RM
Auditor's remuneration	2,000.00	3,000.00
Depreciation	1,412.72	1,412.72
Director's emoluments	0.00	18,000.00

10. TAXATION

Subject to agreement with the Inland Revenue Board, unabsorbed losses carried forward amounted to RM 202,163 (2021 : RM 203,575)

11. GOING CONCERN ASSUMPTION

The statement of financial position shows a deficiency of working capital of RM(284,622.98) and an accumulated losses of RM(384,622.98) as compared with the paid-up share capital of RM100,000.00. However, the account are prepared on a going concern basis. The ability of the Company to continue as a going concern is dependent upon the continued availability of adequate finance.

12. FINANCIAL INSTRUMENTS

	2022 RM	2021 RM
FINANCIAL ASSETS		
Financial assets measured at amortised cost		
Cash and bank balances	30,435.91	40,538.21
	30,435.91	40,538.21
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost		
Other payables and accruals	301,753.89	304,760.29
Amount owing to directors	13,305.00	13,305.00
	315,058.89	318,065.29

Company Registration No: 201801003383 (1265396 M)

AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD.
(Incorporated in Malaysia)

REPORTS AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

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Company Registration No: 201801003383 (1265396 M)

AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD.
(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Company for the financial year ended 31st March 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Company are to carry on the business as private employment agency, to recruit and place a worker to another employer. There have been no significant changes in these activities during the financial year.

FINANCIAL RESULTS

	RM
Net profit for the financial year	192,277

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES

The Company did not issue any new shares during the financial year.

DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Guruprasad Srinivasan	(Resigned on 1.2.2023)
Muhunthan a/l Krishnan	(Resigned on 1.2.2023)
Vijay Sivaram	
Mok Mei Shien	
Lohit Bhatia	(Appointed on 1.2.2023)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit by reason of a contract made by the Company or by a related corporation with the director or with a firm of which the director is a member or with a company in which the director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Company a party to any arrangements whose object was to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES

According to the register of directors' shareholdings required to be kept under Section 59 of the Companies Act 2016, the interest of directors in office at the end of the financial year in shares in the Company and the related corporation were as follows:-

	Number of Ordinary Shares			
	As at 1.4.2022	Bought	Sold	As at 31.3.2023
The Company				
- Direct interest				
Muhunthan a/l Krishnan	65,000	-	(65,000)	-
- Deemed interest				
Mok Mei Shien	31,250	31,250	-	62,500
Ultimate holding company				
- Quess Corp Limited				
-Direct interest				
Vijay Sivaram	66,889	-	-	66,889
Lohit Bhatia	44,783	14,745	(23,000)	36,528

The above directors have interest in shares of the Company to the extent of their shareholdings in the ultimate holding company, Quess Corp Limited. No other director in office held any interest in shares in the Company and in the related corporations during and at the end of the financial year.

Deemed interest by virtue of the holding company being beneficiary of a discretionary trust of which one of the directors, Mok Mei Shien is the trustee. Mok Mei Shien holds 25% interest in shares of the Company on behalf of the holding company.

DIRECTORS' REMUNERATION

No director's remuneration was paid or payable for directors and past directors of the Company during the financial year.

No indemnities have been given or insurance premium paid for director or officers of the Company during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Company were prepared, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that all known bad debts have been written off and adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realized in the ordinary course of business including the values of current assets as shown in the accounting records of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

(a) which would render the amount written off for bad debts or the amount of allowance for doubtful debts inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

At the date of this report, there does not exist:

(a) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability in respect of the Company which has arisen since the end of the financial year.

No contingent liability or other liability of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Company which would render any amount stated in the respective financial statements misleading.

In the opinion of the directors:

(a) the results of the operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

ULTIMATE HOLDING COMPANY

The directors regard Quess Corp Limited (Company No: U74140KA2007PLC043909), a company incorporated in India as the ultimate holding company.

HOLDING COMPANY

The directors regard Quessglobal (Malaysia) Sdn. Bhd. [Company Registration No: 201501001731 (1127063 A)], a company incorporated in Malaysia as the holding company.

AUDITORS' REMUNERATION

Total amount paid to or receivable by auditors as remuneration for their services as auditors is as follows:-

	RM
Current year's provision	3,500
Overprovision in prior year	(460)
	3,040

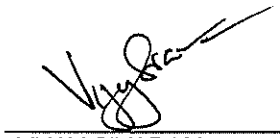
There are no indemnity and insurance purchased for the auditors of the Company during the financial year.

AUDITORS

The auditors, Messrs HALS & Associates have expressed their willingness to accept re-appointment as auditors.

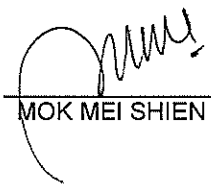
This report was approved by the Board of Directors on 17 MAY 2023

Signed on behalf of the Board of Directors



VIJAY SIVARAM

Directors



MOK MEI SHIEN

AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2023

	Note	2023 RM	2022 RM
ASSETS			
CURRENT ASSETS			
Trade receivables		166,158	53,942
Deposit		250,000	250,000
Cash and cash equivalents	7	559,939	334,877
Total current assets		976,097	638,819
TOTAL ASSETS		976,097	638,819
EQUITY AND LIABILITIES			
EQUITY			
Share capital	8	250,000	250,000
Accumulated losses		(174,826)	(367,103)
Total equity		75,174	(117,103)
CURRENT LIABILITIES			
Other payables and accruals		24,151	144,453
Amount due to holding company	9	845,648	-
Amount due to a related party	10	-	611,469
Provision for taxation		31,124	-
Total current liabilities		900,923	755,922
TOTAL LIABILITIES		900,923	755,922
TOTAL EQUITY AND LIABILITIES		976,097	638,819

The above statement is to be read in conjunction with the notes to the financial statements on pages 10 to 17.

AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST MARCH 2023

	Note	2023 RM	2022 RM
REVENUE	11	529,421	308,989
Less : COST OF SERVICE		(253,288)	(267,113)
GROSS PROFIT		276,133	41,876
Administrative expenses		(52,732)	(184,197)
Profit/(Loss) before taxation	12	223,401	(142,321)
Taxation	13	(31,124)	-
Profit/(Loss) for the year		192,277	(142,321)

The above statement is to be read in conjunction with the notes to the financial statements on pages 10 to 17.

AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2023

	Share Capital RM	Accumulated Losses RM	Total Equity RM
Balance at 1st April 2021	250,000	(224,782)	25,218
Non-owner changes in equity			
Loss for the year	-	(142,321)	(142,321)
Total comprehensive loss for the year	-	(142,321)	(142,321)
Balance at 31st March 2022	250,000	(367,103)	(117,103)
Non-owner changes in equity			
Profit for the year	-	192,277	192,277
Total comprehensive income for the year	-	192,277	192,277
Balance at 31st March 2023	250,000	(174,826)	75,174

The above statement is to be read in conjunction with the notes to the financial statements on pages 10 to 17.

AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2023

	Note	2023 RM	2022 RM
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(Loss) before taxation		223,401	(142,321)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		223,401	(142,321)
(Increase)/Decrease in receivables		(112,216)	22,742
Increase in payables		113,877	273,185
NET CASH GENERATED FROM OPERATING ACTIVITIES		225,062	153,606
Net increase in cash and cash equivalents		225,062	153,606
Cash and cash equivalents at beginning of the year		334,877	181,271
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	7	559,939	334,877

The above statement is to be read in conjunction with the notes to the financial statements on pages 10 to 17.

AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD.
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31ST MARCH 2023

1. GENERAL

The financial statements of the Company are presented in Ringgit Malaysia (RM) which is the Company's functional currency. All financial information is presented in RM.

The Company was incorporated and domiciled in Malaysia as a private company limited by shares. It is resident in Malaysia with its registered office at Level 15-2, Bangunan Faber Imperial Court, Jalan Sultan Ismail, 50250 Kuala Lumpur and the principal place of business at Unit 25-13A, Level 25, Q Sentral, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are to carry on the business as private employment agency, to recruit and place a worker to another employer. There have been no significant changes in these activities during the financial year.

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with Malaysian Private Entities Reporting Standard ("MPERS") issued by Malaysian Accounting Standards Board's ("MASB") and the provisions of the Companies Act 2016.

4. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements of the Company have been approved by the Board of Directors for issuance on.....17 MAY 2023

5. BASIS OF PREPARATION

5.1 Basis of Measurement

The financial statements of the Company have been prepared using cost bases (which include historical cost and amortised cost) and fair value bases.

5.2 Critical Judgements and Estimates Uncertainty

The preparation of the financial statements in conformity with MPERS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognized in the financial statements other than as disclosed below:-

A. Estimation Uncertainty

(a) **Measurement of Income Taxes**

Significant judgement is required in determining the Company's provision for current and deferred taxes because the ultimate tax liability for the Company as a whole is uncertain. When the final outcome of the taxes payable is determined with the tax authorities in each jurisdiction, the amounts might be different for the initial estimates of the taxes payables. Such differences may impact the current and deferred taxes in the period where such determination is made. The Company will adjust for the differences as over or under provision of current or deferred taxes in the current period in which those differences arise.

6. SIGNIFICANT ACCOUNTING POLICIES

(a) Financial instruments

(i) Initial recognition and measurement

A financial asset or financial liability is recognised in the statement of financial position when, and only when the Company becomes a party to the contractual provisions of the instruments.

A financial instrument is recognised initially at the transaction price (including transaction costs except in the initial measurement of a financial asset or financial liability that is measured at fair value through profit or loss, transaction cost are expensed to profit or loss when incurred) unless the arrangement constitutes, in effect, a financing transaction. If the arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instruments.

(ii) Subsequent measurement

For the purpose of subsequent measurement, the Company classifies financial assets into two categories, namely: (i) financial assets at fair value through profit or loss, and (ii) financial assets at amortised costs.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment in accordance with Note 6a(v).

After initial recognition, the Company measures all financial liabilities at amortised cost using the effective interest method.

(iii) Fair Value Measurement of Financial Instruments

All other financial assets or liabilities not measured at amortised cost or cost less impairment are measured at fair value with changes recognised in profit or loss.

The fair value is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique.

(iv) **Recognition of Gains and Losses**

Fair value changes of financial assets and financial liabilities classified as at fair value through profit or loss are recognized in profit or loss when they arise.

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognized in profit or loss only when the financial asset or financial liability is derecognized or impaired, and through the amortization process of the instruments.

(v) **Impairment and Uncollectibility of Financial Assets**

The Company applies the incurred loss model to recognise impairment losses of financial assets. At the end of each reporting period, the Company examines whether there is any objective evidence that a financial asset (except for financial assets measured at fair value through profit or loss) or a group of financial assets is impaired.

An impairment loss is measured as follows:-

* For an instrument measured at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

* For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

(vi) **Derecognition**

A financial asset or part of it is derecognized when, and only when, the contractual rights to the cash flows from the financial asset expire or are settled, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of financial asset, the difference between the carrying amount of the financial asset derecognized and the consideration received, including any newly created rights, and obligations, is recognized in profit or loss.

A financial liability or part of it is derecognized when, and only when, the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

(b) **Equity instruments**

Ordinary shares classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(c) **Income Tax**

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to business combination or items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is provided by the balance sheet liability method based on all taxable temporary differences by comparing carrying amounts of assets and liabilities and their corresponding tax bases. Deferred tax is not recognized if the temporary differences arises from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time the transaction, affects neither accounting profit nor taxable profits.

Deferred tax is measured at the tax rates that is expected to be applied to the temporary differences when they reverse, based on tax rates that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits to the extent that is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credit can be utilized.

Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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

(d) **Employee Benefits**

(i) **Short term employee benefits**

Short term employee benefits in respect of wages, salaries, social security contributions, paid annual leaves, paid sick leaves, bonuses and non-monetary benefits are measured on an undiscounted basis and are expensed in the financial period when employees have rendered their services to the Company.

Bonuses are recognised as an expense when there is a present, legal or constructive obligations to make such payments, as a result of past services provided by employees and when a reliable estimate can be made of the amount of the obligations.

(ii) **Defined contribution plan**

The Company makes contributions to a statutory provident fund and recognise the contribution payable as an expense in the financial year in which the employees render their services. Once the contributions have been paid, the Company have no further payment obligations.

(e) **Cash and Cash Equivalents**

Cash and cash equivalents consists of cash in hand, bank balances, deposits with bank and highly liquid investments with maturing within three months from the date of acquisition which are readily convertible to known amount of cash which are subject to an insignificant risk of change in value. For the purpose of statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

7. CASH AND CASH EQUIVALENTS

	2023 RM	2022 RM
Cash at bank	559,939	334,877

8. SHARE CAPITAL

	2023 RM	2022 RM
Issued and fully paid:		
250,000 Ordinary shares	250,000	250,000

The ordinary share of the Company has no par value. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per share at meetings of the Company.

9. AMOUNT DUE TO HOLDING COMPANY

The amount due to holding company represent trade and loan/advances made, are unsecured, interest free and payable on demand.

10. AMOUNT DUE TO A RELATED PARTY

The amount due to a related party represent trade and loan/advances made, are unsecured, interest free and payable on demand.

11. REVENUE

Revenue represents the invoiced value of services rendered net of discounts.

12. PROFIT/(LOSS) BEFORE TAXATION

	2023 RM	2022 RM
Profit/(Loss) from operations before taxation is stated after charging/(crediting):-		
Audit fee		
- current year's provision	3,500	3,960
- overprovision in prior year	(460)	(449)
Employee benefits		
- salary cost and others	34,237	158,907
- defined contribution plan ("EPF")	2,360	17,766

13. TAXATION

	2023 RM	2022 RM
Current year's provision	31,124	-

The tax rate is 24% on the chargeable income of the Company.

A reconciliation of income tax expense applicable to profit/(loss) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follows:-

	2023 RM	2022 RM
Profit/(Loss) before taxation	223,401	(142,321)
Taxation at Malaysian Statutory tax rate of 24%	53,616	(34,157)
Expenses not deductible	7,440	-
Deferred tax assets not recognised	-	34,157
Utilisation of unabsorbed business loss brought forward	(29,932)	-
Tax expense for the year	31,124	-

The Company has available unabsorbed tax losses of RM Nil (2022: RM219,000) for utilization against future taxable income.

As at 31st March 2023, the Company had potential deferred tax benefits arising from temporary differences as follows:-

	2023 RM	2022 RM
Unabsorbed tax losses	-	52,600

The effect of the above differences were not included in the financial statements as there is no assurance that future taxable income will be sufficient to allow the benefits to be realised.

The above are subject to the approval of the tax authorities.

14. FINANCIAL INSTRUMENTS

14.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorized as follows:-

(a) Financial assets and financial liabilities measured at amortised cost ("AC").

2023	Carrying Amount RM	AC RM
Financial assets		
Trade receivables	166,158	166,158
Deposit	250,000	250,000
Cash and cash equivalents	559,939	559,939
	976,097	976,097
Financial liabilities		
Other payables and accruals	24,151	24,151
Amount due to holding company	845,648	845,648
	869,799	869,799

2022 Financial assets	Carrying Amount RM	AC RM
Trade receivables	53,942	53,942
Deposit	250,000	250,000
Cash and cash equivalents	334,877	334,877
	638,819	638,819
Financial liabilities		
Other payables and accruals	144,453	144,453
Amount due to a related party	611,469	611,469
	755,922	755,922

15. EMPLOYEES

The number of employees at end of the financial year is as follows:

	2023 No.	2022 No.
Employees	1	2

16. RELATED PARTIES

a. The significant related parties transactions are disclosed below:-

	2023 RM	2022 RM
Sub-contract cost paid to holding company	253,288	-
Sub-contract cost paid to a related party	-	267,113

The related parties balances are disclosed in Notes 9 and 10 to the financial statements.

AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD.
(Incorporated in Malaysia)

**STATEMENT BY DIRECTORS PURSUANT TO SECTION 251(2)
OF THE COMPANIES ACT 2016**

We, VIJAY SIVARAM and MOK MEI SHIEN, being two of the directors of AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD., do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 6 to 17 are drawn up so as to give a true and fair view of the financial position of the Company as at 31st March 2023 and financial performance of the Company for the financial year ended 31st March 2023 in accordance with the Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated

17 MAY 2023

VIJAY SIVARAM

MOK MEI SHIEN

**STATUTORY DECLARATION PURSUANT TO SECTION 251(1)
OF THE COMPANIES ACT 2016**

I, MOK MEI SHIEN, I/C No. 770130-06-5568, the director primarily responsible for the financial management of AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD., do solemnly and sincerely declare that the financial statements set out on pages 6 to 17 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declaration Act, 1960.

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in Wilayah Persekutuan on

17 MAY 2023

MOK MEI SHIEN

Before me,

PESURUHJAYA SUMPAH
W725
ABDUL SHUKOR MD NOOR
01.01.2021 - 31.12.2023
MALAYSIA

COMMISSIONER FOR OATHS

GI-1-2, GROUND FLOOR, MENARA 1 DUTAMAS,
SOLARIS DUTAMAS, NO. 1, JALAN DUTAMAS 1,
50480 KUALA LUMPUR

HALS & Associates
Chartered Accountants
AF No: 0755

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD.
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Agensi Pekerjaan Quess Recruit Sdn. Bhd. which comprise the statement of financial position as at 31st March 2023 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 6 to 17.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31st March 2023 and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (*on Professional Ethics, Conduct and Practice*) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement on auditing 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.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

* Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

* Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

* Evaluate the overall presentations, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

HALS & ASSOCIATES
A.F. 0755
CHARTERED ACCOUNTANTS

Lim Kian Keong
Bil 02043/09/2024 J
Partner

KUALA LUMPUR

DATE: 17 MAY 2023

AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD.
(Incorporated in Malaysia)

The page which follows does not

form part of the Statutory

financial statements of the Company

AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD.
(Incorporated in Malaysia)

DETAILED INCOME STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2023

	2023 RM	2022 RM
REVENUE	529,421	308,989
Less: COST OF SERVICES	(253,288)	(267,113)
GROSS PROFIT	276,133	41,876
Less: ADMINISTRATIVE EXPENSES		
Audit fee		
- current year's provision	3,500	3,960
- overprovision in prior year	(460)	(449)
Advertisement expenses	1,749	-
Bank charges	73	183
EPF, Socso and EIS	2,693	20,051
Filing and secretarial fee	8,705	-
Professional fee	-	1,545
Printing and stationery	592	-
Tax fee	1,643	-
Salary and allowance	34,237	158,907
	52,732	184,197
PROFIT/(LOSS) BEFORE TAXATION	223,401	(142,321)

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

BRAINHUNTER SYSTEMS LTD.

MARCH 31, 2023

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PARTNERS BEYOND BOUNDARIES

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of:
Brainhunter Systems Ltd.

Opinion

We have audited the financial statements of Brainhunter Systems Ltd. (the Company), which comprise the balance sheet as at March 31, 2023, and the statements of income, deficit, and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company are prepared, in all material respects, in accordance with Canadian accounting standards for private enterprises.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. 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 ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

KNAV Professional Corporation

KNAV Professional Corporation
Chartered Professional Accountants

Authorized to practice public accounting by the
Chartered Professional Accountants of Ontario

Toronto, Ontario
May 1, 2023

BRAINHUNTER SYSTEMS LTD.

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2023

	2023	2022
ASSETS		
Current		
Cash and cash equivalents (note 3)	$ 1,330,136	$ 1,652,638
Accounts receivable	3,423,524	5,098,211
Prepaid expenses	443,655	134,852
	5,197,315	6,885,701
Non-Current		
Deposits	19,997	12,581
Deposits with government authorities (note 13)	675,026	675,026
Future income tax recoverable (note 9)	390,032	410,019
Investments (note14)	5,001,375	5,001,375
Property and equipment (note 4)	554,791	611,366
Intangibles (note 5)	427,618	462,797
	7,068,839	7,173,164
	$ 12,266,154	$ 14,058,865
LIABILITIES		
Current		
Accounts payable and accrued liabilities (note 7)	$ 1,432,574	$ 3,263,154
Due to affiliated parties current portion (notes 6 and 8)	1,512,574	1,454,820
Deferred revenue	192,594	468,240
Deferred leasehold inducement	206,747	250,931
Income tax payable (note 9)	224,430	85,504
	3,568,919	5,522,649
Non-Current		
Due to affiliated parties (notes 6 and 8)	4,000,244	5,211,734
	7,569,163	10,734,383
SHAREHOLDER'S EQUITY		
Capital stock (note 10)	7,224,655	7,224,655
Deficit	(2,527,664)	(3,900,173)
	4,696,991	3,324,482
	$ 12,266,154	$ 14,058,865

Approved:_____

See accompanying notes.

BRAINHUNTER SYSTEMS LTD.

CONSOLIDATED STATEMENT OF INCOME AND DEFICIT

FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022
Revenue	$ 51,732,883	$ 48,203,292
Cost of sales	43,873,956	40,871,070
Gross margin	7,858,927	7,332,222
Expenses		
Salaries and benefits	4,351,232	3,865,019
Selling, general, and administrative	843,578	778,540
	5,194,810	4,643,559
Income before the undernoted items	2,664,117	2,688,663
Loss on foreign exchange	(1,378)	(29,996)
Interest expense (note 8)	(447,877)	(409,427)
Depreciation of property and equipment (note 4)	(209,017)	(201,028)
Amortization of intangibles (note 5)	(345,085)	(309,036)
Income before income taxes	1,660,760	1,739,176
Income taxes		
Current (note 9)	268,264	294,777
Future (note 9)	19,987	43,128
	288,251	337,905
Net income	1,372,509	1,401,271
Deficit, beginning of year	(3,900,173)	(5,301,444)
Deficit, end of year	$ (2,527,664)	$ (3,900,173)

See accompanying notes.

BRAINHUNTER SYSTEMS LTD.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022
Cash flows from (used in) operating activities		
Net income	$ 1,372,509	$ 1,401,271
Adjustments for:		
Future income tax recoverable	19,987	43,128
Depreciation of property and equipment (note 4)	209,017	201,028
Amortization of intangibles (note 5)	345,085	309,036
Accrued interest on loans from related parties	37,252	32,292
	1,983,850	1,986,755
Changes in non-cash working capital		
Decrease (increase) in accounts receivable	1,674,687	177,370
Decrease (increase) in prepaid expenses	(308,803)	42,667
Increase (decrease) in accounts payable and accruals	(1,830,580)	(704,276)
Increase (decrease) in income tax payable	138,926	7,489
Increase (decrease) in deferred leasehold inducement	(44,184)	(44,185)
Increase (decrease) in deferred revenue	(275,646)	258,307
	1,338,250	1,724,127
Cash flows from (used in) investing activities		
Purchase of property and equipment	(152,442)	(109,681)
Deposits with government authorities	-	(32,285)
Deposits	(7,416)	-
Intangibles	(309,906)	(229,921)
	(469,764)	(371,887)
Cash flows from (used in) financing activities		
Loans from (to) affiliated parties	(1,190,988)	(1,145,399)
	(1,190,988)	(1,145,399)
Increase (decrease) in cash and cash equivalents	(322,502)	206,841
Cash and cash equivalents, beginning of year	1,652,638	1,445,797
Cash and cash equivalents, end of year	$ 1,330,136	$ 1,652,638
Supplemental information		
Interest paid	$ 447,877	$ 409,295
Income taxes paid	$ 268,264	$ 287,195

See accompanying notes.

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2023

1. Nature of operations:

The operations of Brainhunter Systems Ltd. (the "Company") primarily consists of consulting, solutions and services in the information technology and engineering sectors. The Company was incorporated on October 2, 2009 under the Ontario Business Corporations Act.

Pursuant to a share purchase agreement dated September 17, 2014, Quess Corp Limited ("Quess" or the "Parent"), acquired 7,000,100 common shares of Zylog Systems (Canada) Ltd. Simultaneously, 7,300,000 shares were issued to Quess Corp (USA) Inc. Subsequent to the acquisition described above, the Company changed its legal name to Brainhunter Systems Ltd.

Pursuant to a unanimous shareholders agreement dated March 31, 2019, Quess Corp (USA) Inc. converted debt of $2,710,153 into 22,542,531 common shares of the Company.

Pursuant to a share exchange agreement dated April 1, 2019, Quess Corp (USA) Inc. agreed to transfer 29,842,531 common shares, in the capital of the Company, to MFXchange Holdings Inc. (a Quess Corp North America holding company).

2. Significant accounting policies:

a. Basis of presentation:

These consolidated financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE"), and are presented in Canadian dollars, which is the Company's functional currency. The consolidated financial statements include all the accounts of the Company and its wholly owned subsidiary. Mindwire Systems Ltd. All intercompany transactions and balances have been eliminated upon consolidation.

b. Property and equipment:

Property and equipment are recorded at cost. Amortization is provided annually on a straight-line basis over their estimated useful lives using the following annual rates:,

Computer equipment	30%
Office furniture and fixtures	20%
Computer software	100%
Leasehold improvements	Term of lease

c. Revenue recognition:

Revenue is generated from information technology and engineering staffing and consulting services.
Revenue from staffing services includes temporary and permanent placement fees. Revenue from temporary placement fees are recognized once the services have been rendered, collection is reasonably assured, and all significant obligations have been fulfilled. Revenue from permanent placement fees are based on a percentage of annual salaries and are recognized once the employees have been placed, collection is reasonably assured, and all significant obligations have been fulfilled.

2. Significant accounting policies (continued):

The Company enters into contracts with customers to complete software consulting projects. Customer billings are prepared monthly based on hours worked and agreed rates, at which time revenue is recognized. To a significantly lesser degree, certain other contracts are fixed price, for which revenue is recorded monthly using the percentage-of-completion basis, whereby revenue is recorded at the estimated net realizable value of the work completed to date.

The Company earns revenue from software licenses for in-house developed software that is deferred and recognized over the term of the license. Software customization revenue is recognized in the year the customization is completed.

d. Deferred financing costs:

Financing costs relating to the long-term debt and bank indebtedness are deferred and amortized using the effective interest method over the expected term of the corresponding loans. As the loans are repaid, the corresponding financial costs are charged to net income. Deferred financing costs are presented under bank indebtedness and long-term debt in the consolidated balance sheet and the related amortization under financing costs in the consolidated statement of operations and deficit.

e. Income taxes:

The Company accounts for income taxes using the liability method of tax allocation. Under this method, future income tax assets and liabilities are determined by reference to the temporary differences between carrying values and the tax basis of assets and liabilities. The future income tax assets or liabilities are measured using the income tax rates and laws that are anticipated to apply when these differences are expected to be recovered or settled. Future income tax assets are recognized to the extent that realization of such benefits are considered more likely than not. The effect on future income tax assets and liabilities of a change in income tax rates is recognized into net income in the year that includes the enactment date.

f. Management plans:

The operation of the company has improved since the prior year and projections for the future are favorable, so it is anticipated that the company will continue without any assistance. Consequently, the management considers that it is appropriate to prepare these financial statements on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The management has prepared future projections supported by business plans and contracted agreements supporting its sales. Further the Company has been generating positive operating cash flows in the current year and previous year. The Company also has been regular in its payment of bank debt and related party debt. As a result, these consolidated financial statements have been prepared on the basis that the Company will continue to be a going concern and has therefore continued to apply the going concern basis of accounting to the consolidated financial statements.

2. Significant accounting policies (continued):

g. Use of estimates:

The preparation of consolidated financial statements in conformity with ASPE requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

(i) Allowance for doubtful accounts:

The Company makes a provision to allow for potentially uncollectible amounts owed from customers. The allowance is reviewed by management periodically based on an analysis of the age of the outstanding accounts receivable. At March 31, 2023, an allowance of $62,312 (2022 - $62,313) has been included in the consolidated balance sheet.

(ii) Accrued liabilities:

Accrued liabilities, including those pertaining to commissions, bonuses and professional fees are established by management based on their best estimate of the actual obligation. Management believes that the estimates used in establishing these accrued liabilities are accurate.

(iii) Impairment of assets:

Property and equipment, goodwill and intangible assets are tested for impairment for each business unit should an event or circumstance indicate that their fair value has fallen below their carrying value. Should any negative variances occur in the comparison, an impairment representing the excess is made to the goodwill and then to intangible assets.

(iv) Income taxes:

The Company estimates its Canadian federal income taxes based on interpretation of tax rules and regulations. The Company is also subject to audits from the Canada Revenue Agency and the outcome of such audits may differ from original estimates. Management believes that a sufficient amount has been accrued for income taxes.

h. Foreign currency translation:

Monetary assets and liabilities of the Company that are denominated in foreign currencies are translated into Canadian dollars at the rates of exchange prevailing at the consolidated balance sheet date. Property and equipment and related amortization are translated at rates prevailing at the dates of acquisition. Revenue and expenses, other than amortization, are translated at the average rate of exchange in effect during the month that the transaction occurred. All exchange gains and losses are recognized in the current year's net income.

2. Significant accounting policies (continued):

i. Intangible assets and goodwill:

The Company classifies intangible assets, obtained through acquisitions or developed internally, as definite-lived and indefinite-lived intangible assets, as well as goodwill. Definite-lived intangibles are amortized on a straight-line basis over the asset's useful life while indefinite-lived intangibles and goodwill are not amortized but are tested for impairment annually, or more frequently, if events or circumstances indicate that they might be impaired. The impairment test consists of allocating indefinite-lived intangibles and goodwill to reporting units and then comparing the book value of the reporting units, including indefinite-lived intangibles and goodwill, to their fair values. The Company determines fair value by using discounted future cash flows for reporting units. The excess of carrying value over fair value, if any, is recorded as an impairment charge to the consolidated statement of operations and deficit in the year in which the impairment is determined. Subsequent reversals of impairment are prohibited.

j. Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months from the date of acquisition.

k. Related party transections:

Monetary-related party transactions and non-monetary related party transactions that have commercial substance are measured at the exchange amount when they are in the normal course of business, except when the transaction is an exchange of a product or property held for sale in the normal course of operations. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in the ownership of the item transferred and there is independent evidence of the exchange amount.

All other related party transactions are measured at the carrying amount.

3. Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months from the date of acquisition.

	2023	2022
Cash	$ 1,330,136	$ 1,652,638

At year end, the carrying value of cash and cash equivalents approximated fair market value due to the short-term nature of the investments.

4. Property and equipment

	2023			2022
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	$ 1,235,239	$ 1,188,375	$ 46,864	$ 38,213
Office furniture and fixtures	487,438	472,721	14,717	26,250
Computer software	563,835	508,969	54,866	20,007
Leasehold improvements	1,259,810	821,466	438,344	526,896
	$ 3,546,322	$ 2,991,531	$ 554,791	$ 611,366

The depreciation of property and equipment totaled $ 209,017 in 2023 (2022 - $ 201,028).

5. Intangibles

	2023	2022
Cost	$ 1,363,275	$ 1,053,370
Accumulated amortization	(935,657)	(590,573)
	$ 427,618	$ 462,797

The amortization of intangibles totaled $ 345,085 in 2023 (2022 - $309,036).

During the year $ 309,906 (2022 - $ 229,921) was capitalized as intangibles, which consist of Mobile enabled Enterprise Collaboration App of $144,501 (2022 - $133,354) and Facelift of Talentflow ATS application of $165,405 (2022 - $96,567), which will seamlessly connect with the Company's ecosystem consisting of employees, clients, consultants, vendors, and job seekers.

Management has estimated a useful life of 3 years and is amortizing it over that term accordingly.

6. Bank indebtedness:

On November 22, 2019 a term loan and facilities agreement was executed between ICICI Bank of Canada and MFXchange Holdings Inc., the parent company, and its subsidiaries and other related companies whereby the existing facility with ICICI Bank of Canada was assigned to MFXchange Holdings Inc. (note 8). The loan is secured by a general security arrangement and has been guaranteed by Brainhunter Systems Limited and its subsidiary Mindwire Systems Limited amongst other guarantors.

The outstanding bank indebtedness was refinanced to include the following two facilities: (a) a $7,500,000 term loan facility and (b) a $12,500,000 working capital facility. Both of these facilities were utilized by MFXchange Holdings Inc. and its subsidiaries.

7. Accounts payable and accrued liabilities:

	2023	2022
Trade and accrued liabilities	$ 1,394,966	$ 3,141,314
Salaries and commissions payable	37,608	121,840
	$ 1,432,574	$ 3,263,154

Included in accounts payable and accrued liabilities as at March 31, 2023 are government remittances payable (recoverable) of $77,939 (2022 - $79,196) relating to federal and provincial sales taxes, payroll taxes, health taxes and workers' safety insurance.

8. Due from (to) affiliated parties:

	2023	2022
MFXchange Holdings Inc. towards credit facilities from ICICI Bank of Canada (note 6) bearing interest at CDOR plus 2.5% per annum (2022 - 2.5%)	$ (5,629,325)	$ (6,731,895)
Quess Corp Limited bearing interest at NIL% per annum (2022 - NIL%)	116,507	65,341
	$ (5,512,818)	$ (6,666,554)
Current portion	$ (1,512,574)	$ (1,454,820)
Long-term portion	(4,000,244)	(5,211,734)
	$ (5,512,818)	$ (6,666,554)

During the year ended March 31, 2023, the Company recognized $447,877 (2022 - $409,427) in interest expense on the amounts due to MFXchange Holdings Inc.

The amount receivable from Quess Corp Limited in the amount of $116,507 (2022 - $65,341), reflects debit notes issued for the expenses incurred on behalf of Quess Corp Limited.

All of the related party balances are recorded at their carrying amounts.

Accounts receivable include an amount due from MFXchange Holdings Inc. of $12,713 (2022 - $6,356), from Quess Corp (USA), Inc. of $271,383 (2022 - $42,298), and from MFXchange US Inc. of $20,226 (2022 - $9,338).

Accounts payables include an amount due to MFX Infotech Private Limited for $134,958 (2022 - $21,864), and to MFXchange US Inc. of $83,191 (2022 - $NIL).

During the year ended March 31, 2023, the Company earned revenue of $NIL (2022 - $NIL) from Quess Corp (USA), Inc., other income of $39,901 (2022 - $37,270) from MFXchange US Inc., and $22,500 (2022 - $22,500) from MFXchange Holdings Canada.

During the year ended March 31, 2023, the Company incurred expenses $NIL (2022 - $NIL) from Quess Corp (USA), Inc., $124,511 (2022 - $NIL) from MFXchange US Inc., and interest of $447,877 (2022 - $384,547) from MFXchange Holdings Canada.

9. Income taxes:

The Company pays income taxes at a statutory rate of 26.5% (2022 - 26.5%). The difference between the Company's reported income tax expense on operating income and the expense that would otherwise result with the application of the applicable rate is as follows:

	2023	2022
Income before income taxes	$ 1,660,760	$ 1,739,176
Rate	26.5%	26.5%
Expected provision for (recovery of) income taxes	440,101	460,882
Increase (decrease) in income taxes resulting from:		
Permanent difference	2,687	575
Prior year adjustments	18,077	-
Change in valuation allowance	(173,877)	(29,192)
Other	1,263	(128,633)
Income tax expense	$ 288,251	$ 303,632

As at March 31, 2023, the Company has $1,175,321 of future tax assets before any valuation allowance. As at March 31, 2023, the Company recognized a future tax asset of $390,032 related to one of its subsidiaries, as it was determined to be more likely than not to recognize these future tax assets. The remaining balance of $785,289 of future tax assets has not been recognized as the future realization of these income tax assets did not meet the test of being more likely than not to occur. A summary of the future tax assets at March 31, 2023 is as follows:

	2023	2022
Future income tax assets (liabilities):		
Non-capital losses	$ 885,311	$ 987,987
Property and Equipment	252,762	192,413
Sub-lease inducement	20,735	26,522
Other temporary differences	16,513	16,513
	1,175,321	1,223,435
Less: valuation allowance	785,289	813,416
Net future income tax assets	$ 390,032	$ 410,019
Current income tax payable	$ 224,430	$ 85,504

As at March 31, 2023, the Company has non-capital losses of $3,340,798 which can be used to reduce taxable income of future years. The potential tax benefit of these losses has not been recorded in consolidated financial statements. These losses are set to expire as follows:

Canada	
2036	$ 1,876,107
2037	1,146,245
2038	318,446
	$ 3,340,798

10. Capital stock:

	2023	2022
Authorized		
Unlimited common shares		
Issued:		
36,842,631 (2022 - 36,842,631) common shares	$ 7,224,655	$ 7,224,655

11. Commitments:

The Company has entered into leases for office space. As at March 31, 2023, the Company has contractual obligations for basic rent payments as follows:

2023 - 2024	$ 195,949
2025 and thereafter	$ 1,032,955

12. Financial risks and concentration of risk:

Financial instruments are initially recorded at fair value. Financial instruments that are short-term investments are written down when their carrying amounts exceed their quoted market values. All other financial instrument assets are written down when their carrying amounts exceed their estimated market values and this condition is expected to be other than temporary.

The Company's financial instruments recognized in the consolidated balance sheet consist of cash and cash equivalents, accounts receivable, due to related parties, accounts payable and accrued liabilities and bank indebtedness. The fair values of cash and cash equivalents, accounts receivable, due to related parties, accounts payable and accrued liabilities approximate their recorded amounts due to the short-term receipt or payment of cash or determinable cash flow streams. The carrying value of the bank indebtedness approximates fair value because the interest rates approximate market rates.

a. Credit risk:

The Company grants credit to its customers in the normal course of business. The consolidated financial statements take into account an allowance for bad debts. The Company is exposed to credit risk from their customers but the concentration of the risk is minimized because of the large customer base. There has been no change to the risk exposure since the prior fiscal year.

b. Interest rate risk:

The Company is financed through related party debt which bears interest at rates tied to the related party acceptance rates. Consequently, the Company is exposed to the risk of increases in the bankers' acceptance rates. There has been no change to the risk exposure since the prior fiscal year.

c. Foreign exchange risk:

The Company carries out some transactions in U.S. dollars and, as such, is exposed to fluctuations in exchange rates. Approximately 2% (2022 - 2.3%) of the Company's sales and purchases are in U.S. dollars. The Company has not entered into derivative instruments to mitigate these risks. During the year ended March 31, 2022, the Company recorded a foreign exchange gain (loss) of $(1,378) (2022 - $(29,996)). There has been no change to the risk exposure since the prior fiscal year.

12. Financial risks and concentration of risk (Continued):

d. Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. There has been no change to the risk exposure since the prior fiscal year.

13. Contingencies:

EHT Matter

On December 13, 2016, the Company received a Notice of Assessment from the Ontario Ministry of Finance regarding an employer health tax audit related to calendar years 2012 to 2015. The amount in the Notice of Assessment is $576,118. In the opinion of management, this assessment is without substantial merit and the Company filed a Notice of Objection on June 7, 2017. Subsequent to filing the Notice of Objection, the Company entered into a compliance arrangement with the Ontario Ministry of Finance. Under this compliance agreement, the Company has agreed to remit the amount owing over an 18-month period while the objection is being reviewed. The last instalment was paid in the quarter ending December, 2018.

As at March 31, 2023, the Company has remitted payments which have been recorded as a deposit with government authorities on the consolidated balance sheet as follows:

	2023	2022
Deposit	$ 675,026	$ 675,026

On July 15, 2019 the company made additional submissions to the Ministry of Finance (Ontario) stating that the analysis of the Ministry of Finance (Ontario) fails to consider the relevant case law and that no analysis or decisions were provided to state that their conclusion “is consistent with the facts and judgements provided in various court cases”. The company concluded in their submissions that based on relevant case law it is obvious that the workers are not employees. On September 18, 2019, the senior appeals officer of Ministry of Finance, Advisory, Objections, Appeals and Services Branch disagreed with the submissions of the company and concluded that the workers are providing their services to the company as employees under contract of service. On January 10, 2020 the company filed a Notice of Appeal with the Ontario Superior Court of Justice for the 2012 through 2015 taxation years with the respondent being the Minister of Finance. The company has filed with detailed submissions stating that the workers are not employees and are independent contractors.

On July 6, 2020, the Ministry of Finance indicated their intention to proceed with their claim.

During the year, an assessment was received for the year ended December 31, 2017 for the amount of $31,880. The Company paid the amount of $31,880 and filed a notice of objection in December 2021.

On August 2, 2022, the Ministry of Finance indicated that no change be made to the Notice of Assessment. The company filed a Notice of Appeal with the superior Court of Justice for the matter on November 4, 2022.

The Company believes that the likelihood of success on the appeal is "more likely than not" and therefore no provision has been recorded as at March 31, 2023.

14. Investment:

	2023	2022
MFXchange US Inc.	$ 4,991,865	$ 4,991,865
MFXchange Holdings Inc.	9,510	9,510
Total	$ 5,001,375	$ 5,001,375

The investment from MFXchange US Inc. resulted from a loan receivable, during the year ended March 31, 2020, the amount due of $4,648,045 from MFXchange US Inc. was converted to 100 series B preference shares to the Company. The difference with $4,991,865 is due to foreign exchange gain.

15. Subsequent Events

The Company evaluated all events and transactions that occurred after March 31, 2023 through May 1, 2023, the date the financial statements are issued. Based on the evaluations, the Company is not aware of any events or transactions that would require recognition or disclosure in the financial statements.

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INDEPENDENT AUDITOR'S REPORT

To The Members of Terrier Security Services (India) Private Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Terrier Security Services (India) Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, including annexures to the Director's Report included in the management report but does not include the financial statements and our auditor's report thereon.

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

- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.

e. On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g. In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- The Company does not have any pending litigations which would impact its financial position.
- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

Anand Subramanian
(Partner)
(Membership No. 110815)
(UDIN:22110815AJQVSG6166)

Place: Bengaluru
Date: May 26, 2022

Deloitte
Haskins & Sells

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Terrier Security Services (India) Private Limited ("the Company") as of March 31, 2022, 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

Anand Subramanian
(Partner)
(Membership No. 110815)
(UDIN: 22110815AJQVSG6166)

Place: Bengaluru
Date: May 26, 2022

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Terrier Security Systems (India) Private Limited of even date)

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

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

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

(ii) The Company has maintained proper records showing full particulars of Intangible Assets.

(b) The Company has a program of physical verification of Property, Plant and Equipment and Right-of-Use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties (other than immovable properties where the Company is the lessee, and the lease agreements are duly executed in favour of the Company) and hence reporting under clause 3(i)(c) of the Order is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use assets) and Intangible Assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) According to the information and explanations given to us, the inventories were physically verified and confirmed during the year at reasonable intervals, by the respective zonal officers. According to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company, the nature of its business and insignificant value of inventory to its business. As represented by the management, no discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors, stock, and other stipulated financial information) filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.

iii. The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.

iv. According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. In respect of Statutory Dues:

(a) Undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax and other material statutory dues applicable to the Company have generally been regularly deposited by the Company with the appropriate authorities, though there has been a slight delay in a few cases.

(b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, and other material statutory dues in arrears as at March 31, 2022, for a period of more than six months from the date they became payable except for the following

Name of Statute	Nature of Dues	Amount (Rs.)	Period to which the Amount Relates	Due Date	Date of Payment
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (PF Act, 1952)	Provident Fund	1,101,833	Prior to April 2021	15th of respective subsequent month	-
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (PF Act, 1952)	Provident Fund	533,956	April 2021 to September 2021	15th of respective subsequent month	-
The Employees' State Insurance Act, 1948	Employees' State Insurance dues	2,008,321	Prior to April 2021	15th of respective subsequent month	-
The Employees' State Insurance Act, 1948	Employees' State Insurance dues	1,506,289	April 2021 to September 2021	15th of respective subsequent month	-
Professional Tax Act, 1987	Professional Tax	5,93,754	Prior to April 2021	As decided by respective state legislation	-
Professional Tax Act, 1987	Professional Tax	1,12,290	April 2021 to September 2021	As decided by respective state legislation	-
The Income Tax Act, 1961	Tax Deducted at Source	25,571	April 2021 to September 2021	7 th of respective subsequent month	-

(c) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022.

viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix. (a) Loan amounting to Rs. 103,294,748 repayable to Parent entity outstanding as at March 31, 2022, is repayable on demand along with unpaid accrued interest. According to the information and explanations given to us, such loans and interest thereon have been repaid as and when demanded during the financial year. Considering the above, in our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) As represented to us by the Management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.

xiv. (a) In our opinion, the Company has adequate internal audit system commensurate with the size and nature of its business.

(b)The internal audit plan agreed with the internal auditors and approved by the Board of Directors of the Company is for the period 1 July 2020 to 30 September 2021. We have considered the internal audit reports of the Company issued till the date of our report covering the period 1 April 2021 to 30 September 2021 as per the said approved internal audit plan, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

Anand Subramanian
(Partner)
(Membership No. 110815)
(UDIN: 22110815AJQVSG6166)

Place: Bengaluru
Date: May 26, 2022

(Amount in INR)

Balance Sheet	Note	31 March 2022	31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	7,871,531	16,992,930
Right-of-use assets	4(a)	5,828,560	17,482,436
Intangible assets	5	200,000	56,865
Financial assets			
Other non-current financial assets	6	1,358,046	6,120,306
Deferred tax assets (net)	7	50,149,351	61,776,733
Income tax assets (net)	8	190,486,135	133,222,716
Total non-current assets		**255,893,623**	**235,651,986**
Current Assets			
Inventories	9	6,397,461	4,943,547
Financial assets			
Trade receivables	10		
-Billed		698,319,778	517,970,672
-Unbilled		352,113,957	235,837,191
Cash and cash equivalents	11	294,293	59,462,817
Bank balances other than cash and cash equivalents above	12	16,891,480	28,844,266
Loans	13	11,888,944	8,487,185
Other financial assets	14	2,411,195	3,021,477
Other current assets	15	26,380,964	23,040,453
Total current assets		**1,114,698,072**	**881,607,608**
Total Assets		**1,370,591,695**	**1,117,259,594**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	8,900,000	5,000,000
Other equity	17	198,956,685	203,006,483
Total Equity		**207,856,685**	**208,006,483**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	4(b)	440,518	4,090,331
Non-current provisions	18	141,653,111	136,977,279
Total non-current liabilities		**142,093,629**	**141,067,610**
Current liabilities			
Financial liabilities			
Lease liabilities	4(b)	5,902,035	15,010,202
Borrowings	19	326,072,910	151,777,962
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	20	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprise:	20	35,549,887	32,902,651
Other financial liabilities	21	440,736,849	385,665,237
Current provisions	22	84,005,025	72,306,192
Other current liabilities	23	128,374,675	110,523,257
Total current liabilities		**1,020,641,381**	**768,185,501**
Total Liabilities		**1,162,735,010**	**909,253,111**
Total Equity and Liabilities		**1,370,591,695**	**1,117,259,594**

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

As per our report of even date attached

for Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No: 008072S

for and on behalf of Board of Directors of
Terrier Security Services (India) Private Limited

Anand Subramanian
Partner
Membership No. 110815

Place: Bengaluru
Date: 26 May 2022

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * BENGALURU

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 26 May 2022

Madhu Damodaran
Director
DIN : 00424780

Place: Bengaluru
Date: 26 May 2022

Terrier Security Services (India) Private Limited

(Amount in INR)

Statement of Profit and loss	Note	For the Year ended 31 March 2022	For the Year ended 31 March 2021
Income			
Revenue from operations	24	4,576,536,166	4,067,816,871
Other income	25	2,123,879	13,473,747
Total Income		**4,578,660,045**	**4,081,290,618**
Expenses			
Cost of materials, stores and spare parts consumed	26	10,862,246	37,921,317
Employee benefits expenses	27	4,399,288,242	3,741,794,561
Finance cost	28	20,068,407	28,876,272
Depreciation and amortisation expense	29	26,751,578	32,047,532
Other expenses	30	101,190,729	129,800,319
Total expenses		**4,558,161,202**	**3,970,440,001**
Profit for the year		**20,498,843**	**110,850,617**
Tax expense			
Current tax	31	-	-
Deferred tax Charge	31	(13,618,488)	(100,252,830)
Total tax expense		**(13,618,488)**	**(100,252,830)**
Profit for the year		**6,880,355**	**10,597,787**
Other comprehensive income/(expense)			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement (Losses)/gain on defined benefit plans		(7,911,258)	3,076,248
Income tax relating to items that will not be reclassed to profit or loss		1,991,105	(774,230)
Other comprehensive income for the year, net of income tax		**(5,920,153)**	**2,302,018**
Total comprehensive income for the year		**960,202**	**12,899,805**
Earnings per equity share (face value of Rs 10 each)	36		
Basic		13.64	21.20
Diluted		3.44	21.20

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

As per our report of even date attached

for Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No: 008072S

Anand Subramanian
Partner
Membership No. 110815

Place: Bengaluru
Date: 26 May 2022

for and on behalf of Board of Directors of
Terrier Security Services (India) Private Limited

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 26 May 2022

Madhu Damodaran
Director
DIN : 00424780

Place: Bengaluru
Date: 26 May 2022

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * BENGALURU

Terrier Security Services (India) Private Limited

(Amount in INR)

Statement of Cash Flows	For the Year ended 31 March 2022	31 March 2021
Cash flow from operating activities		
Profit before tax	20,498,843	110,850,617
Adjustments for:		
Depreciation of property, plant and equipment	10,858,423	13,344,493
Amortisation of intangible assets	56,865	575,600
Deposits written off	-	772,301
Depreciation of rights-of-use-assets	15,836,290	18,127,433
Bad debts written off	53,245,461	84,252,138
Loss allowance on financial assets	(42,838,263)	(86,437,355)
Interest income on term deposits	(1,044,147)	(1,622,165)
Finance costs	18,680,131	26,140,437
Finance costs on right of use assets	1,388,276	2,735,835
Operating cash flows before working capital changes	**76,681,879**	**168,739,334**
Working capital adjustments:		
Changes in:		
Inventories	(1,453,914)	1,161,929
Trade receivables	(190,756,304)	333,359,203
Unbilled revenue	(116,276,765)	37,151,824
Other financial assets	610,282	(1,387,688)
Other assets	(3,340,511)	6,747,875
Loans	1,360,501	4,920,485
Trade payables	2,647,236	(42,976,123)
Other financial liabilities	53,961,612	(146,853,701)
Other liabilities	17,851,418	1,657,367
Provisions	8,463,407	13,490,071
Cash generated from operations	**(150,251,158)**	**376,010,576**
Income taxes paid/(refund net)	(57,263,420)	81,947,171
Net cash (Used in)/from operating activities (A)	**(207,514,578)**	**457,957,747**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles	(2,077,453)	(1,929,929)
Bank deposits (having original maturity of more than three months)	12,996,933	(3,911,965)
Net cash from/(Used in) investing activities (B)	**10,919,479**	**(5,841,894)**
Cash flows from financing activities		
Proceeds from borrowings, net	174,294,949	(393,078,822)
Lease Payments	(18,188,245)	(20,808,437)
Finance cost paid	(18,680,131)	(26,140,437)
Net cash from/(Used in) financing activities (C)	**137,426,573**	**(440,027,696)**
Net (Decrease)/Increase in cash and cash equivalents (A+B+C)	(59,168,526)	12,088,157
Cash and cash equivalents at the beginning of the year	59,462,819	47,374,661
Cash and cash equivalents at the end of the year	**294,293**	**59,462,819**

Components of cash and cash equivalents

Particulars	As at 31 March 2022	31 March 2021
Cash and cash equivalents		
Cash on hand	2,553	2,553
In current accounts	291,740	59,460,266
Cash and cash equivalents as per note balance sheet	**294,293**	**59,462,819**

Issue of Optionally convertible redeemable preference share and conversion of partly paid equity share into fully paid equity share are non cash items (Refer Note 16F)

The accompanying notes form an integral part of thefinancial statements.

As per my report of even date attached

for Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No: 008072S

Anand Subramanian
Partner
Membership No. 110815

Place: Bengaluru
Date: 26 May 2022

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * BENGALURU

for and on behalf of Board of Directors of

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 26 May 2022

Madhu Damodaran
Director
DIN : 00424780

Place: Bengaluru
Date: 26 May 2022

Terrier Security Services (India) Private Limited

Statement of Changes in Equity

(A) Equity Share Capital

(Amount in INR)

Particulars	Note	31 March 2022	31 March 2021
Opening Balance	16	**5,000,000**	**5,000,000**
Changes in equity share capital		3,900,000	-
Closing Balance		**8,900,000**	**5,000,000**

(B) Other Equity

(Amount in INR)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total Equity attributable to Equity holders of the Company
	Retained Earnings	Other Reserve	Other Items of Other comprehensive Income	
Balance as of 1 April 2020	**229,407,521**	**2,200,000**	**(41,500,843)**	**190,106,678**
Add: Profit for the year	10,597,787	-	-	10,597,787
Add: Remeasurement of the net defined benefit Liability/Asset, net of tax effect	-	-	2,302,018	2,302,018
Balance as of 31 March 2021	**240,005,308**	**2,200,000**	**(39,198,825)**	**203,006,483**
Add: Profit for the year	6,880,355			6,880,355
Add: Remeasurement of the net defined benefit Liability/Asset, net of tax effect	-	-	(5,920,153)	(5,920,153)
Issue of Optionally Convertible Redeemable Preference Shares (OCRP Shares)	**(1,500,000)**	-	-	(1,500,000)
Capitalisation of OCRP Shares	**(3,510,000)**	-	-	(3,510,000)
Balance as of 31 March 2022	**241,875,663**	**2,200,000**	**(45,118,978)**	**198,956,685**

The accompanying notes form an integral part of the financial statements.
As per our report of even date attached
for Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No: 008072S

for and on behalf of Board of Directors of
Terrier Security Services (India) Private Limited

Anand Subramanian
Partner
Membership No. 110815

Place: Bengaluru
Date: 26 May 2022

DELOITTE HASKINS & SELLS * BENGALURU * CHARTERED ACCOUNTANTS

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 26 May 2022

Madhu Damodaran
Director
DIN : 00424780

Place: Bengaluru
Date: 26 May 2022

1. Company overview

Terrier Security Services (India) Pvt. Ltd., ('the Company') is a private limited Company incorporated and domiciled in India. The registered office of the Company is located at 3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru-560103, Karnataka state, India. The Company is engaged in the business of Security (Manned guarding) Services, Electronic Surveillance Solutions, Background verification & Training and other services.

Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Ind AS financial statements. Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use financial statement have been approved and adopted by the Company 26 May 2022.

2. Basis of preparation

2.1 Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

The Ind AS financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency.

2.2 Basis of preparation

The financial statements have been prepared on historical cost basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments);

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of Defined Benefit Obligations ("DBO") and

iii. Contingent consideration in business combinations is measured at fair value.

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

Going concern:

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

2.3 Use of estimates and judgement

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of assets including receivables and unbilled revenues. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as on date of approval of these financial statements has used internal and external sources of information to the extent available and has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets to be recovered. The Company will continue to monitor future economic conditions for any significant change.

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

i. ***Contingent liabilities:*** Contingent liabilities are not recognized in the financial statements but are disclosed in the notes. They are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognized in the financial statements of the period in which the change in probability occurs (except, in the extremely rare circumstances where no reliable estimate can be made).

ii. ***Income taxes:*** Significant judgments are involved in determining provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities and the projected future taxable income in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

iii. ***Measurement of defined benefit obligations:*** The cost of the defined benefit obligations is based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. All assumptions are reviewed on a periodic basis.

iv. ***Impairment of financial assets:*** The Company recognizes loss allowances using the Expected credit loss (ECL) model for the financial assets and unbilled revenues which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The loss rates for the trade receivables considers the credit risk of the customers and have been adjusted to reflect the Management's view of economic conditions over the expected collection period of the receivables.

v. ***Property, plant and equipment and Intangible assets:*** The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically.

vi. ***Other estimates:*** The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * BENGALURU *

Vijaya

concentrations, customer creditworthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

2.4 Current and Non-current classification

Current and non-current classification: The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.5 Measurement of fair values

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

In determining the fair value of an asset or a liability, the Company uses different methods and assumptions based on observable market inputs. All methods of assessing fair value result in general approximation of value, and such value may not actually be realized.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

2.6 Property, plant and equipment

i) Recognition and measurement

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

Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management.

The cost and related accumulated depreciation are derecognized from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'.

ii)Depreciation methods, estimated useful lives and residual value

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset category	Estimated useful life
Furniture and fixtures	5 years
Vehicles	3 years
Office equipment	5 years
Plant and machinery	3 - 8 years
Computer equipment	3 years

Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013.

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

Leasehold improvements are depreciated over lease term or estimated useful life whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed periodically, including at each financial year end.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

The cost and related accumulated depreciation are derecognized from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

2.7 Intangible assets

(i) Intangible assets

Intangible assets such as computer software, copyright and trademarks are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brand, is recognized in the statement of profit and loss as and when incurred.

(iii) Amortization

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

The estimated useful lives of intangible assets are as follows:

Asset category	Estimated useful life for 31 March 2022
Software (owned)	3 years

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted if appropriate.

2.8 Impairment of non-financial assets

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss. Intangible assets that do not have definite useful life are not amortized and are tested at least annually for impairment. If events or changes in circumstances indicate that they might be impaired, they are tested for impairment more frequently.

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2.9 Leases

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases of buildings (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

2.10 Inventories

Inventories (raw materials and stores and spares) are valued at lower of cost and net realizable value. Cost of inventories comprises purchase price and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs to sell.

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2.11 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over goods or service to a customer. The method for recognizing revenues and costs depends on the nature of the services rendered.

Revenue on time-and-material contracts are recognized as the related services are rendered and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Revenue from fixed-price, fixed time frame contracts, where the performance obligations are satisfied overtime and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred to as income received in advance).

Policy in case of Contract modifications

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Policy in case of variable consideration

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

Policy in case of Principal vs agent

The Company may enter into arrangements with third party suppliers to provide services. In such cases, the Company evaluates whether it is the principal (i.e. report revenues on a gross basis) or agent (i.e. report revenues on a net basis). In doing so, the Company first evaluates whether it controls the service before it is transferred to the customer. If the Company control the service before it is transferred to the customer, it is the principal; if not, it is the agent.

Refer Note 24 for disclosure related to revenue from contracts with customers

(a) Manned guarding services:

Revenue from the Manned guarding services are primarily earned on a fixed fee basis and are recognized ratably over the period of the contract with the customers. All arrangements are on time basis and are recognized as the services are performed as per the terms of arrangement with the customers.

(b) Electronic Surveillance Solutions:

Revenue from Electronic surveillance Solutions services are earned and recognized on transfer of risk and reward/ successful implementation of every project undertaken. The annual maintenance service contracts, both comprehensive and non-comprehensive, are accepted after the expiry of warranty period given by the OEMs (original

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equipment manufacturers), the revenue is measured in the case of comprehensive AMCs based on the size of the project value and in the case of non-comprehensive AMCs the same is measured on case-to-case basis.

(c) Training & Other Services

Revenue from Training services are earned on a fixed fee basis depending on the nature of training imparted such as firefighting, basic first aid, evacuation drill, fire mock drill, material management training, men management, key management, visitor management, discipline, communication, behavioral structure training etc. The revenue is recognized only after the completion of the training of the participants.

2.12 Other income

Other income mostly comprises interest income on deposits, dividend income and gain/ (losses) on disposal of financial assets and non-financial assets. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

2.13 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the respective transactions. Foreign-currency denominated monetary assets and liabilities are translated into the functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and such translation of monetary assets and liabilities denominated in foreign currencies are generally recognized in the statement of profit and loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

2.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

a) Recognition and initial measurement

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

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Regular way purchase and sale of financial assets are accounted for at trade date.

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b) Financial assets

(i) Classification and subsequent measurement

For the purpose of subsequent measurement, a financial asset is classified and measured at

- amortized cost.
- fair value through other comprehensive income (FVTOCI) - debt investment;
- fair value through other comprehensive income (FVTOCI) - equity investment; or
- fair value through profit and loss (FVTPL).

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

2. A debt investment is measured at FVTOCI if both of the following conditions are met:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets ; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

3. On initial recognition of an equity investment that is not held for trading, the Company irrevocably elects to present subsequent changes in the fair value in OCI (designated as FVTOCI-equity investment). This election is made on an investment-to-investment basis.

4. All financial assets not classified as amortized cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in the statement of profit and loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.
Equity investments at FVOCI recognized	These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to the statement of profit and loss.

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(ii) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and unbilled revenues. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable and contract assets. Depending on the diversity of its customer base, the Company has considered to group its customers into two types: government customers and non-government customers.

The provision matrix for non-government customers is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. The provision matrix for government customers is primarily based on the time based movement within the life cycle of customer receivable further adjusted for forward-looking estimates

ECL impairment loss allowance (or reversal) is recognized as an income/expense in the statement of profit and loss during the period.

(iii) Derecognition of financial assets

A financial asset is derecognized only when the Company:
- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset.

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c) Financial liabilities

(i) Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortized cost or FVTPL. Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(ii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because the specified party fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts are initially recognized at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative amortization.

(iii) Derecognition

A financial liability is derecognized when the Company's obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.15 Employee benefits

a) Short-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Short-term employee benefits are measured on an undiscounted basis as the related service is provided.

b) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method and recognized as Current Provision.

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c) Defined contribution plan

Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The Company makes specified monthly contributions towards Employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The expenditure for defined contribution plan is recognized as expense during the period when the employee provides service.

d) Defined benefit plans

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The Company's gratuity fund is managed by HDFC Life Insurance Company Limited. The present value of gratuity obligation under such defined benefit plan is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as a non-Current asset or liability.

The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Actuarial gains or losses are recognized in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead, net interest recognized in the statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the statement of profit and loss in subsequent periods.

2.16 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be used. Deferred income tax liabilities are recognized for all taxable

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temporary differences. Deferred tax assets, unrecognized or recognized, are reviewed at each reporting date, and are recognized/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realized.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.17 Provisions

A provision is recognized if, because of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

2.18 Contingent liability

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.19 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and in Current Accounts, demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash on hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.20 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

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2.21 Earnings per share

Basic earnings per share is computed by dividing the net profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

2.22 Segment reporting

The Chief Executing Officer of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The Company is engaged in the business of the business of Security (Manned guarding), Electronic Security & Surveillance, Background Verification Services & Training and other services and is considered by CODM as the only reportable business segment taking into account the nature of the business, the organization structure, internal reporting structure and risk and rewards. All the assets of the Company are located in India. The Company's management is of the opinion that the Company does not have secondary segments and hence segment reporting is not applicable.

2.23 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2022, although early adoption is permitted.

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Terrier Security Services (India) Private Limited
Notes to the financial statements for the year ended 31 March 2022

3 **Property, plant and equipment** *(Amount in INR)*

Particulars	Leasehold improvements	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Total
Gross block						
As at 1 April 2020	**12,247,898**	**17,598,947**	**15,180,872**	**15,774,952**	**27,361,871**	**88,164,540**
Additions during the year	-	551,850	-	425,229	952,851	1,929,929
Disposals for the year	-	-	-	-	-	0
As at 31 March 2021	**12,247,898**	**18,150,797**	**15,180,872**	**16,200,181**	**28,314,721**	**90,094,469**
Additions during the year	-	-	-	1,737,024	-	1,737,024
Disposals for the year	-	-	-	-	-	-
As at 31 March 2022	**12,247,898**	**18,150,797**	**15,180,872**	**17,937,205**	**28,314,721**	**91,831,493**
Accumulated Depreciation						
As at 1 April 2020	**6,574,799**	**10,391,171**	**15,088,514**	**8,165,706**	**19,536,856**	**59,757,046**
Depreciation for the year	2,500,766	3,051,317	31,768	2,690,246	5,070,396	13,344,493
Depreciation on deletion	-	-	-	-	-	-
As at 31 March 2021	**9,075,565**	**13,442,488**	**15,120,282**	**10,855,952**	**24,607,252**	**73,101,538**
Depreciation for the year	2,500,766	2,935,720	31,500	2,721,272	2,669,165	10,858,423
Depreciation on deletion	-	-	-	-	-	-
As at 31 March 2022	**11,576,331**	**16,378,208**	**15,151,782**	**13,577,224**	**27,276,417**	**83,959,962**
Net Block :						
As at 31 March 2022	**671,567**	**1,772,589**	**29,090**	**4,359,981**	**1,038,304**	**7,871,531**
As at 31 March 2021	**3,172,333**	**4,708,309**	**60,590**	**5,344,229**	**3,707,469**	**16,992,930**

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Notes to the financial statements for the year ended 31 March 2022

4(a) **Right-of-use assets** (Amount in INR)

Particulars	Amount
Gross block	
As at 1 April 2020	**53,504,416**
Additions during the year	-
Disposals for the year	-
As at 31 March 2021	**53,504,416**
Additions during the year	4,182,414
Disposals for the year	-
As at 31 March 2022	**57,686,830**
Accumulated depreciation	
As at 1 April 2020	**17,894,547**
Additions during the year	18,127,433
Disposals for the year	-
As at 31 March 2021	**36,021,980**
Additions during the year	15,836,290
Disposals for the year	-
As at 31 March 2022	**51,858,270**
Net Block	
As at 31 March 2022	**5,828,560**
As at 31 March 2021	**17,482,436**

4(b) **Lease liabilities** *(Amount in INR)*

Particulars	31 March 2022	31 March 2021
Non-current lease liability	440,518	4,090,331
Current lease liability	5,902,035	15,010,202
Total	**6,342,553**	**19,100,533**

The following is the movement in lease liabilities

Particulars	31 March 2022	31 March 2021
Balances as at beginning of the year	19,100,533	37,173,135
Add: Additions	4,041,989	-
Add: Finance cost accrued during the year	1,388,276	2,735,835
Less: Repayment of lease obligation	(18,188,245)	(20,808,437)
Balance as at the end of the year	**6,342,553**	**19,100,533**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	31 March 2022	31 March 2021
Less than one year	6,090,400	16,172,240
One to five years	446,000	4,184,400
'More than five years	-	-

5 **Intangible Assets (Computer Software)** *(Amount in INR)*

Particulars	Amount
Additions on Amalgamation	
As at 1 April 2020	**6,519,483**
Additions during the year	-
Disposals for the year	-
As at 31 March 2021	**6,519,483**
Additions during the year	200,000
Disposals for the year	-
As at 31 March 2022	**6,719,483**
Accumulated Amortization	
As at 1 April 2020	**5,887,018**
Amortisation for the year	575,600
Amortization on deletions	-
As at 31 March 2021	**6,462,618**
Amortisation for the year	56,865
Amortization on deletions	-
As at 31 March 2022	**6,519,483**
Net Block	
As at 31 March 2022	**200,000**
As at 31 March 2021	**56,865**

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6 Other non-current financial assets

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Unsecured, considered good		
Security deposits paid for rental*	1,358,046	6,120,306
	1,358,046	**6,120,306**

*Security deposits include deposits given for Premises taken under leases

7 Deferred tax assets

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Deferred tax assets recognised on assets and liabilities are as follows:		
Deferred tax on assets		
Property, Plant and Equipment	7,632,351	6,714,484
Deferred tax on loss allowance	42,387,638	54,655,006
Deferred tax on lease liabilities, net of right of use assets	129,362	407,243
	50,149,351	**61,776,733**

8 Income tax assets (net)

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Advance income tax	190,486,135	133,222,716
	190,486,135	**133,222,716**

9 Inventories

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Valued at lower of cost and net realizable value		
Consumables	5,963,989	4,366,839
Stores and spares	433,472	576,708
	6,397,461	**4,943,547**

10 Trade receivables

i) Trade receivables - billed

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Unsecured		
Trade receivable - Considered good	813,574,070	686,082,383
Less: Allowance for expected credit loss	(115,254,292)	(168,111,711)
Trade receivable - Considered good	**698,319,778**	**517,970,672**
Trade receivable - Credit impaired	52,091,492	49,048,995
Less: Allowance for Credit impairment	(52,091,492)	(49,048,995)
Trade receivable - Credit Impaired	-	-
Total trade receivables	**698,319,778**	**517,970,672**

ii) Unbilled Revenue

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Unbilled revenue*	359,090,617	235,837,191
Less: Allowance for expected credit loss	(6,976,660)	-
Total Unbilled Revenue	**352,113,957**	**235,837,191**
Total Trade Receivables	**1,050,433,735**	**753,807,863**

*Includes unbilled revenue billable to releated parties INR 24,671,064 (Previous Year INR 15,214,667) refer note 37

Of the Trade Receivable-Billed, trade receivables from related party are as below:

Particulars	31 March 2022	31 March 2021
Trade receivables from related parties	17,927,799	13,492,192
Less: Loss allowance	-	-
Net trade receivables	**17,927,799**	**13,492,192**

Trade receivable ageing schedule for the year ended as at 31 March 2022:

(Amount in INR)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	359,090,617	401,536,579	327,624,355	27,864,327	27,450,035	16,209,682	12,889,091	1,172,664,686
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	23,003,479	18,149,377	10,938,637	52,091,493
Gross Trade receivables	359,090,617	401,536,579	327,624,355	27,864,327	50,453,514	34,359,059	23,827,728	1,224,756,179
Less: Allowance for expected credit loss								(174,322,444)
Net Trade receivable	359,090,617	401,536,579	327,624,355	27,864,327	50,453,514	34,359,059	23,827,728	1,050,433,735

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Trade receivable ageing schedule for the year ended as at 31 March 2021:

(Amount in Rs)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	235,837,192	369,132,762	183,935,472	44,416,365	50,128,403	34,535,615	3,933,765	921,919,573
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	22,285,854	25,559,031	1,204,111	49,048,996
Gross Trade receivables	**235,837,192**	**369,132,762**	**183,935,472**	**44,416,365**	**72,414,257**	**60,094,646**	**5,137,876**	**970,968,569**
Less: Allowance for expected credit loss								(217,160,706)
Net Trade receivable								**753,807,863**

11 Cash and cash equivalents

(Amount in Rs)

Particulars	31 March 2022	31 March 2021
Cash and cash equivalents		
Cash on hand	2,553	2,553
Balances with banks		
In current accounts	291,740	59,460,266
	294,293	**59,462,819**

12 Bank balances other than cash and cash equivalents above

(Amount in Rs)

Particulars	31 March 2022	31 March 2021
Deposit held as margin money	16,891,480	28,844,266
	16,891,480	**28,844,266**

13 Loans

(Amount in Rs)

Particulars	31 March 2022	31 March 2021
Unsecured, considered good		
Security deposits*	11,888,944	8,487,185
	11,888,944	**8,487,185**

*Security deposits include deposits given for Premises taken under leases

14 Other financial assets

(Amount in Rs)

Particulars	31 March 2022	31 March 2021
Interest accrued but not due	2,411,195	3,021,477
	2,411,195	**3,021,477**

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15 Other current assets

(Amount in Rs)

Particulars	31 March 2022	31 March 2021
Advances other than capital advances		
Advances to suppliers	8,650,494	3,948,671
Advances to employees	2,263,163	2,069,894
Prepaid expenses	15,467,307	17,021,888
	26,380,964	**23,040,453**

16 Equity Share capital

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Authorised Share Capital		
1,850,000 (Previous year 1,000,000) equity shares at par value of Rs 10 each	18,500,000	10,000,000
150,000 (Previous year NIL) Optionally Convertible Redeemable Preference shares (OCRP Shares) at par value of Rs 10 each	1,500,000	-
	20,000,000	**10,000,000**
Issued, subscribed and paid-up		
890,000 (Previous year 500,000) equity shares at par value of Rs 10 each, fully paid up	8,900,000	5,000,000
	8,900,000	**5,000,000**

(Amount in INR)

Particulars	31 March 2022	31 March 2021
SHARE CAPITAL	**No. of Shares**	**No. of Shares**
A. Authorised Share Capital		
Equity Shares of Rs. 10 each	1,850,000	1,000,000
1,850,000 (Previous year 1,000,000) equity shares of par value of Rs 10 each		
150,000 Optionally Convertible Redeemable Preference shares (OCRP Shares) of par value of Rs 10 each	150,000	-
B. Issued, Subscribed and Paid up Capital		
890,000 (Previous year 500,000) equity shares of par value of Rs 10 each	890,000	500,000
TOTAL	890,000	**500,000**
C. Reconciliation of Paid up Share Capital		
Opening Paid up Equity Share Capital	500,000	500,000
Add:- Conversion of OCRP Shares into Equity shares during the year (Refer note F)	390,000	-
Closing Paid up Equity Share Capital	890,000	500,000

D. **Details of shareholders holding more than 5% shares in the Company**

Particulars	As on 31march 2022		As on 31march 2021	
	Number of Shares	% Held	Number of Shares	% Held
Equity Shares				
Quess Corp Limited	370,000	42%	370,000	74%
Terrier Employee Benefit Trust	520,000	58%	130,000	26%

As per the records of the Company, including its register of members/ shareholders, the above shareholding represents both legal and beneficial ownership of the shares.

E. **Terms / Rights attached to Equity Shares**

1 The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

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

F During the year, the Company has allotted 1,50,000, 10% Optionally Convertible Redeemable Preference Shares ("OCRP Shares") having face value of Rs. 10 each by way of bonus issue, as fully paid-up shares in the proportion of 3 OCRP Shares for every 10 equity shares already held by existing shareholders of the Company. Consequently, the Company allotted 111,000 OCRP shares to Quess Corp Limited and 39,000 to Terrier Employee Benefit Trust.
Terrier Employee Benefit Trust also exercised the option for conversion of 39,000 OCRP shares into 390,000 equity shares of Rs. 10 each. The conversion also resulted in utilisation of Retained Earnings for converting 390,000 partly paid equity shares of Re 1 each to 390,000 equity shares of Rs. 10 each.
The OCRP Shares shall be compulsorily redeemed at par, if not converted into equity shares of the Company on or before the expiry of 20 years from date of issue. The OCRP shares shall be entitled to dividend at 10% per annum on the face value of OCRP shares subject to approval of Board of Directors. The dividends are non-cumulative in nature. OCRP Shareholders shall be entitled to no voting rights except on matters directly concerning them.
The OCRP shares are considered as a compound instrument under "Ind AS 32" – Financial Instruments: Presentation as it contains a mandatory redemption after 20 years and dividends are discretionary. Accordingly, it is considered as compound instrument. Given that the management has represented that the issue of OCRP shares is at fair value, the same is considered as liability.
Under Ind AS 110 - Consolidated Financial Statements, OCRP shares can be converted into equity shares by the holder of the instruments at any point in time and therefore considered as potential voting shares. Given that, the shares can be converted without any contractual restrictions, Quess Corp Limited continues to be the Parent company of the Company.

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17 Other equity*

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Retained earnings	241,875,663	240,005,308
Other reserves	2,200,000	2,200,000
Other comprehensive income	(45,118,978)	(39,198,825)
	198,956,685	**203,006,483**

* For detailed movement of reserves refer Statement of changes in Equity

18 Non-current provisions

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Provision for employee benefit		
Provision for gratuity (refer note 38)	141,653,111	136,977,279
	141,653,111	**136,977,279**

19 Borrowings

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Secured		
Cash credit and overdraft facilities (refer note 33)	226,072,910	151,777,962
Loan from related parties, unsecured		
From Quess Corp Limited (refer note 33 & 37)	100,000,000	-
	326,072,910	**151,777,962**

20 Trade payables

i) Trade payables - billed dues

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Total outstanding dues of micro enterprises and small enterprises (refer note 41)	-	-
Trade payables to related parties (refer note 37)	16,173,004	8,684,259
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	19,376,883	24,218,392
	35,549,887	**32,902,651**

Trade payable ageing schedule as on 31 March 2022:

(Amount in INR)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1	1 - 2 year	2 - 3 year	More than 3 years	Total
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	21,341,765	7,114,601	896,971	6,196,550	35,549,887

Trade payable ageing schedule as on 31 March 2021:

(Amount in INR)

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1	1 - 2 year	2 - 3 year	More than 3 years	Total
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	21,316,176	3,473,680	7,901,598	211,197	32,902,651

21 Other financial liabilities

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Other Payables		
Accrued salaries and benefits	368,718,087	339,955,154
Uniform deposits	50,103,604	37,130,641
Accrued Expense	17,510,410	8,579,442
Interest accrued but not due	3,294,748	-
Optionally Convertible Redeemable Preference shares OCRP Shares 111,000 of Rs. 10 each (Refer note 16F)	1,110,000	-
	440,736,849	**385,665,237**

22 Current provisions

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Provision for employee benefits		
Provision for compensated absences	14,554,752	17,178,320
Provision for bonus	69,450,273	55,127,872
	84,005,025	**72,306,192**

23 Other current liabilities

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Advance received from customers	5,841,585	5,136,968
Balances payable to government authorities	122,533,090	105,386,289
	128,374,675	**110,523,257**

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24 Revenue from operations

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Manned guarding services	4,534,303,826	4,007,374,045
Electronic surveillance solutions	16,009,305	41,887,195
Training and other services	26,223,035	18,555,631
	4,576,536,166	**4,067,816,871**

(i) Trade Receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Invoicing in excess of earnings are classified as unearned revenue.

The following table provides information about receivables, contract assets and contract liabilities from contract with customers

(Amount in INR)

Particulars	As at 31 March 2022	As at 31 March 2021
Receivables, which are included in 'Trade and other receivables'	698,319,778	517,970,672
Unbilled revenue	352,113,957	235,837,191

The contract asset primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customer, for which revenue is recognised on completion of contract terms.

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2022 and 31 March 2021:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance at the beginning	235,837,191	272,989,016
Add : Revenue recognized during the year	4,583,512,826	4,067,816,871
Less : Invoiced during the year	4,460,259,400	4,104,968,696
Less: Allowance for expected credit loss	(6,976,660)	-
Balance at the end	**352,113,957**	**235,837,191**

(ii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for
(i) contracts with an original expected duration of one year or less and
(ii) contracts for which the Company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2022 and 31 March 2021, other than those meeting the exclusion criteria mentioned above, is INR 4,236,712 (31 March 2021: INR 1,902,329)

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25 Other income

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Interest income under the effective interest method on:		
Cash and cash equivalents	1,044,147	1,622,165
Interest income on present valuation of financial instruments	707,530	622,615
Interest on tax refunds	-	11,043,800
Miscellaneous income	372,202	185,167
	2,123,879	**13,473,747**

26 Cost of material and stores and spare parts consumed

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Inventory at the beginning of the year	4,943,547	6,105,477
Add: Purchases during the year	12,316,160	36,759,387
Less: Inventory at the end of the year	6,397,461	4,943,547
	10,862,246	**37,921,317**

27 Employee benefits expenses

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Salaries and wages	3,924,310,503	3,334,107,321
Contribution to provident and other funds	450,317,197	384,617,131
Staff welfare expenses	24,660,542	23,070,109
	4,399,288,242	**3,741,794,561**

28 Finance cost

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Interest expense on financial liabilities measured at amortised cost	18,680,131	26,140,437
Interest expense on lease liabilities	1,388,276	2,735,835
	20,068,407	**28,876,272**

29 Depreciation and amortisation expense

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Depreciation of property, plant and equipment (refer note 3)	10,858,423	13,344,499
Depreciation of rights-of-use-assets (refer note 4)	15,836,290	18,127,433
Amortisation of intangible assets (refer note 5)	56,865	575,600
	26,751,578	**32,047,532**

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30 Other expenses

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Recruitment and training expenses	49,510	5,334,542
Rent	8,241,365	8,161,147
Power and fuel	1,948,502	1,962,279
Repairs & Maintenance		
- Security & Housekeeping Charges	739,307	99,090
- Annual Maintenance Charges	1,690,890	1,481,872
- others	5,091,491	5,754,005
Legal and professional fees (refer note 30.1)	21,142,208	23,058,026
Rates and taxes	3,811,306	50,746,257
Printing and stationery	3,194,866	1,578,636
Travelling and conveyance	31,366,296	21,208,268
Communication expenses	1,332,277	201,795
Loss allowance	(42,838,263)	(86,437,355)
Equipment hire charges	5,603,149	2,930,163
Insurance	5,302,657	6,364,165
Bank charges	1,072,288	1,704,404
Bad debts written off	53,245,461	84,252,138
Business promotion and advertisement expenses	-	35,000
Deposits/ advances written-off	-	772,301
Miscellaneous expenses	197,419	593,587
	101,190,729	**129,800,319**

30.1 Payment to auditors (net of GST; included in legal and professional fees)

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Statutory audit fees	1,400,000	1,200,000
Limited review	1,200,000	950,000
Reimbursement of expenses	38,950	-
	2,638,950	**2,150,000**

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31 Tax expense

A. Amount recognised in the statement of profit and loss account

(Amount in INR)

Particulars	For the year ended 31 March 22	For the year ended 31 March 2021
Current income tax:		
In respect of the current year	-	-
Excess provision relating to prior years	-	-
Deferred tax		
In respect of the current year	(13,618,488)	(100,252,830)
Income tax expense reported in the statement of profit and loss	**(13,618,488)**	**(100,252,830)**

B. Amounts recognised in other comprehensive income

(Amount in INR)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Remeasurement of the net defined benefit liability/ asset		
Before tax	(7,911,258)	3,076,248
Tax (expense)/ benefit	1,991,105	(774,230)
Net of tax	**(5,920,153)**	**2,302,018**

C. Amounts recognised directly in equity

No tax expense has been recognised directly in equity

D. Reconciliation of effective tax rate

(Amount in INR)

Particulars		For the year ended 31 March 22		For the year ended 31 March 2021
Profit before tax		20,498,843		110,850,617
Computed expected tax expense	25.17%	5,159,149	25.17%	27,898,883
Effect of:				
Deferred tax asset not recognized considering prudence		6,468,234		-
Non deductible expense		-		27,170,003
Tax incentives		-		(100,298,180)
Income Tax expenses		**(11,627,383)**		**(101,027,060)**
Income tax expense reported in the statement of profit and loss		**(11,627,383)**		**(101,027,060)**

The tax rates under Indian Income Tax Act, for the year ended 31 March 2022 and 31 March 2021 is 25.17% and 25.17% respectively.

E. The following table provides the details of income tax assets and income tax liabilities as of 31 March 2022 and 31 March 2021

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Income tax assets	190,486,135	133,222,716
Income tax liabilities	-	-
Net income tax assets at the end of the year	**190,486,135**	**133,222,716**

F. Deferred tax assets, net

(Amount in INR)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax assets:		
Property, Plant and Equipment	7,632,351	6,714,484
Deferred tax on loss allowance	42,387,638	54,655,006
Deferred tax assets on liabilities		
Deferred tax on lease liabilities, net of right of use assets	129,362	407,243
	50,149,351	**61,776,733**

Deferred tax asset and liabilities are offset when there is a legally enforceable right to set off Current tax asset against Current tax Liabilities and when they relate to income tax levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for the financial reporting purposes:

(Amount in INR)

	As at 31 March 2022	As at 31 March 2021
Deferred tax assets:	50,019,989	61,369,490
Deferred tax assets on liabilities	129,362	407,243

G. Recognised deferred tax assets and liabilities

Movement of deferred tax assets presented in the balance sheet

(Amount in INR)

For the year ended 31 March 2022	Opening balance	Recognized in statement of profit or loss	Recognized in OCI	Closing balance
Deferred tax assets:				
Property, Plant and Equipment	6,714,484	917,867	-	7,632,351
Employee Benefit	-	(1,991,105)	1,991,105	-
Deferred tax on loss allowance	54,655,006	(12,267,368)	-	42,387,638
Deferred tax on liabilities				
Deferred tax on lease liabilities, net of right of use assets	407,243	(277,881)	-	129,362
	61,776,733	(13,618,488)	1,991,105	50,149,351

(Amount in INR)

For the year ended 31 March 2021	Opening balance	Recognized in statement of profit or loss	Recognized in OCI	Closing balance
Deferred tax assets:				
Property, Plant and Equipment	5,564,649	1,149,835	-	6,714,484
80JJAA Deduction	80,436,141	(80,436,141)	-	-
Employee Benefit	-	774,230	(774,230)	-
Deferred tax on loss allowance	76,409,560	(21,754,554)	-	54,655,006
Deferred tax on liabilities				
Deferred tax on lease liabilities, net of right of use assets	393,444	13,799	-	407,243
	162,803,794	(100,252,830)	(774,230)	61,776,733

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32 Financial instruments-fair value and risk management

Accounting classification and fair values

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

As at 31 March 2022 *(Amount in INR)*

Particulars	Carrying value	Fair value		
Financial assets	**31 March 2022**	**Level 1**	**Level 2**	**Level 3**
Amortised cost				
Trade and other receivables & Unbilled Revenue	1,050,433,735	-	-	-
Cash and cash equivalents	294,293	-	-	-
Other bank balances	16,891,480	-	-	-
Loans	11,888,944	-	-	-
Other financial assets	3,769,241	-	-	-
Total financial assets	**1,083,277,693**	-	-	-
Financial liabilities				
Amortised cost				
Lease liabilities	6,342,553	-	-	-
Trade and other payables	35,549,887	-	-	-
Borrowings	326,072,910	-	-	-
Other financial liabilities	440,736,849	-	-	-
Total financial liabilities	**808,702,199**	-	-	-

As at 31 March 2021 *(Amount in INR)*

Particulars	Carrying value	Fair value		
Financial assets	**31 March 2021**	**Level 1**	**Level 2**	**Level 3**
Amortised cost				
Trade and other receivables & Unbilled Revenue	753,807,863	-	-	-
Cash and cash equivalents	59,462,817	-	-	-
Other bank balances	28,844,266	-	-	-
Loans	14,607,491	-	-	-
Other financial assets	3,021,477	-	-	-
Total financial assets	**859,743,914**	-	-	-
Financial liabilities				
Amortised cost				
Lease liabilities	19,100,533	-	-	-
Trade and other payables	32,902,651	-	-	-
Borrowings	151,777,962	-	-	-
Other financial liabilities	385,665,237	-	-	-
Total financial liabilities	**589,446,383**	-	-	-

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32 **Financial instruments-fair value and risk management (Continued)**

Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in unquoted preference shares included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values

A **Financial Assets:**

The Company has not disclosed the fair values for loans, trade receivables, cash and cash equivalents including other bank balances, unbilled revenue and other financial assets because these are short term and their carrying amounts are a reasonable approximation of their fair value.

B **Financial Liabilities:**

1 **Borrowings:** It includes cash credit and overdraft facilities, working capital loan and bill discounting facilities. These short-term borrowings are classified and subsequently measured in the financial statements at amortized cost. Considering that the interest rate on the loan is reset on a monthly/quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.

2 **Trade payables and other liabilities:** Fair values of trade payables and other financial liabilities are measured at carrying value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the carrying values.

3 **Financial Lease liability:** The fair value of financial Lease liability has been determined by discounting consideration payable on commitment to sell at a effective interest rate.

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33 Financial risk management

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

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

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and Unbilled Revenue

Trade receivables (including unbilled revenue) are typically unsecured and are derived from revenue from customers located in India.The Company has established a credit policy under which each customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

Expected credit loss assessment for customers as at 31 March 2022 and 31 March 2021 are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivables from customers and unbilled revenue. The Company's customers are bifurcated into two groups - Government and Non-Government customers. For Non-Government customers, the Company derives the loss rates based on collections and actual credit loss experience over the last four quarters (31 March 2021: last six quarters) which is adjusted for forward looking information over the expected collection period. Exposure to customers is diversified and there is no single customer contributing more than 10% of trade receivables and unbilled revenue. For government customers, given the insignficiant credit risk, provision is recorded to reflect allowances for time value based on historical pattern of collections. Further, specific provision is recorded for customer speciife disputes.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from customers:

As at 31 March 2022 *(Amount in INR)*

Particulars	Gross carrying amount net of advances	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	376,228,241	0.4%	1,335,313	No	374,892,928
Past due 1–90 days	318,280,641	6.7%	21,377,894	No	296,902,747
Past due 91–180 days	29,458,101	40.9%	12,059,496	No	17,398,605
Past due 181–270 days	13,200,591	75.1%	9,916,676	No	3,283,915
Past due 271–360 days	12,468,037	100.0%	12,468,037	Yes	-
Above 360 days	110,188,367	100.0%	110,188,367	Yes	-
	859,823,978		167,345,783	-	692,478,195

As at 31 March 2021 *(Amount in INR)*

Particulars	Gross carrying amount net of advances	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	369,132,762	2.1%	6,933,449	No	362,199,313
Past due 1–90 days	159,158,808	12.5%	19,141,250	No	140,017,558
Past due 91–180 days	24,776,664	32.9%	14,515,473	No	10,261,191
Past due 181–270 days	28,257,936	53.2%	22,765,597	No	5,492,339
Past due 271–360 days	13,294,531	100.0%	13,294,531	Yes	-
Above 360 days	140,510,406	100.0%	140,510,406	Yes	-
	735,131,107		217,160,706	-	517,970,401

The movement in the allowance for impairment in respect of trade receivables during the year was as follows.

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Balance as at the beginning of the year	217,160,706	303,598,062
Impairment loss recognised	(42,838,263)	(86,437,355)
Balance as at the end of the year	174,322,443	217,160,706

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33 Financial risk management (continued)

ii) Liquidity risk

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

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually the excess of funds is invested in fixed deposit. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.

Financing arrangement

The Company maintains the following line of credit:

The Company has taken cash credit facilities having interest rate of 3 months MCLR. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the current assets of the Company on both present and future and collateral by way of pari passu first charge on the movable assets of the Company (excluding charge on vehicles/equipments purchased /to be purchased under lease agreements/ hire purchase agreements) both present and future of the Company.

The company has availed short term loan from its holding company - Quess Corp Limited wherein the repayment is on demand. The interest rate is charged as per India Government Bond Rate for 10 Years declared on Quarterly basis . (Refer note 37)

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2022 and 31 March 2021. The amounts are gross and undiscounted contractual cash flows and includes contractual interest payment and exclude netting arrangements:

As at 31 March 2022 *(Amount in INR)*

Particulars	Carrying amount	Contractual cash flow			
		Less than 1 year	1-2 years	2-5 years	5 years and above
Borrowings	326,072,910	326,072,910	-	-	-
Lease liabilities	6,342,553	5,902,035	440,518	-	-
Trade payables	35,549,887	35,549,887	-	-	-
Other financial liabilities	440,736,849	440,736,849	-	-	-

As at 31 March 2021 *(Amount in INR)*

Particulars	Carrying amount	Contractual cash flow			
		Less than 1 year	1-2 years	2-5 years	5 years and above
Borrowings	151,777,962	151,777,962	-	-	-
Lease liabilities	19,100,533	15,010,202	4,090,331	-	-
Trade payables	32,902,651	32,902,651	-	-	-
Other financial liabilities	385,665,237	385,665,237	-	-	-

33 Financial risk management

iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is not exposed to significant currency risk as the revenue and expenses are denominated only in INR.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowing comprises of cash credit facility and borrowings from holding company. Borrowings from holding company carries fixed rate of interest, which do not expose it to interest rate risk.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:-

(Amount in INR)

Particulars	31 March 2022		31 March 2021	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Variable rate borrowings	(2,440,069)	2,440,069	(1,135,785)	1,135,785

34 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate on non-current borrowings, current borrowing and current maturities of long-term borrowings less cash and cash equivalents.

The Company's policy is to keep the ratio below 2.00. The Company's adjusted net debt to equity ratio were as follows:

(Amount in INR)

Particulars	As at 31 March 2022	As at 31 March 2021
Gross debt	332,415,463	170,878,495
Less: Cash and cash equivalent	294,293	59,462,817
Adjusted net debt (total borrowings net of cash and cash equivalent)	**332,121,170**	**111,415,678**
Total equity	207,856,685	208,006,483
Net debt (Total external liabilities) to equity ratio	**1.60**	**0.54**

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35 Contingent liabilities and commitment

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Bank Guarantees issued against performance of contract	47,591,137	51,221,799
	47,591,137	**51,221,799**

36 Earnings per share

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Nominal value of equity shares (Rs per share)	10	10
Net profit after tax for the purpose of earnings per share (Rs)	6,880,355	10,597,787
Weighted average number of shares used in computing basic earnings per share	504,274	500,000
Basic earnings per share (Rs)	**13.64**	**21.20**
Weighted average number of shares used in computing diluted earnings per share	2,000,000	500,000
Diluted earnings per share (Rs)	**3.44**	**21.20**

37 Related party disclosures

(i) Name of Holding Company — Quess Corp Limited (refer note 16F)

(i) Name of related parties and description of relationship:

- Entity having common directors

Conneqt Business Solutions Limited
Golden Star Facilities and Services Private Limited
Resolve Business Services (India) Private Limited
Quess Corp (Lanka) Private Limited
Quess global (Malaysia) Sdn Bhd
Dependo Logistics Solutions Private Limited (Till 17 August 2020)
Vedang Cellular Services Private Limited
Simpliance Technologies Private Limited
Heptagon Technologies Pvt Ltd
Trimax Smart Infraprojects Private Limited
Greenpiece Landscapes India Private Limited
Qdigi Services Limited
Allsec Technologies Limited
MFX Infotech Private Limited
Monster.com (India) Private Limited
Simpliance Technologies Private Limited
Billion Careers Private Limited
Excelus Learning Solutions Private Limited

- Having significant interest in the Company

Terrier Employee Benefit Trust
Fairfax Financial Holdings Limited
Fairfax (US) Inc.
HWIC Asia Fund
Fairbridge Capital (Mauritius) Limited
Thomas Cook (India) Limited
National Collateral Management Services Limited

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37 Related party disclosures (continued)

(i) Name of related parties and description of relationship:

-Subsidiaries of Quess Corp Ltd	MFX Infotech Private Limited
	Brainhunter Systems Ltd.
	Mindwire Systems Limited
	Quess (Philippines) Corp.
	Quess Corp (USA) Inc.
	Quesscorp Holdings Pte. Ltd.
	Quess Corp Vietnam LLC
	Quessglobal (Malaysia) SDN. BHD.
	Quess Corp Lanka (Private) Limited
	Quesscorp Singapore Pte Limited (formerly known as Comtel Solutions Pte. Limited)
	MFXchange Holdings, Inc.
	MFXchange US, Inc.
	MFX Chile SpA
	Excelus Learning Solutions Private Limited
	Conneqt Business Solution Limited
	Vedang Cellular Services Private Limited
	Golden Star Facilities and Services Private Limited
	Quess Selection & Services Pte Limited (formerly known as Comtelpro Pte. Ltd.)
	Comtelink Sdn. Bhd
	Monster.com (India) Private Limited
	Monster.com.SG PTE Limited
	Monster.com HK Limited
	Agensi Pekerjaan Monster Malaysia SDN. BHD.
	Quesscorp Management Consultancies
	Quesscorp Manpower Supply Services LLC
	Qdigi Services Limited
	Greenpiece Landscapes India Private Limited
	Simpliance Technologies Private Limited
	Allsec Technologies Limited
	Allsectech Inc., USA
	Allsectech Manila Inc., Philippiness
	Retreat Capital Management Inc., USA
	Trimax Smart Infraprojects Private Limited
	Quess Corp Services Limited
	Heptagon Technologies Pvt Ltd
	Billion Careers Private Limited
	Quess East Bengal FC Private Limited

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37 Related party disclosures (continued)

(i) Name of related parties and description of relationship:

-Associates of Quess Corp Ltd	Quess Recruit, Inc. Agency Pekerjaan Quess Recruit SDN. BHD. Stellars Log Technovation Private Limited
-Joint Ventures of Quess Corp Limited	Himmer Industrial Services (M) Sdn Bhd

(ii) Related party transactions during the year

(Amount in INR)

Particulars		31 March 2022	31 March 2021
Revenue from operations			
- Services (Man Guard Services)			
	Quess Corp Ltd	202,434,832	139,092,818
	Allsec Technologies Limited	18,140,482	15,064,323
	Golden Star Facilities and Services Pvt Ltd	24,611,522	20,943,183
	MFX Infotech Private Limited	-	204,614
	Comtel Solutions PTE Ltd	-	528,000
	Vedang Cellular Services Private Limited	1,256,714	105,840
	ConnectQ Business Services Private Limited	63,962,559	64,249,743
	Monster.com (India) Pvt Ltd	2,165,562	1,897,263
	Qdigi Services Limited	6,862,470	7,071,896
	Net Resources Investments Private limited	751,880	881,434
	Total	**320,186,021**	**250,039,114**
- Receiving of services			
	Quess Corp Ltd	1,422,698	1,775,927
	Allsec Technologies Limited	132,149	59,401
	Simpliance Technologies Private Limited	122,869	65,070
	ConnectQ Business Services Private Limited	6,311,156	4,281,835
	Total	**7,988,872**	**6,182,233**
-Loans taken from related parties	Quess Corp Ltd	777,867,065	409,218,638
	Total	**777,867,065**	**409,218,638**
-Loans repaid to related parties	Quess Corp Ltd	677,867,065	751,381,258
	Total	**677,867,065**	**751,381,258**
- Interest expenses	Quess Corp Ltd	3,294,748	18,525,475
	Total	**3,294,748**	**18,525,475**

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Terrier Security Services (India) Private Limited

Notes to the financial statements for the year ended 31 March 2022

(iii) Balance receivable from and payable to related parties as at the balance sheet date:

(Amount in INR)

Particulars		31 March 2022	31 March 2021
Trade receivables	Quess Corp Ltd	(420,268)	3,653,461
	Allsec Technologies Limited	2,457,569	1,130,239
	Golden Star Facilities and Services Pvt Ltd	6,094,299	1,707,735
	MFX Infotech Private Limited	-	234
	Net Resource Investment	33,816	71,572
	ConnectQ Business Services Private Limited	9,251,902	6,850,974
	Monster.com (India) Pvt Ltd	12,094	35,497
	Vedang Cellular Services Private Limited	339,526	42,480
	Qdigi Services Limited	158,861	-
	Total	**17,927,799**	**13,492,192**
Unbilled Revenue	Quess Corp Ltd	14,377,670	8,149,522
	Golden Star Facilities and Services Pvt Ltd	3,124,745	1,447,233
	Net Resource Investment	35,000	-
	Vedang Cellular Services Private Limited	41,320	-
	ConnectQ Business Services Private Limited	6,300,161	4,983,193
	Monster.com (India) Pvt Ltd	254,346	170,986
	Qdigi Services Limited	537,822	463,733
	Total	**24,671,064**	**15,214,667**
Trade payables	Quess Corp Ltd	15,165,512	6,665,471
	Heptagon Technologies Pvt Ltd	-	501,391
	ConnectQ Business Services Private Limited	985,025	1,507,391
	Simpliance Technologies Private Limited	22,467	10,006
	Total	**16,173,004**	**8,684,259**
Borrowings	Quess Corp Ltd	100,000,000	-
	Total	**100,000,000**	-
Interest accrued but not due on borrowings	Quess Corp Ltd	3,294,748	-
	Total	**3,294,748**	-
Accrued expenses			
	Allsec Technologies Limited	83,439	42,000
	Total	**83,439**	**42,000**

38 Assets and liabilities relating to employee benefits

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Net defined benefit liability, gratuity plan	141,653,111	136,977,279
Liability for compensated absences	14,554,752	17,178,320
Total employee benefit liability	**156,207,863**	**154,155,599**

Reconciliation of net defined benefit liability/ asset

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ asset and its components:

Particulars	31 March 2022	31 March 2021
Change in defined benefit obligation		
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	151,597,139	159,895,137
Current service cost	29,346,441	28,197,016
Interest cost	9,412,047	9,462,947
Benefit settled	(43,201,689)	(42,958,753)
Actuarial (gains)/ losses recognised in other comprehensive income		
Actuarial (gain) / loss- Experience	13,552,094	4,595,387
Actuarial (gain) / loss- financial assumptions	(5,730,931)	(7,594,595)
Obligation at end of the year	**154,975,101**	**151,597,139**
Reconciliation of present value of plan assets		
Plan assets at beginning of the year, at fair value	14,619,862	54,274,517
Adjustment to the fair value of plan asset as at beginning	6,273,411	-
Interest income on plan assets	920,401	3,227,058
Return on plan assets greater/(lesser) than discount rate	(90,095)	77,040
Contributions	34,800,100	-
Benefits settled	(43,201,689)	(42,958,753)
Plans assets at end of year, at fair value	**13,321,990**	**14,619,862**
Net defined benefit liability	**(141,653,111)**	**(136,977,277)**

Reconciliation of present value of the obligation and the fair value of the plan assets

Particulars	31 March 2022	31 March 2021
Fair value of plan assets at the end of the year	13,321,990	14,619,862
Present value of the defined benefit obligations at the end of the year	154,975,101	151,597,139
Liability recognised in the balance sheet	**141,653,111**	**136,977,277**
Current	-	-
Non-current	141,653,111	136,977,277

Expense recognised in statement of profit or loss

Particulars	31 March 2022	31 March 2021
Current service cost	29,346,441	28,197,016
Interest cost, net	8,491,646	6,235,889
Re-measurement- actuarial gain/(loss) recognised on OCI	7,911,258	(3,076,248)
Net gratuity cost	**45,749,345**	**31,356,657**

Remeasurement recognised in other comprehensive income

Particulars	31 March 2022	31 March 2021
Remeasurement of the net defined benefit liability	7,821,163	(2,999,208)
Remeasurement of the net defined benefit asset	90,095	(77,040)
	7,911,258	**(3,076,248)**

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38 Assets and liabilities relating to employee benefits (continued)

Plan assets

(Amount in INR)

Particulars	31 March 2022	31 March 2021
Funds managed by insurer	13,321,990	14,619,862
	13,321,990	**14,619,862**

Defined benefit obligation - Actuarial Assumptions

Particulars	Associate employees	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Discount rate	5.55%-6.55%	4.90%-6.30%
Salary increase	4%- 7.5%	4%- 7.5%
Attrition rate > 5 year	2%- 30%	2%- 30%
Attrition rate < 5 year	30%- 70%	30%- 70%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Retirement age	65 Years	65 Years

The Company expects to contribute INR 158,403,252 (Previous Year INR 153,364,474) to its defined benefit plans during the next fiscal year
As at 31 March 2022 and 31 March 2021, 100% of the plan assets were invested in insurer managed funds

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

Core Employees

(Amount in INR)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	9,621,966	10,354,792	9,073,995	9,798,134
Future salary growth(1% movement)	10,336,595	9,629,821	9,780,911	9,081,520
Attrition rate (1% movement)	8,933,850	11,655,611	8,221,866	11,515,877

Associate Employees

Particulars	As at 31 March 2022		As at 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	125,736,927	168,898,962	122,957,204	166,132,171
Future salary growth(1% movement)	169,293,148	125,142,024	166,464,322	122,406,702
Attrition rate (1% movement)	140,217,185	155,255,770	134,951,959	156,025,097

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39 **Ratios**

Ratios	Numerator	Denominator	Ratio 21-22	Ratio 20-21	%variance	Reason for variance (greater than 25%)
Current ratio	Current Assets	Current Liabilities	1.09	1.15	-5%	
Debt-equity ratio	Total DEBT	Shareholder's Equity	1.60	0.82	95%	Note 1
Debt service coverage ratio	(EFDS)Earnings available for debt service	Debt Service	1.71	1.46	17%	
Return on equity ratio	Net profit after taxes	Average share holder equity	0.03	0.05	-37%	Note 2
Inventory turnover ratio	Cost of material consumed	Average inventory	1.92	6.86	-72%	Note 3
Trade receivables turnover ratio	Total Sales	Average Trade receivables	5.07	4.34	17%	
Trade payables turnover ratio	Total Purchases	Average Trade Payables	2.18	1.96	11%	
Net capital turnover ratio	Net Revenue	Average Working Capital	44.12	-521.52	108%	Note 4
Net profit ratio	Net Profit(After Tax)	Net Revenue	0.0015	0.0026	-42%	Note 5
Return on capital employed	EBIT	Capital Employed	0.07	0.12	-56%	Note 6

(EFDS)Earnings available for debt service
(EFDS= Net Profit After taxes + Non cash operating expenses like depreciation and Other amortizations + Interest + other adjustment like loss on sale of fixed assets)

Debt Service (Interest and lease payments + Principle Repayments)

Note 1 : There is increase in debt due to decline in operating profits and cash flows during the year ended 31st March, 2022 as compared to earlier years
Note 2 : There has been decline in operating profits during the year ended 31st March, 2022 as compared to earlier years
Note 3 : There has been reduction in Consumable consumption during the year ended 31st March, 2022 as compared to earlier years
Note 4 : There has been improvement in working capital due to decrease in current liability during the year ended 31st March, 2022 as compared to earlier years
Note 5 : There has been decline in operating profit & Other income during the year ended 31st March, 2022 as compared to earlier years
Note 6 : There has been increase in Debt during the year ended 31st March, 2022 as compared to earlier years

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40 Expenditure in foreign currency

There has been no expenditure in foreign currency.

41 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. However, the Company does not have any amounts payable to such enterprises as at 31 March 2022 based on the information received and available with the Company. Also the Company has not received any claim for interest from any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

42 COVID 19 Impact

In assessing the recoverability of Trade receivables including unbilled receivables, contract assets and contract costs and intangible assets, the Company has considered internal and external information up to the date of approval of these audited financials including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets, The impact of the global health pandemic may be different from that estimated as at the date of approval of these audited financials and the Company will continue to closely monitor any material changes to future economic conditions.

43 The Company evaluated subsequent events through 26 May 2022, which is the date on which the financial statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other event or transaction that would require recognition or disclosure in the standalone financial statements.

The notes referred to above form an integral part of the financial statements

for and on behalf of Board of Directors of
Terrier Security Services (India) Private Limited

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 26 May 2022

Madhu Damodaran
Director
DIN : 00424780

Place: Bengaluru
Date: 26 May 2022

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CHARTERED ACCOUNTANTS
BENGALURU

Terrier Security Services (India) Private Limited
Registered Office : 3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru-560103
CIN : U74920KA2009PTC049810

Amount in INR Millions

Balance Sheet as at	Note	31 March 2023	31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	3.45	7.87
Right-of-use assets	4(a)	3.56	5.83
Intangible assets	5	0.14	0.20
Financial assets			
Other non-current financial assets	6	-	1.36
Deferred tax assets (net)	7	88.96	50.15
Income tax assets (net)	8	246.39	190.49
Total non-current assets		**342.50**	**255.89**
Current Assets			
Inventories	9	5.37	6.40
Financial assets			
Trade receivables			
-Billed	10 (i)	944.89	698.32
-Unbilled	10 (ii)	521.42	352.11
Cash and cash equivalents	11	0.30	0.29
Bank balances other than cash and cash equivalents above	12	21.98	16.89
Other financial assets	13	15.66	14.30
Other current assets	14	38.19	26.38
Total current assets		**1,547.81**	**1,114.70**
Total Assets		**1,890.31**	**1,370.59**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	8.90	8.90
Other equity	16	325.10	198.96
Total Equity		**334.00**	**207.86**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	4(b)	1.95	0.44
Non-current provisions	17	143.97	141.65
Total non-current liabilities		**145.91**	**142.09**
Current liabilities			
Financial liabilities			
Lease liabilities	4(b)	1.70	5.90
Borrowings	18	513.59	326.07
Trade payables			-
Total outstanding dues of micro enterprises and small enterprises	19	0.60	-
Total outstanding dues of creditors other than micro enterprises and small enterprise	19	55.47	35.55
Other financial liabilities	20	582.80	440.74
Current provisions	21	99.35	84.01
Other current liabilities	22	156.90	128.37
Total current liabilities		**1,410.40**	**1,020.64**
Total Liabilities		**1,556.31**	**1,162.74**
Total Equity and Liabilities		**1,890.31**	**1,370.59**

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

As in terms of our report attached
for Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No: 008072S

Anand Subramanian
Partner
Membership No. 110815

Place: Bengaluru
Date: May 17, 2023

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

for and on behalf of Board of Directors of
Terrier Security Services (India) Private Limited

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: May 17, 2023

Madhu Damodaran
Director
DIN : 00424780

Place: Bengaluru
Date: May 17, 2023

Terrier Security Services (India) Private Limited
Registered Office : 3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru-560103
CIN : U74920KA2009PTC049810

Amount in INR Millions

Statement of Profit and loss	Note	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Income			
Revenue from operations	23	5,743.18	4,576.54
Other income	24	2.59	2.12
Total Income		**5,745.77**	**4,578.66**
Expenses			
Cost of materials, stores and spare parts consumed	25	25.29	10.86
Employee benefits expenses	26	5,414.79	4,399.29
Finance cost	27	44.34	20.07
Depreciation and amortisation expense	28	10.67	26.75
Other expenses	29	166.27	101.19
Total expenses		**5,661.36**	**4,558.16**
Profit before tax		**84.41**	**20.50**
Tax credit/ (expense)			
Current tax	30	-	-
Deferred tax	30	39.55	(13.62)
Total tax		**39.55**	**(13.62)**
Profit after tax		**123.96**	**6.88**
Other comprehensive income/(expense)			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement (losses)/gain on defined benefit plans		2.92	(7.91)
Income tax relating to items that will not be reclassed to profit or loss		(0.73)	1.99
Other comprehensive income for the year, net of income tax		**2.18**	**(5.92)**
Total comprehensive income for the year		**126.14**	**0.96**
Earnings per equity share (face value of Rs 10 each)	34		
Basic		139.28	13.64
Diluted		61.98	3.44

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Registered Office : 3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru-560103
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Statement of Changes in Equity

(A) Equity Share Capital

Amount in INR Millions

Particulars	Note	31 March 2023	31 March 2022
Opening Balance	15	8.90	5.00
Changes in equity share capital		-	3.90
Closing Balance		**8.90**	**8.90**

(B) Other Equity

Particulars	Reserves and Surplus		Other Comprehensive Income	Total Equity attributable to Equity holders of the Company
	Retained Earnings	Other Reserve	Re-measurement of the net defined benefit liability/asset	
Balance as of 31 March 2021	**240.01**	**2.20**	**(39.20)**	**203.01**
Add: Profit for the year	6.88			**6.88**
Add: Remeasurement of the net defined benefit Liability/Asset, net of tax effect	-	-	(5.92)	**(5.92)**
Issue of Optionally Convertible Redeemable Preference Shares (OCRP Shares)	(1.50)	-	-	**(1.50)**
Capitalisation of OCRP Shares	(3.51)	-	-	**(3.51)**
Balance as of 31 March 2022	**241.88**	**2.20**	**(45.12)**	**198.96**
Add: Profit for the year	123.96	-	-	**123.96**
Add: Remeasurement of the net defined benefit Liability/Asset, net of tax effect	-	-	2.18	**2.18**
Balance as on 31 March 2023	**365.84**	**2.20**	**(42.94)**	**325.10**

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

As in terms of our report attached
for Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No: 008072S

Anand Subramanian
Partner
Membership No. 110815

Place: Bengaluru
Date: May 17, 2023

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * BENGALURU

for and on behalf of Board of Directors of
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Terrier Security Services (India) Private Limited
Registered Office : 3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru-560103
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Amount in INR Millions

Statement of Cash Flows	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Cash flow from operating activities		
Profit before tax	84.41	20.50
Adjustments for:		
Depreciation of property, plant and equipment	4.44	10.86
Amortisation of intangible assets	0.06	0.06
Depreciation of rights-of-use-assets	6.17	15.84
Loss/ (profit) on sale of property, plant and equipment, net	(0.76)	-
Bad debts written off	12.31	53.25
Loss allowance on financial assets	38.35	(42.84)
Interest income on term deposits	(1.20)	(1.04)
Finance costs	43.98	18.68
Finance costs on right of use assets	0.36	1.39
Operating cash flows before working capital changes	**189.64**	**76.68**
Working capital adjustments:		
Changes in:		
Inventories	1.03	(1.45)
Trade receivables	(297.23)	(190.76)
Unbilled revenue	(169.30)	(116.28)
Other financial assets	(3.73)	(11.28)
Other assets	(11.81)	(3.34)
Loans	1.36	13.25
Trade payables	20.51	2.65
Other financial liabilities	120.06	53.96
Other liabilities	28.52	17.85
Provisions	20.58	8.46
Cash generated from operations	**(100.37)**	**(150.25)**
Income taxes paid/(refund net)	(55.80)	(57.26)
Net cash (Used in)/from operating activities (A)	**(156.18)**	**(207.51)**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles	(0.17)	(2.08)
Proceeds from sale of fixed assets	0.76	
Bank deposits (having original maturity of more than three months)	(1.52)	13.00
Net cash from/(Used in) investing activities (B)	**(0.93)**	**10.92**
Cash flows from financing activities		
Proceeds from borrowings, net	187.52	174.29
Lease Payments	(6.96)	(18.19)
Finance cost paid	(23.45)	(18.68)
Net cash from/(Used in) financing activities (C)	**157.11**	**137.43**
Net (Decrease)/Increase in cash and cash equivalents (A+B+C)	0.00	(59.17)
Cash and cash equivalents at the beginning of the year	0.29	59.46
Cash and cash equivalents at the end of the year	**0.30**	**0.29**

Components of cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents		
Cash on hand	-	-
In current accounts	0.30	0.29
Cash and cash equivalents as per note balance sheet	**0.30**	**0.29**

Issue of Optionally convertible redeemable preference share and conversion of partly paid equity share into fully paid equity share are non cash items (Refer Note 15F)

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

As in terms of our report attached

for Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No: 008072S

Anand Subramanian
Partner
Membership No. 110815

Place: Bengaluru
Date: May 17, 2023

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * BENGALURU

for and on behalf of Board of Directors of
Terrier Security Services (India) Private Limited

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: May 17, 2023

Madhu Damodaran
Director
DIN : 00424780

Place: Bengaluru
Date: May 17, 2023

3 Property, plant and equipment Amount in INR Millions

Particulars	Leasehold improvements	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Total
Gross block						
As at 31 March 2021	**12.25**	**18.15**	**15.18**	**16.20**	**28.31**	**90.09**
Additions during the year	-	-	-	1.74	-	1.74
Disposals for the year	-	-	-	-	-	-
As at 31 March 2022	**12.25**	**18.15**	**15.18**	**17.94**	**28.31**	**91.83**
Additions during the year	-	-	-	0.17	-	0.17
Disposals for the year	-	1.01	-	0.97	-	1.98
As at 31 March 2023	**12.25**	**17.14**	**15.18**	**17.14**	**28.31**	**90.02**
Accumulated Depreciation	-	-	-	-	-	-
As at 31 March 2021	**9.08**	**13.44**	**15.12**	**10.86**	**24.61**	**73.10**
Depreciation for the year	2.50	2.94	0.03	2.72	2.67	10.86
Depreciation on deletion	-	-	-	-	-	-
As at 31 March 2022	**11.58**	**16.38**	**15.15**	**13.58**	**27.28**	**83.96**
Depreciation for the period	0.67	1.06	0.03	1.70	0.98	4.44
Depreciation on deletion	-	0.99	-	0.85	-	1.83
As at 31 March 2023	**12.25**	**16.45**	**15.18**	**14.43**	**28.26**	**86.57**
Net Block :						
As at 31 March 2023	-	**0.69**	**0.00**	**2.71**	**0.06**	**3.45**
As at 31 March 2022	**0.67**	**1.77**	**0.03**	**4.36**	**1.04**	**7.87**

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

The Company does not have any immovable properties, other than properties where the company is lessee and the lease agreements are duly executed in favour of the lessee.

4(a) **Right-of-use assets**

Amount in INR Millions

Particulars	
Gross block	
As at 31 March 2021	**53.50**
Additions during the year	4.18
Disposals for the year	-
As at 31 March 2022	**57.69**
Additions during the year	**3.90**
Disposals for the year	-
As at 31 March 2023	**61.59**
Depreciation for the year	
Accumulated depreciation	
As at 31 March 2021	**36.02**
Depreciation for the year	15.84
Depreciation on deletion	-
As at 31 March 2022	**51.86**
Depreciation for the year	6.17
Depreciation on deletion	-
As at 31 March 2023	**58.03**
Net Block:	
As at 31 March 2023	**3.56**
As at 31 March 2022	**5.83**

4(b) **Lease liabilities**

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Non-current lease liabilities	1.95	0.44
Current lease liabilities	1.70	5.90
Total	**3.65**	**6.34**

The following is the movement in lease liabilities

Particulars	31 March 2023	31 March 2022
Balances as at beginning of the year	6.34	19.10
Add: Additions	3.90	4.04
Add: Finance cost accrued during the year	0.36	1.39
Less: Repayment of lease obligation	(6.95)	(18.19)
Balance as at the end of the year	**3.65**	**6.34**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	31 March 2023	31 March 2022
Less than one year	1.95	6.09
One to five years	2.13	0.45

5 **Intangible Assets (Computer Software)**

Amount in INR Millions

Particulars	
Gross block	
As at 31 March 2021	**6.52**
Additions during the year	0.20
Disposals for the year	-
As at 31 March 2022	**6.72**
Additions during the year	-
Disposals for the year	-
As at 31 March 2023	**6.72**
Accumulated Amortization	
As at 31 March 2021	**6.46**
Amortisation for the year	0.06
Amortization on deletions	-
As at 31 March 2022	**6.52**
Amortisation for the year	0.06
Amortization on deletions	-
As at 31 March 2023	**6.58**
Net Block:	
As at 31 March 2023	0.14
As at 31 March 2022	0.20

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

6 Other non-current financial assets

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Unsecured, considered good		
Security deposits paid for rental*	-	1.36
	-	1.36

*Security deposits include deposits given for Premises taken under lease.

7 Deferred tax assets

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Deferred tax assets recognised on assets and liabilities are as follows		
Deferred tax on assets		
Property, Plant and Equipment	7.18	7.63
Deferred tax on employee benefits	28.34	
Deferred tax on loss allowance	53.42	42.39
Deferred tax on liabilities		
Deferred tax on lease liabilities, net of right of use assets	0.02	0.13
	88.96	50.15

8 Income tax assets (net)

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Advance income tax (net of provision)	246.39	190.49
	246.39	190.49

9 Inventories

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Valued at lower of cost and net realizable value		
Consumables	5.22	5.96
Stores and spares	0.14	0.43
	5.37	6.40

10 Trade receivables

i) Trade receivables - billed

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Unsecured		
Undisputed Trade receivables		
Trade receivable - Considered good	1,101.54	813.57
Credit impaired		
Less: Allowance for expected credit loss	(156.65)	(115.25)
Trade receivable - Considered good	944.89	698.32
Disputed Trade receivables		
Trade receivable - Credit impaired	48.49	52.09
Less: Allowance for Credit impairment	(48.49)	(52.09)
Trade receivable - Credit Impaired	-	-
Net trade receivables		
Total trade receivables	944.89	698.32

ii) Unbilled Revenue

Particulars	31 March 2023	31 March 2022
Unbilled revenue*	528.54	359.09
Less: Allowance for expected credit loss	(7.12)	(6.98)
Total Unbilled Revenue	521.42	352.11
Total Trade Receivables and Unbilled Revenue	1,466.31	1,050.43

*Includes unbilled revenue billable to related parties INR 24.80 million (Previous Year INR 24.67 million) refer note 35

DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS
BENGALURU

Of the Trade Receivable-Billed, trade receivables from related party are as below

Particulars	31 March 2023	31 March 2022
Trade receivables from related parties	74.06	17.93
Net trade receivables	**74.06**	**17.93**

The Groups exposure to credit risk and loss allowances related to trade receivables are disclosed in Note 32.

Trade receivable and Unbilled revenue ageing schedule for the year ended as at 31 March 2023

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	528.54	621.64	360.35	37.35	40.04	34.64	7.53	1,630.09
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	48.49	48.49
Gross Trade receivables	**528.54**	**621.64**	**360.35**	**37.35**	**40.04**	**34.64**	**56.02**	**1,678.58**
Less: Allowance for expected credit loss								(212.27)
Net Trade receivable	**528.54**	**621.64**	**360.35**	**37.35**	**40.04**	**34.64**	**56.02**	**1,466.31**

Trade receivable and Unbilled revenue ageing schedule for the year ended as at 31 March 2022:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction							
	Not billed	Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed trade receivables								
- Considered good	359.09	401.54	327.62	27.86	27.45	16.21	12.89	1,172.66
- Significant increase in credit risk								
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk								
- Credit impaired	-	-	-	-	23.00	18.15	10.94	52.09
Gross Trade receivables	**359.09**	**401.54**	**327.62**	**27.86**	**50.45**	**34.36**	**23.83**	**1,224.76**
Less: Allowance for expected credit loss								(174.32)
Net Trade receivable	**359.09**	**401.54**	**327.62**	**27.86**	**50.45**	**34.36**	**23.83**	**1,050.43**

11 Cash and cash equivalents

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Cash and cash equivalents		
Cash on hand	-	-
Balances with banks		
In current accounts	0.30	0.29
	0.30	**0.29**

12 Bank balances other than cash and cash equivalents above

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Deposit held as margin money	21.98	16.89
	21.98	**16.89**

13 Other financial assets

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Interest accrued but not due	0.04	2.41
Security deposits	15.62	11.89
	15.66	**14.30**

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * BENGALURU *

Terrier Security Services (India) Private Limited
Notes to the financial statements for the period ended 31 March 2023

14 Other current assets

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Advances to suppliers	14.93	8.65
Advances to employees	4.82	2.26
Prepaid expenses	18.44	15.47
	38.19	**26.38**

15 Equity Share capital

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Authorised Share Capital		
1,850,000 (Previous year 1,850,000) equity shares at par value of Rs 10 each	18.50	18.50
150,000 (Previous year 150,000) Optionally Convertible Redeemable Preference shares (OCRP Shares) at par value of Rs 10 each	1.50	1.50
	20.00	**20.00**
Issued, subscribed and paid-up		
890,000 (Previous year 890,000) equity shares at par value of Rs 10 each, fully paid up	8.90	8.90
	8.90	**8.90**

Particulars	31 March 2023	31 March 2022
SHARE CAPITAL	**No. of Shares**	**No. of Shares**
A. Authorised Share Capital		
Equity Shares of Rs. 10 each 1,850,000 (Previous year 1,850,000) equity shares of par value of Rs 10 each	18,50,000	18,50,000
150,000 (Previous year 150,000) Optionally Convertible Redeemable Preference shares (OCRP Shares) of par value of Rs 10 each	1,50,000	1,50,000
B. Issued, Subscribed and Paid up Capital		
890,000 (Previous year 890,000) equity shares of par value of Rs 10 each OCRP shares of par value of Rs 10 each	8,90,000	8,90,000
TOTAL	**8,90,000**	**8,90,000**
C. Reconciliation of Paid up Share Capital		
Opening Paid up Equity Share Capital	8,90,000	5,00,000
Add:- Conversion of OCRP Shares into Equity shares during the year (Refer note F)	-	3,90,000
Closing Paid up Equity Share Capital	**8,90,000**	**8,90,000**

D. Details of shareholders holding more than 5% shares in the Company and Promoter holding

Particulars	As on 31 March 2023		As on 31 March 2022	
	Number of Shares	% Held	Number of Shares	% Held
Equity Shares				
Quess Corp Limited	3,70,000	42%	3,70,000	42%
Terrier Employee Benefit Trust	5,20,000	58%	5,20,000	58%

As per the records of the Company, including its register of members/ shareholders, the above shareholding represents both legal and beneficial ownership of the shares

E. Terms / Rights attached to Equity Shares

1 The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

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

F During the previous year, the Company has allotted 1,50,000, 10% Optionally Convertible Redeemable Preference Shares ("OCRP Shares") having face value of Rs. 10 each by way of bonus issue, as fully paid-up shares in the proportion of 3 OCRP Shares for every 10 equity shares already held by existing shareholders of the Company. Consequently, the Company allotted 111,000 OCRP shares to Quess Corp Limited and 39,000 to Terrier Employee Benefit Trust.
Terrier Employee Benefit Trust also exercised the option for conversion of 39,000 OCRP shares into 390,000 equity shares of Rs. 10 each. The conversion also resulted in utilisation of Retained Earnings for converting 390,000 partly paid equity shares of Re 1 each to 390,000 equity shares of Rs. 10 each. The OCRP Shares shall be compulsorily redeemed at par, if not converted into equity shares of the Company on or before the expiry of 20 years from date of issue. The OCRP shares shall be entitled to dividend at 10% per annum on the face value of OCRP shares subject to approval of Board of Directors. The dividends are non-cumulative in nature. OCRP Shareholders shall be entitled to no voting rights except on matters directly concerning them.
The OCRP shares are considered as a compound instrument under "Ind AS 32" – Financial Instruments: Presentation as it contains a mandatory redemption after 20 years and dividends are discretionary. Accordingly, it is considered as compound instrument. Given that the management has represented that the issue of OCRP shares is at fair value, the same is considered as liability.
Under Ind AS 110 - Consolidated Financial Statements, OCRP shares can be converted into equity shares by the holder of the instruments at any point in time and therefore considered as potential voting shares. Given that, the shares can be converted without any contractual restrictions, Quess Corp Limited continues to be the Parent company of the Company.

DELOITTE HASKINS & SELLS ★ CHARTERED ACCOUNTANTS ★ BENGALURU

Terrier Security Services (India) Private Limited
Notes to the financial statements for the period ended 31 March 2023

16 Other equity*

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Retained earnings	365.83	241.88
Other reserves	2.20	2.20
Other comprehensive income	(42.94)	(45.12)
	325.10	**198.96**

* For detailed movement of reserves refer Statement of changes in Equity

17 Non-current provisions

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Provision for employee benefit		
Provision for gratuity (refer note 36)	143.97	141.65
	143.97	**141.65**

18 Borrowings

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Loans from bank repayable on demand		
Secured		
Cash credit and overdraft facilities (refer note 33)*	171.03	226.07
Loan from related parties, unsecured		
From Quess Corp Limited (refer note 33 & 35)**	342.56	100.00
	513.59	**326.07**

* The Company has taken cash credit facility having interest rate at 3 months MCLR+ 1.00% (spread). The facility is repayable on demand and is secured by entire current assets of the Company on both present and future and collateral by way of exclusive charge on the entire movable fixed assets of the Company both present and future of the Company

** The company has availed loan from its holding company - Quess Corp Limited. Loan is repayable on demand. The interest rate is charged as per India Government bond Rate for 10 Years as declared on Quarterly basis

Borrowings secured against current assets

Amount in INR Millions

For the quarter ended	Sanctioned amount to which discrepancy relates (Rs. million)	Details of discrepancies					
		Nature of current asset	Nature of discrepancy	Amount (Rs. million)			
				As per quarterly statement	As per unaudited books of account	Difference	Remarks
31-Mar-23	500.00	Trade receivables	Timing difference	1,155.74	1,150.04	5.70	The trade receivables statement and trial balance was generated at different points of time
31-Mar-23	500.00	Inventory	Timing difference	5.88	5.37	0.51	The difference is due to the additional entries recorded in the books of account

19 Trade payables

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Undisputed dues		
Total outstanding dues of micro enterprises and small enterprises (refer note 39)	0.60	-
Trade payables to related parties (refer note 35)	19.92	16.17
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	35.54	19.38
	56.06	**35.55**

Trade payable ageing schedule as on 31 March 2023:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3	Total
Undisputed						
- Micro enterprises and small enterprises	-	0.56	0.03	-	-	**0.60**
- Others	-	40.54	9.11	1.13	4.69	**55.46**

Trade payable ageing schedule as on 31 March 2022:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3	Total
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	21.34	7.11	0.90	6.20	**35.55**

20 Other financial liabilities

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Other Payables		
Accrued salaries and benefits	516.72	368.72
Uniform deposits	13.76	50.10
Accrued Expense	27.02	17.51
Interest accrued but not due	24.18	3.29
Optionally Convertible Redeemable Preference shares OCRP Shares 111,000 of Rs. 10 each (Refer note 15F)	1.11	1.11
	582.80	**440.74**

21 Current provisions

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Provision for employee benefits		
Provision for compensated absences (refer note 36)	13.74	14.55
Provision for bonus	85.61	69.45
	99.35	**84.01**

22 Other current liabilities

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Advance received from customers	2.92	5.84
Balances payable to government authorities	153.97	122.53
	156.90	**128.37**

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23 Revenue from operations

Amount in INR Millions

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Manned guarding services	5,702.04	4,534.30
Electronic surveillance solutions	41.14	16.01
Training and other services	-	26.22
	5,743.18	**4,576.54**

(i) Trade Receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Invoicing in excess of earnings are classified as unearned revenue.

The following table provides information about receivables, contract assets and contract liabilities from contract with customers

Particulars	As at 31 March 2023	As at 31 March 2022
Receivables, which are included in 'Trade and other receivables'	944.89	698.32
Unbilled revenue	521.42	352.11

The contract asset primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customer, for which revenue is recognised on completion of contract terms.

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2023 and 31 March 2022:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning	352.11	235.84
Add : Revenue recognized during the year	5,750.30	4,583.51
Less : Invoiced during the year	5,573.88	4,460.26
Less: Allowance for expected credit loss	(7.12)	(6.98)
Balance at the end	**521.42**	**352.11**

(ii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for
(i) contracts with an original expected duration of one year or less and
(ii) contracts for which the Company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2023 and 31 March 2022, other than those meeting the exclusion criteria mentioned above, is INR 0.56 million (31 March 2022: INR 4.24 million)

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24 Other income

Amount in INR Millions

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Interest income under the effective interest method on:		
Deposits with bank	1.20	1.04
Amortised cost adjustments for financial instruments	0.27	0.71
Miscellaneous income	1.11	0.37
	2.59	**2.12**

25 Cost of material and stores and spare parts consumed

Amount in INR Millions

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Inventory at the beginning of the year	6.40	4.94
Add: Purchases during the year	24.27	12.32
Less: Inventory at the end of the year	5.37	6.40
	25.29	**10.86**

26 Employee benefits expenses

Amount in INR Millions

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Salaries and wages	4,853.91	3,924.31
Contribution to provident and other funds	530.65	404.57
Gratuity expenses (refer note 36)	39.03	45.75
Staff welfare expenses	(8.80)	24.66
	5,414.79	**4,399.29**

27 Finance cost

Amount in INR Millions

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Interest expense on financial liabilities measured at amortised cost	43.98	18.68
Interest expense on lease liabilities (refer note 4b)	0.36	1.39
	44.34	**20.07**

28 Depreciation and amortisation expense

Amount in INR Millions

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Depreciation of property, plant and equipment (refer note 3)	4.44	10.86
Depreciation of rights-of-use-assets (refer note 4a)	6.17	15.84
Amortisation of intangible assets (refer note 5)	0.06	0.06
	10.67	**26.75**

Terrier Security Services (India) Private Limited
Notes to the financial statements for the year ended 31 March 2023

29 Other expenses

Amount in INR Millions

Particulars	For the Year ended 31 March 2023	For the Year ended 31 March 2022
Rent	17.03	8.24
Power and fuel	2.13	1.95
Repairs & Maintenance		
- Annual Maintenance Charges	2.09	1.69
- others	7.55	5.83
Legal and professional fees (refer note 29.1)	24.84	21.14
Rates and taxes	6.88	3.81
Printing and stationery	1.72	3.19
Travelling and conveyance	40.32	31.37
Communication expenses	1.27	1.33
Loss allowance on trade receivables & unbilled revenues	38.35	(42.84)
Equipment hire charges	4.42	5.60
Insurance	5.62	5.30
Bank charges	0.33	1.07
Bad debts written off	12.31	53.25
Miscellaneous expenses	1.42	0.25
	166.27	**101.19**

29.1 Payment to auditors (net of GST; included in legal and professional fees)

Amount in INR Millions

Particulars		
Statutory audit fees	1.40	1.40
Limited review	1.20	1.20
Reimbursement of expenses	0.04	0.04
	2.64	**2.64**

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30 **Tax expense**

A. Amount recognised in the statement of profit and loss account

Amount in INR Millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current income tax:		
In respect of the current year		
Excess provision relating to prior years		
Deferred tax		
In respect of the current year	39.55	(13.62)
Income tax expense reported in the statement of profit and loss	**39.55**	**(13.62)**

B. Amounts recognised in other comprehensive income

Amount in INR Millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Remeasurement of the net defined benefit liability/ asset		
Before tax	2.92	(7.91)
Tax (expense)/ benefit	(0.73)	1.99
Net of tax	**2.18**	**(5.92)**

C. Amounts recognised directly in equity

No tax expense has been recognised directly in equity

D. Reconciliation of effective tax rate

Amount in INR Millions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	84.41	20.50
Computed expected tax expense	21.24	5.16
Effect of:		
Deferred tax asset not recognized considering prudence	-	6.47
Deferred tax asset not recognized earlier	29.07	-
Others	(4.38)	1.99
Income tax expense reported in the statement of profit and loss	**45.93**	**13.62**

The tax rates under Indian Income Tax Act, for the year ended 31 March 2023 and 31 March 2022 is 25.17% respectively

E. The following table provides the details of income tax assets and income tax liabilities as of 31 March 2023 and 31 March 2022

Amount in INR Millions

Particulars	As at31 March 2023	As at31 March 2022
Income tax assets	246.39	190.49
Income tax liabilities	-	-
Net income tax assets at the end of the year	**246.39**	**190.49**

F. Deferred tax assets, net

Amount in INR Millions

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax assets:		
Property, Plant and Equipment	7.18	7.63
Gratuity	24.88	-
Leave encashment	3.46	-
Deferred tax on loss allowance		42.39
Deferred tax assets on liabilities		
Deferred tax on lease liabilities, net of right of use assets	0.02	0.13
	88.96	**50.15**

Deferred tax asset and liabilities are offset when there is a legally enforceable right to set off Current tax asset against Current tax Liabilities and when they relate to income tax levied by the same taxation authority and the Company intends to settle its current tax assets and liabulities on a net basis. The following is the analysis of the deferred tax balances (after offset) for the financial reporting purposes:

	As at 31 March 2023	As at 31 March 2022
Deferred tax assets:	88.94	50.02
Deferred tax assets on liabilities	0.02	0.13

G. Recognised deferred tax assets and liabilities

Movement of deferred tax assets presented in the balance sheet

Amount in INR Millions

For the year ended 31 March 2023	Opening balance	Recognized in statement of profit or loss	Recognized in OCI	Closing balance
Deferred tax assets:				
Property, Plant and Equipment	7.63	(0.45)	-	7.18
Employee Benefit	-	29.07	(0.73)	28.34
Deferred tax on loss allowance	42.39	11.04	-	53.42
Deferred tax on liabilities				
Deferred tax on lease liabilities, net of right of use assets	0.13	(0.11)	-	0.02
	50.15	**39.55**	**(0.73)**	**88.96**

Amount in INR Millions

For the year ended 31 March 2022	Opening balance	Recognized in statement of profit or loss	Recognized in OCI	Closing balance
Deferred tax assets:				
Property, Plant and Equipment	6.71	0.92	-	7.63
Employee Benefit	-	(1.99)	1.99	-
Deferred tax on loss allowance	54.66	(12.27)	-	42.39
Deferred tax on liabilities				
Deferred tax on lease liabilities, net of right of use assets	0.41	(0.28)	-	0.13
	61.78	**(13.82)**	**1.99**	**50.15**

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31 Financial instruments-fair value and risk management

Accounting classification and fair values

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

As at 31 March 2023 — Amount in INR Millions

Particulars	Carrying value	Fair value		
Financial assets	**31 March 2023**	**Level 1**	**Level 2**	**Level 3**
Amortised cost				
Trade and other receivables & Unbilled Revenue	1,466.31	-	-	-
Cash and cash equivalents	0.30	-	-	-
Other bank balances	21.98	-	-	-
Other financial assets	15.66	-	-	-
Other current assets	38.19	-	-	-
Total financial assets	**1,542.44**	-	-	-
Financial liabilities				
Amortised cost				
Lease liabilities	3.64	-	-	-
Trade and other payables	55.47	-	-	-
Borrowings	513.59	-	-	-
Other financial liabilities	582.80	-	-	-
Total financial liabilities	**1,155.49**	-	-	-

As at 31 March 2022 — Amount in INR Millions

Particulars	Carrying value	Fair value		
Financial assets	**31 March 2022**	**Level 1**	**Level 2**	**Level 3**
Amortised cost				
Trade and other receivables & Unbilled Revenue	1,050.43	-	-	-
Cash and cash equivalents	0.29	-	-	-
Other bank balances	16.89	-	-	-
Other financial assets	14.30	-	-	-
Other current assets	26.38	-	-	-
Total financial assets	**1,108.30**	-	-	-
Financial liabilities				
Amortised cost				
Lease liabilities	6.34	-	-	-
Trade and other payables	35.55	-	-	-
Borrowings	326.07	-	-	-
Other financial liabilities	440.74	-	-	-
Total financial liabilities	**808.70**	-	-	-

Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in unquoted preference shares included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

A Financial Assets:

The Company has not disclosed the fair values for loans, trade receivables, cash and cash equivalents including other bank balances, unbilled revenue and other financial assets because these are short term and their carrying amounts are a reasonable approximation of their fair value.

B Financial Liabilities:

1 **Borrowings:** It includes cash credit and overdraft facilities, working capital loan and bill discounting facilities. These short-term borrowings are classified and subsequently measured in the financial statements at amortized cost. Considering that the interest rate on the loan is reset on a monthly/quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.

2 **Trade payables and other liabilities:** Fair values of trade payables and other financial liabilities are measured at carrying value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the carrying values.

3 **Financial Lease liability:** The fair value of financial Lease liability has been determined by discounting consideration payable on commitment to sell at a effective interest rate.

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32 Financial risk management

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

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

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and Unbilled Revenue

Trade receivables (including unbilled revenue) are typically unsecured and are derived from revenue from customers located in India. The Company has established a credit policy under which each customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

Expected credit loss assessment for customers as at 31 March 2023 and 31 March 2022 are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivables from customers and unbilled revenue. The Company's customers are bifurcated into two groups - Government and Non-Government customers. For Non-Government customers, the Company derives the loss rates based on collections and actual credit loss experience over the last four quarters which is adjusted for forward looking information over the expected collection period. Exposure to customers is diversified and there is no single customer contributing more than 10% of trade receivables and unbilled revenue. For government customers, given the insignficiant credit risk, provision is recorded to reflect allowances for time value based on historical pattern of collections. Further, specific provision is recorded for customer speciifc disputes.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from customers:

As at 31 March 2023

Amount in INR Millions

Particulars	Gross carrying amount net of advances	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	640.68	3.0%	18.94	No	621.74
Past due 1–90 days	273.71	4.7%	12.74	No	260.97
Past due 91–180 days	83.51	29.5%	24.60	No	58.91
Past due 181–270 days	1.00	65.8%	0.66	No	0.34
Past due 271–360 days	15.46	100.0%	15.46	Yes	-
Above 360 days	132.76	100.0%	132.76	Yes	-
	1,147.11		**205.15**	-	**941.96**

As at 31 March 2022

Amount in INR Millions

Particulars	Gross carrying amount net of advances	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	376.23	0.4%	1.34	No	374.89
Past due 1–90 days	318.28	6.7%	21.38	No	296.90
Past due 91–180 days	29.46	40.9%	12.06	No	17.40
Past due 181–270 days	13.20	75.1%	9.92	No	3.28
Past due 271–360 days	12.47	100.0%	12.47	Yes	-
Above 360 days	110.19	100.0%	110.19	Yes	-
	859.82		**167.35**	-	**692.48**

The movement in the allowance for impairment in respect of trade receivables and unbilled revenues during the year was as follows.

Particulars	31 March 2023	31 March 2022
Balance as at the beginning of the year	174.32	217.16
Impairment loss recognised	38.35	(42.84)
Balance as at the end of the year	**212.67**	**174.32**

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32 Financial risk management (continued)

ii) Liquidity risk

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

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually the excess of funds is invested in fixed deposit. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.

Financing arrangement

The Company maintains the following line of credit:

The Company has taken cash credit facilities having interest rate of 3 months MCLR. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the current assets of the Company on both present and future and collateral by way of pari passu first charge on the movable assets of the Company (excluding charge on vehicles/equipments purchased /to be purchased under lease agreements/ hire purchase agreements) both present and future of the Company.

The company has availed short term loan from its holding company - Quess Corp Limited wherein the repayment is on demand. The interest rate is charged as per India Government Bond Rate for 10 Years declared on Quarterly basis . (Refer note 35)

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023 and 31 March 2022. The amounts are gross and undiscounted contractual cash flows and includes contractual interest payment and exclude netting arrangements:

As at 31 March 2023

Amount in INR Millions

Particulars	Contractual cash flow				
	Carrying amount	Less than 1 year	1-2 years	2-5 years	5 years and above
Borrowings	513.59	513.59			
Lease liabilities	3.65	1.70	1.95		
Trade payables	55.47	55.47	-		
Other financial liabilities	582.80	582.80			

As at 31 March 2022

Amount in INR Millions

Particulars	Contractual cash flow				
	Carrying amount	Less than 1 year	1-2 years	2-5 years	5 years and above
Borrowings	326.07	326.07		-	-
Lease liabilities	6.34	5.90	0.44	-	-
Trade payables	35.55	35.55	-	-	-
Other financial liabilities	440.74	440.74		-	-

32 Financial risk management

iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is not exposed to significant currency risk as the revenue and expenses are denominated only in INR.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowing comprises of cash credit facility and borrowings from holding company. Borrowings from holding company carries fixed rate of interest, which do not expose it to interest rate risk.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:-

Particulars	31 March 2023		31 March 2022	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Variable rate borrowings	(4.20)	4.20	(2.44)	2.44

33 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate on non-current borrowings, current borrowing and current maturities of long-term borrowings less cash and cash equivalents.

The Company's policy is to keep the ratio below 2.00. The Company's adjusted net debt to equity ratio were as follows:

Amount in INR Millions

Particulars	As at 31 March 2023	As at 31 March 2022
Gross debt	513.59	326.07
Less: Cash and cash equivalent	0.30	0.29
Adjusted net debt (total borrowings net of cash and cash equivalent)	513.29	332.12
Total equity	334.00	207.86
Net debt (Total external liabilities) to equity ratio	**1.54**	**1.60**

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34 Earnings per share

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Nominal value of equity shares (Rs per share)	10	10
Net profit after tax for the purpose of earnings per share (Rs)	123.96	6.88
Weighted average number of shares used in computing basic earnings per share	0.89	0.50
Basic earnings per share (Rs)	**139.28**	**13.64**
Weighted average number of shares used in computing diluted earnings per share	2.00	2.00
Diluted earnings per share (Rs)	**61.98**	**3.44**

35 Related party disclosures

(i) Name of Holding Company — Quess Corp Limited

(i) Name of related parties and description of relationship:

- Entity having common directors

Stellarslog Technovation Private Limited
Quess International Services Private Limited (formerly Golden Star Facilities and Services Private Limited)
Quess Corp (Lanka) Private Limited
Quess global (Malaysia) Sdn Bhd
Vedang Cellular Services Private Limited
Simpliance Technologies Private Limited (till October 21, 2022)
Heptagon Technologies Pvt Ltd
Trimax Smart Infraprojects Private Limited
Greenpiece Landscapes India Private Limited
Excelus Learning Solutions Private Limited
Net Resources Investments Private Limited

- Having significant interest in the Company	Terrier Employee Benefit Trust
	Fairfax Financial Holdings Limited
	Fairbridge Capital (Mauritius) Limited
	FFHL Group Ltd.
	Fairfax (Barbados) International Corp.
	Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")

35 Related party disclosures (continued)

(i) Name of related parties and description of relationship:

-Subsidiaries of Quess Corp Ltd	MFX Infotech Private Limited
	Brainhunter Systems Limited
	Mindwire Systems Limited
	Quess (Philippines) Corp.
	Quess Corp (USA) Inc.
	Quesscorp Holdings Pte. Ltd
	Quessglobal (Malaysia) Sdn. Bhd.
	Quess Corp Lanka (Private) Limited
	Quesscorp Singapore Pte Limited (formerly known as "Comtel Solutions Pte. Limited")
	MFXchange Holdings, Inc.
	MFXchange US, Inc.
	Quess Corp Vietnam LLC
	Excelus Learning Solutions Private Limited
	Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited)
	Vedang Cellular Services Private Limited
	Quess International Services Private Limited (formerly known as Golden Star Facilities and Services
	Quess Selection & Services Pte Limited (formerly known as "Comtelpro Pte. Ltd.")
	Comtelink Sdn. Bhd.
	Monster.com (India) Private Limited
	Monster.com.SG PTE Limited
	Monster.com HK Limited
	Agensi Pekerjaan Monster Malaysia Sdn. Bhd
	Qdigi Services Limited
	Greenpiece Landscapes India Private Limited
	Simpliance Technologies Private Limited (till October 21, 2022)
	Quesscorp Management Consultancies
	Quesscorp Manpower Supply Services LLC
	Quess Services Limited
	Allsec Technologies Limited
	Allsectech Inc. USA
	Allsectech Manila Inc. Philippines
	Trimax Smart Infraprojects Private Limited
	Terrier Security Services (India) Private Limited
	Quess East Bengal FC Private Limited (under liquidation effective September 2, 2020)

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Billion Careers Private Limited
Heptagon Technologies Private Limited (w.e.f March 1, 2022)
Stellarslog Technovation Private Limited (w.e.f April 25, 2022)
Quess Corp NA LLC

35 Related party disclosures (continued)

(i) Name of related parties and description of relationship:

-Associates of Quess Corp Ltd	Quess Recruit, Inc. Agency Pekerjaan Quess Recruit SDN. BHD.
-Joint Ventures of Quess Corp Limited	Himmer Industrial Services (M) Sdn Bhd

(ii) Related party transactions during the year

Amount in INR Millions

Particulars		31 March 2023	31 March 2022
Revenue from operations			
- Services (Man Guard Services)			
	Quess Corp Ltd	254.41	202.43
	Allsec Technologies Limited	28.45	18.14
	Golden Star Facilities and Services Pvt Ltd	33.43	24.61
	Vedang Cellular Services Private Limited	0.65	1.26
	ConnectQ Business Services Private Limited	73.32	63.96
	Monster.com (India) Pvt Ltd	1.62	2.17
	Qdigi Services Limited	6.94	6.86
	Net Resources Investments Private limited	0.83	0.75
	Total	**399.66**	**320.19**
- Receiving of services			
	Quess Corp Ltd	1.34	1.42
	Heptagon Technologies Private Limited	0.03	-
	Allsec Technologies Limited	0.10	0.13
	Simpliance Technologies Private Limited	-	0.12
	ConnectQ Business Services Private Limited	3.23	6.31
	Total	**4.70**	**7.99**
-Loans taken from related parties	Quess Corp Ltd	632.70	777.87
	ConnectQ Business Services Private Limited	170.00	-
	Total	**802.70**	**777.87**
-Loans repaid to related parties	Quess Corp Ltd	392.70	677.87
	ConnectQ Business Services Private Limited	170.00	-
	Total	**562.70**	**677.87**
- Interest expenses	Quess Corp Ltd	24.18	3.29
	ConnectQ Business Services Private Limited	0.05	-
	Total	**24.23**	**3.29**

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(iii) Balance receivable from and payable to related parties as at the balance sheet date:

Amount in INR Millions

Particulars		31 March 2023	31 March 2022
Trade receivables	Quess Corp Ltd	53.29	(0.42)
	Allsec Technologies Limited	3.60	2.46
	Golden Star Facilities and Services Pvt Ltd	5.51	6.09
	Net Resources Investments Private limited	0.04	0.03
	ConnectQ Business Services Private Limited	10.63	9.25
	Monster.com (India) Pvt Ltd	-	0.01
	Vedang Cellular Services Private Limited	0.20	0.34
	Qdigi Services Limited	0.79	0.16
	Total	**74.06**	**17.93**
Unbilled Revenue	Quess Corp Ltd	17.60	14.38
	Allsec Technologies Limited	0.82	-
	Golden Star Facilities and Services Pvt Ltd	-	3.12
	Net Resources Investments Private limited	0.03	0.04
	Vedang Cellular Services Private Limited	0.05	0.04
	ConnectQ Business Services Private Limited	5.72	6.30
	Monster.com (India) Pvt Ltd	0.06	0.25
	Qdigi Services Limited	0.52	0.54
	Total	**24.80**	**24.67**
Trade payables	Quess Corp Ltd	19.61	15.17
	Allsec Technologies Limited	0.01	-
	ConnectQ Business Services Private Limited	0.28	0.99
	Simpliance Technologies Private Limited	0.02	0.02
	Total	**19.92**	**16.17**
Borrowings	Quess Corp Ltd	342.56	100.00
	Total	**342.56**	**100.00**
Interest accrued but not due on borrowings	Quess Corp Ltd	24.18	3.29
	Total	**24.18**	**3.29**
Accrued expenses	Allsec Technologies Limited	-	**0.08**
	Total	-	**0.08**

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36 Assets and liabilities relating to employee benefits

Amount in INR

Particulars	31 March 2023	31 March 2022
Net defined benefit liability, gratuity plan	143.97	141.65
Liability for compensated absences	13.74	14.55
Total employee benefit liability	**157.71**	**156.21**

Reconciliation of net defined benefit liability/ asset

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ asset and its components:

Particulars	31 March 2023	31 March 2022
Change in defined benefit obligation		
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	154.98	151.60
Current service cost	32.78	29.35
Interest cost	10.04	9.41
Benefit settled	(38.88)	(43.20)
Actuarial (gains)/ losses recognised in other comprehensive income		-
Actuarial (gain) / loss- Experience	13.36	13.55
Actuarial (gain) / loss- financial assumptions	(16.22)	(5.73)
Obligation at end of the year	**156.05**	**154.98**
Reconciliation of present value of plan assets		
Plan assets at beginning of the year, at fair value	13.32	14.62
Adjustment to the fair value of plan asset as at beginning		6.27
Interest income on plan assets	0.87	0.92
Return on plan assets greater/(lesser) than discount rate	0.05	-0.09
Contributions	35.11	34.80
Benefits settled	(37.26)	(43.20)
Plans assets at end of year, at fair value	**12.08**	**13.32**
Net defined benefit liability	**143.97**	**141.65**

Reconciliation of present value of the obligation and the fair value of the plan assets

Particulars	31 March 2023	31 March 2022
Fair value of plan assets at the end of the year	12.08	13.32
Present value of the defined benefit obligations at the end of the year	156.05	154.98
Liability recognised in the balance sheet	**143.97**	**141.65**
Current		
Non-current	**143.97**	141.65

Expense recognised in statement of profit or loss

Particulars	31 March 2023	31 March 2022
Current service cost	32.78	29.35
Interest cost, net	9.17	8.49
Re-measurement- actuarial gain/(loss) recognised on OCI	(2.92)	7.91
Net gratuity cost	**39.03**	**45.75**

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Remeasurement recognised in other comprehensive income

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Remeasurement of the net defined benefit liability	(2.87)	7.82
Remeasurement of the net defined benefit asset	(0.05)	0.09
	(2.92)	**7.91**

36 Assets and liabilities relating to employee benefits (continued)

Plan assets

Amount in INR Millions

Particulars	31 March 2023	31 March 2022
Funds managed by insurer	12.08	13.32
	12.08	**13.32**

Defined benefit obligation - Actuarial Assumptions

Particulars	31 March 2023	31 March 2022
Discount rate	7.20%-7.25%	5.55%-6.55%
Salary increase	4%-7.5%	4%- 7.5%
Attrition rate > 5 year	2%-30%	2%- 30%
Attrition rate < 5 year	30%-70%	30%- 70%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Retirement age	65 Years	65 Years

The Company expects to contribute INR 163.52 million (Previous Year INR 158.40 million) to its defined benefit plans during the next fiscal year
As at 31 March 2023 and 31 March 2022, 100% of the plan assets were invested in insurer managed funds

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

Core Employees

Particulars	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	8.54	9.13	9.62	10.35
Future salary growth(1% movement)	9.10	8.56	10.34	9.63
Attrition rate (50% movement)	8.40	9.36	8.93	11.66
Mortality rate (10% movement)	8.83	8.83	9.98	9.98

Associate Employees

Amount in INR Millions

Particulars	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	128.35	170.45	125.74	168.90
Future salary growth(1% movement)	171.00	127.65	169.29	125.14
Attrition rate (50% movement)	146.50	157.92	140.22	155.26
Mortality rate (10% movement)	147.60	146.85	145.28	144.71

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37 Ratios

Ratios	Numerator	Denominator	Ratio 22-23	Ratio 21-22	%variance	Reason for variance (greater than 25%)
Current ratio	Current Assets	Current Liabilities	1.10	1.09	1%	
Debt-equity ratio	Total DEBT	Shareholder's Equity	1.55	1.60	-3%	
Debt service coverage ratio	(EFDS)Earnings available for debt service	Debt Service	0.41	1.71	-76%	Note 1
Return on equity ratio	Net profit after taxes	Average share holder equity	0.46	0.03	1425%	Note 2
Inventory turnover ratio	Cost of material consumed	Average inventory	4.30	1.92	124%	Note 3
Trade receivables turnover ratio	Total Sales	Average Trade receivables	4.56	5.07	-10%	
Trade payables turnover ratio	Total Purchases	Average Trade Payables	2.07	2.18	-5%	
Net capital turnover ratio	Net Revenue	Average Working Capital	49.62	44.12	12%	Note 4
Net profit ratio	Net Profit(After Tax)	Net Revenue	0.0216	0.0015	1339%	Note 5
Return on capital employed	EBIT	Capital Employed	0.19	0.07	166%	Note 6

(EFDS)Earnings available for debt service
(EFDS= Net Profit After taxes + Non cash operating expenses like depreciation and Other amortizations + Interest + other adjustment like loss on sale of fixed assets)

Debt Service (Interest and lease payments + Principle Repayments)

Note 1 In the current year, there has been increase in the finance cost due to increase in borrowing rate resulting in decrease of DSCR.
Note 2 In the current year, PAT has increased due to additional tax benefits and savings in cost resulting in increased ROE ratio.
Note 3 Inventory turnover ratio has increased due to increase in cost of materials consumed as a result of increase in operations.
Note 4 During the current year, the turnover has increased and the net working capital has decreased due to increased liabilities, resulting into an increase in the Net Capital Turnover ratio.
Note 5 In the current year, PAT has increased due to additional tax benefits resulting in increased NP ratio.
Note 6 Due to increased profitability in current year the ROCE has improved as compared to previous year.

38 Expenditure in foreign currency

There has been no expenditure in foreign currency.

39 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. However, the Company have amounts payable to such enterprises as at 31 March 2023 based on the information received and available with the Company. Also the Company has not received any claim for interest from any supplier under the Micro, Small and Medium Enterprises Development Act, 2006.

40 COVID 19 Impact

In assessing the recoverability of Trade receivables including unbilled receivables, contract assets and contract costs and intangible assets, the Company has considered internal and external information up to the date of approval of these audited financials including credit reports and economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets, The impact of the global health pandemic may be different from that estimated as at the date of approval of these audited financials and the Company will continue to closely monitor any material changes to future economic conditions.

41 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42 The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

43 The Company evaluated subsequent events through May 17, 2023, which is the date on which the financial statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other event or transaction that would require recognition or disclosure in the standalone financial statements.

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

for Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No: 008072S

Anand Subramanian
Partner
Membership No. 110815

Place: Bengaluru
Date: May 17, 2023

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for and on behalf of Board of Directors of
Terrier Security Services (India) Private Limited

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: May 17, 2023

Madhu Damodaran
Director
DIN : 00424780

Place: Bengaluru
Date: May 17, 2023

Terrier Security Services (India) Private Limited
Notes to the financial statements for the year ended 31 March 2023

1) Company overview

Terrier Security Services (India) Private Limited ('the Company') is a private limited Company incorporated and domiciled in India. The registered office of the Company is located at 3/3/2, Bellandur Gate, Sarjapur Main Road, Bengaluru, Karnataka, India. The Company is engaged in the business of Security (Manned guarding) Services, Electronic Surveillance, Background Verification & Training and other services.

The financial statements are approved by the board of directors and authorized for issue in accordance with a resolution of the directors on 16 May 2023.

2) Basis of preparation of the financial statements

2.1. Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions and amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

2.2 Basis of preparation

The financial statements have been prepared on the historical cost basis, except for the following:

i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments),

ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations ("DBO") and

iii. Expenses relating to share based payments are measured at fair value on the date of grant.

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

Going concern:

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and in any future periods affected.

The following are the significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements:

i) Impairment of financial assets:

The Company recognises loss allowances using the Expected credit loss (ECL) model for financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables (billed and unbilled) with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The loss rates for the trade receivables considers past collection history from the customers, the credit risk of the customers and have been adjusted to reflect the Management's view of economic conditions over the expected collection period of the receivables (billed and unbilled). (Refer note 29)

ii) Measurement of defined benefit obligations:

For defined benefit obligations, the cost of providing benefits is determined based on actuarial valuation. An actuarial valuation is based on significant assumptions which are reviewed on a yearly basis. (Refer note 36)

iii) Property, plant and equipment and intangible assets:

The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired and reviewed periodically. Ind AS 103 requires the identifiable intangible assets acquired in business combinations to be fair valued and significant estimates are required to be made in determining the value of intangible assets. These valuations are conducted by external experts. (Refer note 3 and 5)

iv) Income taxes:

Significant judgments are involved in determining provision for income taxes, including
(a) the amounts claimed for certain deductions under the Income Tax Act, 1961 and (b) the amount expected to be paid or recovered in connection with uncertain tax positions.

The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities and the projected future taxable income in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced. (Refer note 7)

2.4 Current and non-current classification

Current and non-current classification: The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.5 Functional and presentation currency

The financial statements are presented in Indian Rupees ("INR") which is also the Company's functional currency and all amounts have been rounded off to the nearest millions, except share data and per share data, unless otherwise stated.

2.6 Property, plant and equipment

i) Recognition and measurement:

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

Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management.

Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the statement of profit and loss when incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'.

ii) Depreciation:

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Asset category	Estimated useful life
Furniture and fixtures	5 years
Vehicles	3 years
Office equipment	5 years
Plant and machinery	3 - 8 years
Computer equipment	3 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

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

Leasehold improvements are depreciated over the lease term or estimated useful life whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed periodically, including at each financial year end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the statement of profit and loss.

2.7 Leases

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases of buildings (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

2.8 Intangible assets

(i) Recognition and measurement

Internally generated: Research and development

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalised include the cost of material, direct labour, and overhead costs that are directly attributable to preparing the asset for its intended use.

Separately acquired Intangible assets:
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired in a business combination
Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Others
Other purchased intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated software is recognised in the statement of profit and loss as and when incurred.

(iii) Amortisation

Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and

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the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortisation methods and useful lives are reviewed periodically including at each financial year end.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

The estimated useful lives of intangible assets are as follows:

Asset category	Estimated useful life
Brand	15 years
Computer software	3 years
Copyright and trademarks	3 years
Customer contracts	3 years
Customer relationships	9 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.9 Impairment of non-financial assets

Tangible and Intangible Assets (excluding Goodwill)

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset or the cash generating unit to which the intangible asset is allocated may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it's carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss. If events or changes in circumstances indicate that they might be impaired, they are tested for impairment more frequently.

2.10 Inventories

Inventories (raw materials, consumables and stores and spares) are valued at lower of cost and net realisable value. Cost of inventories comprises purchase price and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using the weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs to sell.

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2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and in banks, demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash on hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.12 Dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2.13 Earnings per share

Basic earnings per share is computed by dividing the net profit/ (loss) attributable to owners of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

2.14 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The unwinding of discount is recognised as finance cost.

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

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a) Recognition and initial measurement

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

All financial instruments are recognised initially at fair value except for trade receivables which are initially measured at transaction price. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Regular way purchase and sale of financial assets are accounted for at trade date.

b) Financial assets

(i) Classification and subsequent measurement

For the purpose of subsequent measurement, a financial asset is classified and measured at

- amortised cost;
- fair value through other comprehensive income (FVTOCI) - debt investment;
- fair value through other comprehensive income (FVTOCI) - equity investment; or
- fair value through profit and loss (FVTPL).

1. A financial asset is measured at amortised cost if both the following conditions are met:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

2. A debt investment is measured at FVTOCI if both of the following conditions are met:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

3. On initial recognition of an equity investment that is not held for trading, the Company irrevocably elects to present subsequent changes in the fair value in OCI (designated as FVTOCI-equity investment). This election is made on an investment-to-investment basis.

4. All financial assets not classified as amortised cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognised in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

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Debt investments at FVTOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.
Equity investments at FVTOCI recognised	These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the statement of profit and loss.

(ii) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables (billed and unbilled) based on expected lifetime credit losses at each reporting date after initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable and contract assets. Depending on the diversity of its customer base, the company has considered to group its customers into two types: government customers and non-government customers.

The provision matrix for non-government customers is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. The provision matrix for government customers is primarily based on the time-based movement within the life cycle of customer receivable further adjusted for forward-looking estimates.

ECL impairment loss allowance (or reversal) is recognised as an income/expense in the statement of profit and loss during the period.

(iii) Derecognition of financial assets

A financial asset is derecognised only when the Company:
- has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

c) Financial liabilities

(i) Classification, subsequent measurement and gains and losses

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost through effective interest method. Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(ii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because the specified party fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts are initially recognised at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amortisation.

(iii) Derecognition

A financial liability is derecognised when the Company's obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.16 Measurement of fair values

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the fair value measurements are observable and significance of the inputs to fair value measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

In determining the fair value of an asset or a liability, the Company uses different methods and assumptions based on observable market inputs. All methods of assessing fair value result in general approximation of value, and such value may not actually be realised.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.17 Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excluded amounts collected on behalf of third parties. The Company reconizes revenue when it transfer control over goods and services to a customer.

Revenue on time-and-material contracts are recognized as the related services are rendered and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

Revenue from fixed-price, fixed time frame contracts, where the performance obligations are satisfied overtime and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred to as income received in advance).

2.18 Employee benefits

a) Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Short-term employee benefits are measured on an undiscounted basis as the related service is provided.

b) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is determined by actuarial valuation performed by an external actuary at each balance sheet date using projected unit credit method and recognized as current provision.

c) Defined contribution plan

Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The Company makes specified monthly contributions towards Employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The

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expenditure for defined contribution plan is recognised as expense during the period when the employee provides service.

d) Defined benefit plans

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The Company's gratuity fund is managed by HDFC Life Insurance Company Limited. The present value of gratuity obligation under such defined benefit plan is determined based on actuarial valuations carried out by an external actuary using the Projected Unit Credit Method. The Company recognises the net obligation of a defined benefit plan in its balance sheet as an asset or liability.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Actuarial gains or losses are recognised in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead, net interest recognised in the statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the statement of profit and loss in subsequent periods.

2.19 Borrowing Cost

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

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.20 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying

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amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date.

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

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.21 Contingent liability

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company, or a present obligation that arises from past events where it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

2.22 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.23 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

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Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.