Deloitte
Haskins & Sells

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF ALLSEC TECHNOLOGIES LIMITED

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2024 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2024 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Audited Consolidated Financial Results for the Year Ended March 31, 2024 and Unaudited Consolidated Financial Results for the Quarter Ended March 31, 2024" of **ALLSEC TECHNOLOGIES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), ("the Statement") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the other auditors on separate financial information of the subsidiaries referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2024:

(i) includes the results of the following entities:

Parent:
Allsec Technologies Limited

Subsidiaries:
(a) Allsectech Inc., USA, (wholly owned subsidiary)
(b) Allsectech Manila Inc., Philippines, (wholly owned subsidiary)

(ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

(iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the year ended March 31, 2024.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2024

With respect to the Consolidated Financial Results for the quarter ended March 31, 2024, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2024, prepared in

accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2024

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2024 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 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 Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2024, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2024 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

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 the 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 respective financial results 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 this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors 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 responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2024

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2024 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 this Consolidated Financial Results.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.

- Conclude on the appropriateness of the Board of 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 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 Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.

- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Information of the entities within the Group to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, 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 Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results 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 Annual Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results 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.

(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2024

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2024 in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2024 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.

- We did not audit the financial information of two subsidiaries included in the consolidated financial results, whose financial information reflect total assets of Rs. 12,264 lakhs as at March 31, 2024 and total revenues of Rs. 9,513 lakhs and Rs. 31,908 lakhs for the quarter and year ended March 31, 2024 respectively, total net profit after tax of Rs. 908 lakhs and Rs. 3,570 lakhs for the quarter and year ended March 31, 2024 respectively and total comprehensive income of Rs. 892 lakhs and Rs. 3,543 lakhs for the quarter and year ended March 31, 2024 respectively and net cash outflows (net) of Rs. 2,499 lakhs for the year ended March 31, 2024, as considered in the Statement. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

  Our report on the Statement 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.

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

MANISH MURALIDHAR CONJEEVARAM
Digitally signed by MANISH MURALIDHAR CONJEEVARAM
Date: 2024.05.06 18:46:26 +05'30'

C Manish Muralidhar
Partner
(Membership No. 213649)
UDIN: 24213649BKCJES4247

Place: Mumbai
Date: May 06, 2024
MM/VLS/YK/2024/10

Allsec Technologies Limited

Consolidated Balance Sheet as at 31 March 2024

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

	Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
A	**ASSETS**			
I	**Non-current assets**			
	(a) Property, plant and equipment	3(a)	2,167	1,220
	(b) Right of use asset	26	4,148	4,241
	(c) Other intangible assets	3(a)	1,507	512
	(d) Intangible assets under development	4	-	1,204
	(e) Financial assets			
	(i) Other financial assets	6	1,467	775
	(f) Deferred tax assets (net)	25.2	803	697
	(g) Income tax assets (net)	7	1,543	1,217
	(h) Other non-current assets	8	26	23
	Total Non-current assets		11,661	9,889
II	**Current assets**			
	(a) Financial assets			
	(i) Investments	5	5,628	4,678
	(ii) Trade receivables	9	6,573	5,924
	(iii) Cash and cash equivalents	10	8,172	9,012
	(iv) Bank balances other than cash and cash equivalents above	11	28	28
	(v) Other financial assets	6	2,966	2,884
	(b) Other current assets	8	933	942
	(c) Assets classified as held for sale	34	801	-
	Total Current assets		25,101	23,468
	TOTAL ASSETS (I+II)		36,762	33,357
B	**EQUITY AND LIABILITIES**			
III	**Equity**			
	(a) Equity share capital	12	1,524	1,524
	(b) Other equity	13	23,022	21,444
	Total equity		24,546	22,968
IV	**Non-current liabilities**			
	(a) Financial liabilities			
	(i) Lease liabilities	26	2,641	2,507
	(b) Provisions	15	927	772
	Total Non-current liabilities		3,568	3,279
V	**Current liabilities**			
	(a) Financial liabilities			
	(i) Lease liabilities	26	1,824	1,887
	(ii) Trade payables	16		
	(a) Total outstanding dues of micro enterprises and small enterprises		6	32
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		4,181	3,777
	(iii) Other financial liabilities	14	863	198
	(b) Other current liabilities	17	744	497
	(c) Provisions	15	643	533
	(d) Current tax liabilities (net)	18	127	186
	(e) Liabilities directly associated with assets classified as held for sale	34	260	-
	Total Current liabilities		8,648	7,110
	TOTAL LIABILITIES (IV + V)		12,216	10,389
	TOTAL EQUITY AND LIABILITIES (III + IV + V)		36,762	33,357

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 : Mumbai
Date : 06 May 2024

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors** of
Allsec Technologies Limited
CIN: L72300TN1998PLC041033

Ajit Abraham Isaac
Chairman
Place : Bengaluru
Date : 06 May 2024

Guruprasad Srinivasan
Director
Place : Bengaluru
Date : 06 May 2024

Naozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date : 06 May 2024

Gaurav Mehra
Chief Financial Officer
Place : Chennai
Date : 06 May 2024

Neeraj Manchanda
Company Secretary
Place : Bengaluru
Date : 06 May 2024

Allsec Technologies Limited ★ Chennai 600 042

Allsec Technologies Limited

Consolidated Statement of Profit and Loss for the Year ended 31 March 2024

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

	Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
I	Revenue from operations	19	46,937	39,045
II	Other income	20	690	803
III	**Total income (I+II)**		**47,627**	**39,848**
IV	**Expenses**			
	(a) Employee benefit expense	21	26,422	22,170
	(b) Finance costs	22	380	367
	(c) Depreciation and amortisation expense	3(b)	3,358	2,825
	(d) Other expenses	23	8,957	8,032
	Total expenses		**39,117**	**33,394**
V	**Profit before tax (III-IV)**		**8,510**	**6,454**
VI	**Tax expense**			
	(a) Current tax	25.1	2,195	1,606
	(b) Deferred tax	25.1	(85)	(38)
			2,110	**1,568**
VII	**Profit for the year (V-VI)**		**6,400**	**4,886**
VIII	**Other comprehensive income:**			
	Items that will not be reclassified to profit or loss			
	Remeasurement of the defined benefit liability		(110)	34
	Income tax relating to items that will not be reclassified subsequently to profit or loss		21	(4)
			(89)	**30**
	Items that will be reclassified subsequently to profit or loss			
	Exchange differences on translation of foreign operations		(162)	156
	Income tax relating to above items		-	-
			(162)	**156**
	Total other comprehensive income for the year		**(251)**	**186**
IX	**Total comprehensive income for the year (VII+VIII)**		**6,149**	**5,072**
	Profit for the year attributable to			
	Equity holders of the company		6,400	4,886
	Non- controlling interest		-	-
	Other comprehensive income attributable to			
	Equity holders of the company		(251)	186
	Non- controlling interest		-	-
	Total comprehensive income for the year attributable to			
	Equity holders of the company		6,149	5,072
	Non- controlling interest		-	-
X	**Earnings per equity share (Face value of ₹ 10 each)**	28		
	(a) Basic (in ₹)		42.00	32.06
	(b) Diluted (in ₹)		42.00	32.06

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 : Mumbai
Date : 06 May 2024

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors** of
Allsec Technologies Limited
CIN: L72300TN1998PLC041033

Ajit Abraham Isaac
Chairman
Place : Bengaluru
Date : 06 May 2024

Guruprasad Srinivasan
Director
Place : Bengaluru
Date : 06 May 2024

Naozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date : 06 May 2024

Gaurav Mehra
Chief Financial Officer
Place : Chennai
Date : 06 May 2024

Neeraj Manchanda
Company Secretary
Place : Bengaluru
Date : 06 May 2024

Allsec Technologies Limited Chennai 600 042

Allsec Technologies Limited

Consolidated Cash flow Statement for the year ended 31 March, 2024

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	8,510	6,454
Adjustments to reconcile net profit to net cash provided by operating activities :		
Depreciation and amortisation expense	3,358	2,825
Unrealized foreign exchange gain	(293)	(482)
Finance costs	380	367
Loss allowance for doubtful trade receivables (net)	442	95
Fair Value gain on Financial Assets (measured at Fair Value through Profit & Loss)	(75)	(14)
Profit on redemption of current investments	(308)	(290)
Interest Income		
- on fixed deposits	(7)	(2)
- income tax refund	(24)	(54)
Operating Profit before Working Capital Changes	**11,983**	**8,899**
Working capital adjustments:		
Increase in Trade receivables	(1,683)	(301)
Increase in other financial assets	(916)	(1,507)
Decrease/(Increase) in other assets	6	(359)
Increase in trade payables	609	1,314
Increase/(Decrease) in other financial liabilities	613	(15)
Increase/(Decrease) in other liabilities	247	(15)
Increase in provisions	184	292
Cash Generated from Operations	**11,043**	**8,308**
Net income tax paid	(1,960)	(1,180)
Net cash flow generated from operating activities	**9,083**	**7,128**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment, Other intangible assets and Intangible assets under development	(1,748)	(1,545)
(Purchase)/Redemption of current investments (net)	(615)	264
Interest received on fixed deposits	7	2
Tax Expenses on Dividend income received by Allsec Technologies Limited ("the Parent") from Allsectech Manila Inc., Philippines ("the subsidiary")	(596)	(465)
Net cash flow used in Investing activities	**(2,952)**	**(1,744)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(380)	(367)
Payment of Lease Liabilities	(2,140)	(1,742)
Dividend paid	(4,571)	(3,048)
Net cash flow used in Financing activities	**(7,091)**	**(5,157)**

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

Allsec Technologies Limited Chennai 600 042

Allsec Technologies Limited

Consolidated Cash flow Statement for the year ended 31 March, 2024

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Net (decrease)/increase in cash and cash equivalents	**(960)**	**227**
Effect of exchange differences on cash & cash equivalents held in foreign currency	120	645
Cash and cash equivalents at the beginning of the year	9,012	8,140
Cash and cash equivalents at the end of the year	**8,172**	**9,012**
Components of cash and cash equivalents (Refer Note 10)		
Cash on hand	1	-
Balance with banks	8,171	9,012
Total cash and cash equivalents	**8,172**	**9,012**

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 : Mumbai
Date : 06 May 2024

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors** of
Allsec Technologies Limited
CIN: L72300TN1998PLC041033

Ajit Abraham Isaac
Chairman

Place : Bengaluru
Date : 06 May 2024

Guruprasad Srinivasan
Director

Place : Bengaluru
Date : 06 May 2024

Naozer Cusrow Dalal
Chief Executive Officer

Place : Chennai
Date : 06 May 2024

Gaurav Mehra
Chief Financial Officer

Place : Chennai
Date : 06 May 2024

Neeraj Manchanda
Company Secretary

Place : Bengaluru
Date : 06 May 2024

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 2024	As at 31 March 2023
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 2022	1,413	7,045	(2,175)	12,019	1,118	19,420
Profit for the year	-	4,886	-	-	-	4,886
Dividends (Refer Note 39)	-	(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	1,274	21,444
Profit for the year	-	6,400	-	-	-	6,400
Dividends (Refer Note 39)	-	(4,571)	-	-	-	(4,571)
Remeasurement of defined benefits plan (net of taxes)	-	(89)	-	-	-	(89)
Exchange differences on translation of foreign operations	-	-	-	-	(162)	(162)
Balance at 31 March 2024	1,413	10,653	(2,175)	12,019	1,112	23,022

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

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 : Mumbai
Date : 06 May 2024

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

For and on behalf of the **Board of Directors** of
Allsec Technologies Limited
CIN: L72300TN1998PLC041033

Ajit Abraham Isaac
Chairman

Place : Bengaluru
Date : 06 May 2024

Guruprasad Srinivasan
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Chief Executive Officer

Place : Chennai
Date : 06 May 2024

Gaurav Mehra
Chief Financial Officer

Place : Chennai
Date : 06 May 2024

Neeraj Manchanda
Company Secretary

Place : Bengaluru
Date : 06 May 2024

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 Customer Experience Management (CXM) and Employee Experience Management (EXM) 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 New and revised Ind AS

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. There is no other Indian Accounting Standard that has been issued as of that date but was not mandatorily 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 2024, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendments Rules, 2023, applicable from 1 April, 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 01 April 2023.

The group has adopted the amendments to Ind AS 1 for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements

The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The group has adopted the amendments to Ind AS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

Recent Statutory Pronouncements:

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.

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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

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 Subsidiary	Country of Incorporation	Relationship	Effective Ownership Interest as at 31 March 2024	Effective Ownership Interest as at 31 March 2023
1	Allsectech Manila Inc.	Philippines	Subsidiary	100%	100%
2	Allsectech Inc., US	USA	Subsidiary	100%	100%

2 Summary of material accounting policies

2.1.a 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. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The group has adopted the amendments to Ind AS1 for the first time in the current year .The amendments change the requirements of IndAs1 with regard to disclosure of the term " significant accounting policies " with material accounting policy information ".Accounting policy Information is material if when considered together with other information includes an entity 's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statement make on the basis of those financial statements

The supporting paragraphs in IndAs1 are also amended to clarify that accounting policy information that relates to immaterial transactions , other events or conditions is immaterial and need not be disclosed .Accounting policy information may be material because of the nature of the related transactions , other events on conditions, even if the amounts are immaterial .However , not all accounting policy information relating to material transactions , other event or condition is itself material

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.

2.1.b Current and non-current classification

Current and non-current classification: The Group 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 Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

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.

The group has adopted the amendments to Ind AS8 for the first time in the current year . The amendments replace the definition of a change in accounting estimates with a definition of "accounting estimates" .Under the new definition , accounting estimates are " monetary amounts in financial statements that are subject to measurement uncertainty" . The definition of a change in accounting estimates was deleted.

(i) Impairment of financial assets:
The Group recognises 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 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).

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 33)

iii) 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.

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.

2.5 Revenue from contracts with customers

The Group derives revenues primarily from services comprising the CXM and EXM services for customer in India and outside India. Effective 01 April 2018, the Group has adopted Ind AS 115, Revenue from Contracts with Customers, using modified retrospective method, applied to contracts that were not completed as at 01 April 2018. The following is a summary of the material 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 time- and - material basis.

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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 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
Computers and Servers	3-10
Call centre Equipment	3-10
Furnitures and Fixtures	3-10
Office Equipment	5
Motor Vehicles	3-5

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

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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.

Internally-generated intangible asset are amortised using the straight-line method over a period of 5 years.

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.

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2.10 Leases

The Group'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.

At the date of commencement of the lease, the Group 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 shortterm 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.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 Group 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 Group 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 Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

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 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.

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(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.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.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.

(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.

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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 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 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.

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(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.

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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.

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 Group receive benefits from Provident Fund and Employee's State Insurance, which are defined contribution plans. Both, the employee and the Group make monthly contributions to the plan, each equalling to a specified percentage of employee's basic salary. The Group has no further obligations under the plan beyond its monthly contributions. The Group 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.

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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.

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 Assets classified as held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the asset is recognised at the date of de-recognition.

Assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Assets classified as held for sale are presented separately from the other assets in the Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

2.17 Contingent liabilities, Contingent Assets and Provisions

Provisions are recognized when the Group 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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2.18 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".

2.19 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 Dividend

The Group recognises a liability to make cash distributions to equity holders of the Group 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.

2.21 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.

2.22 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 parent 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 2024

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

3(a) 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 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**
Additions	978	141	256	36	-	269	1,680	1,325
Less: Transferred to assets classified as held for sale (Refer Note 34)	(15)	-	-	-	-	-	(15)	-
Disposals	-	(46)	-	-	-	-	(46)	-
Foreign exchange fluctuation	(56)	-	-	-	-	-	(56)	-
Balance as at 31 March 2024	**2,864**	**950**	**542**	**495**	**-**	**812**	**5,663**	**2,807**
Accumulated depreciation/amortisation and impairment								
Balance as at 01 April 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**
Depreciation/amortisation expense for the year	276	234	50	58	-	106	724	330
Less : Transferred to assets classified as held for sale (Refer Note 34)	(7)	-	-	-	-	-	(7)	-
Disposals	-	(46)	-	-	-	-	(46)	-
Foreign exchange fluctuation	(55)	-	-	-	-	-	(55)	-
Balance as at 31 March 2024	**1,679**	**809**	**265**	**333**	**-**	**410**	**3,496**	**1,300**
Net block								
Balance as at 31 March 2023	492	234	71	184	-	239	1,220	512
Balance as at 31 March 2024	1,185	141	277	162	-	402	2,167	1,507

Note:

3(b) Depreciation and amortisation expense:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of Property, Plant and Equipment	724	536
Amortisation of Other intangible assets & Impairment of Intangible Assets under Development (Refer Note 4(a))	330	367
Depreciation of Right of use asset (Refer Note 26(c))	2,304	1,922
Total	**3,358**	**2,825**

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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 2023-24					
Project in Progress	-	-	-	-	-
FY 2022-23					
Project in Progress	572	586	46	-	1,204

During the current year, the company capitalised for all of the assets forming part of IAUD.

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 31 March, 2024 and 31 March, 2023 :

Intangible Assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
FY 2023-24				
Project in Progress	-	-	-	-
Grand Total	-	-	-	-
FY 2022-23				
Project in Progress	1,204	-	-	-
Grand Total	**1,204**	-	-	-

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5 Investments

Particulars		As at 31 March 2024	As at 31 March 2023
Current (Quoted)			
Investments carried at fair value through profit and loss			
Investment in mutual funds		5,628	4,678
Total current investments	Total	5,628	4,678
Aggregate amount of quoted investments and market value thereof		5,628	4,678
Aggregate book value of investments		5,628	4,678
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 2024	31 March 2023	31 March 2024	31 March 2023
Axis Overnight Fund - Growth - Direct	24,246	-	307	-
HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	1,008,604	1,008,604	463	427
HDFC Liquid Fund - Growth - Direct	9,733	-	462	-
HDFC Overnight Fund - Growth - Direct	8,640	-	307	-
HDFC Ultra Short Term Fund - Direct Growth	-	3,266,716	-	428
ICICI Prudential Banking & PSU Debt Fund Growth	1,786,852	1,786,852	530	492
ICICI Prudential Liquid Fund - Growth - Direct	129,206	-	462	-
ICICI Prudential Overnight Fund - Growth - Direct	23,792	-	307	-
ICICI Prudential Savings Fund - Direct Plan - Growth	50,646	187,596	253	868
ICICI Prudential Savings Fund - Growth	19,823	19,823	98	91
ICICI Prudential Short Term Fund - Growth	1,525,236	1,525,236	830	771
Kotak Banking and PSU Debt - Direct Growth / Growth (Regular Plan)	-	2,695,684	316	1,488
SBI Liquid Fund - Growth - Direct	17,563	-	664	-
SBI Overnight Fund - Growth - Direct	6,567	-	256	-
UTI Liquid Fund - Direct Plan - Growth	6,379	-	252	-
UTI Low Duration Fund - Direct Plan Growth	3,707	3,707	121	113
			5,628	4,678

** Number of units are in absolute numbers*

6 Other financial assets

Particulars		As at 31 March 2024	As at 31 March 2023
Non-current			
Security Deposits			
- Unsecured, considered good *		1,467	775
	Total	1,467	775
Current			
Foreign currency forward contracts receivable		20	9
Unbilled revenue		3,062	2,813
Less : Transferred to assets classified as held for sale (Refer Note 34)		(190)	-
Interest Receivable from Related Parties		41	-
Other advances		33	62
	Total	2,966	2,884

* Deposit includes Rs. 688 Lakhs paid under protest towards outstanding demand from Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) in relation to outstanding demands pertaining to FY 2005-2011 arising out of reclassification of tariff. (As at 31 March, 2023 - Rs.161 Lakhs) (Refer Note 29(a))

7 Non-current tax asset

Particulars		As at 31 March 2024	As at 31 March 2023
Advance Taxes (Net of Provision for taxes)		1,543	1,217
	Total	1,543	1,217

8 Other assets

Particulars		As at 31 March 2024	As at 31 March 2023
Non current			
Prepaid expenses		26	23
	Total	26	23
Current			
Prepaid expenses		884	750
Advance to suppliers		31	2
Advance to Employees		18	182
Others		-	8
	Total	933	942

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9 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade Receivables considered good, Unsecured *	7,526	6,106
Less: Allowance for Expected Credit Losses	(350)	(182)
Trade Receivables considered good, Unsecured	7,176	5,924
Trace Receivable - Disputed - Unsecured	300	60
Less: Allowance for Expected Credit Losses	(300)	(60)
Trace Receivable - Disputed - Unsecured	-	-
Total Trade Receivables	**7,176**	**5,924**
Less : Transferred to assets classified as held for sale (Refer Note 34)	(603)	-
	6,573	**5,924**
* Includes receivable from Related Parties (Refer Note 27)	211	202

Trade receivables ageing schedule for the year ended as on 31 March, 2024:

Ageing for trade receivables (including Rs.603 lakhs related to assets classified as held for sale) from the due date of payment for each of the category as at 31st March 2024 as follows:

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	5,260	1,856	192	115	39	16	7,478
- Significant increase in credit risk	-	13	13	20	-	2	48
- Credit impaired	-	-	-	-	-	-	-
	5,260	1,869	205	135	39	18	7,526
Disputed trade receivables							
- Considered good	-	-	-	-	10	13	23
- Significant increase in credit risk	1	23	218	29	6	-	277
- Credit impaired	-	-	-	-	-	-	-
	1	23	218	29	16	13	300
Total	**5,261**	**1,892**	**423**	**164**	**55**	**31**	**7,826**
Less: Allowance for Expected Credit Losses							(650)
Total Trade Receivables							7,176

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

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 2023: 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 2023: Ranging from 7 days to 180 days)

Of the trade receivable balance as at 31 March, 2024, ₹ Nil Lakh is due from customers i.e having more than 10% of the total outstanding trade receivable balance.
[₹ 1,817 Lakhs are due from two customers i.e. having more than 10% of the total outstanding trade receivables balance as at 31 March 2023]

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 2024	As at 31 March 2023
Balance at beginning of the year	242	147
Add: Allowance towards Expected credit loss provided during the year	508	95
Less: Provisions reversed against receivables written off	(100)	-
Balance at end of the year	**650**	**242**

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10 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Cash in hand	1	-
(b) Balance with banks	8,137	8,993
(c) Earmarked balances with banks*	34	19
Total	8,172	9,012

** Earmarked bank balances includes :*
i. Rs. 24 Lakh (FY 23: Rs.19 Lakh) of balance towards unclaimed dividends and
ii. Rs.10 Lakh (FY 23: NIL 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 2024	As at 31 March 2023
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 2024		As at 31 March 2023	
	Number of Shares *	Amount	Number of Shares *	Amount
Authorised				
Equity shares of Rs.10/- each	20,000,000	2,000	20,000,000	2,000
Convertible preference shares of Rs.100/- each	1,350,000	1,350	1,350,000	1,350
Issued, subscribed and fully paid-up				
Equity shares of Rs. 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 Rs.10/- each fully paid

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares *	% holding	Number of Shares *	% holding
Conneqt Business Solutions Limited ^	-	-	11,182,912	73.39%
Quess Corp Limited ^	11,182,912	73.39%	-	-

** No of shares are in absolute numbers*
^ Conneqt Business Solutions Limited (holding company) merged with Quess Corp Limited (ultimate holding company) with an appointed date of 01 April 2021

c) Rights, preferences and restrictions attached to equity shares

The Company has issued only one class of equity shares having a face value of Rs.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 persuant to contract without payment being received in cash, alloted as fully paid up by way of bonus issues or brought back during the last five years immediately preceding 31 March 2024.

e) Shareholding of Promoters

Promoter Name	31 March 2024			31 March 2023		
	No.of Shares *	% of total Shares	% changes during the year	No.of Shares *	% of total Shares	% changes during the year
Conneqt Business Solutions Limited ^	-	0.00%	-73%	11,182,912	73.39%	0%
Quess Corp Limited ^	11,182,912	73.39%	73%	-	0.00%	0%

** No of shares are in absolute numbers*
^ Conneqt Business Solutions Limited (holding company) merged with Quess Corp Limited (ultimate holding company) with an appointed date of 01 April 2021

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Notes forming part of the Consolidated Financial Statements for the Year ended 31 March 2024

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

13 Other equity

	Particulars	As at 31 March 2024	As at 31 March 2023
a)	**Securities premium (Refer Note 13.1 below)**		
	Balance at the beginning of the year	12,019	12,019
	Add : Additions made during tne 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	8,913	7,045
	Less: Dividends (Refer Note 39)	(4,571)	(3,048)
	Add : Profit attributable to owners of the Company	6,400	4,886
	Add : Remeasurement of defined benefits plan (net of taxes)	(89)	30
	Balance at the end of the year	**10,653**	**8,913**
e)	**Foreign currency translation reserve**		
	Balance at the beginning of the year	1,274	1,118
	Add : Transfer from other comprehensive income	(162)	156
	Balance at the end of the year	**1,112**	**1,274**
	Total	**23,022**	**21,444**

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.

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 shareholders.

14 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Creditor for Capital Goods *	231	179
Unclaimed dividend	24	19
Advance towards sale of Business (Refer Note 34)	405	-
Other payables	203	-
Total	**863**	198

* Includes balance of Rs.3 Lakh due to MSME vendor against capex invoices (As at 31 March 2023, Rs.76 Lakhs)

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15 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Gratuity	956	772
Less : Liabilities directly associated with assets classified as held for sale (Refer Note 34)	(29)	-
Total	**927**	**772**
Current		
Gratuity	73	60
Compensated absences*	308	227
Provision for CSR Expenditure (Refer Note 24)	41	25
Provision for Electricity Board tariff dispute claim (Refer Note 29 (a))	221	221
Total	**643**	**533**

*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 2024	As at 31 March 2023
- Other than Acceptances (Refer Note 30)		
- Dues of Micro Enterprises and Small Enterprises	6	32
- Dues of Creditors other than Micro Enterprises and Small Enterprises*	4,412	3,777
- Less : Liabilities directly associated with assets classified as held for sale (Refer Note 34)	(231)	-
Total Trade payables * **Total**	**4,187**	**3,809**
* Includes Trade Payable to Related Parties (Refer Note 27)	320	122

There are no interest due or outstanding on the dues to Micro, Small and Medium Enterprises. During the year ended 31 March, 2024 and 31 March, 2023, all the dues were paid to MSME vendors within the agreed credit terms

Trade payables ageing schedule for the year ended as on 31 March, 2024 :

Ageing for trade payables (including Rs. 231 crores related to liabilities directly associated with assets held for sale) from the due date of payment for each of the category as at 31 March 2024 is as follows:

Particulars	Outstanding for the following periods from due date					
	Not Due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
(i). MSME	3	3	-	-	-	6
(ii). Others	3,787	625	-	-	-	4,412
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iii). Disputed Dues - Others	-	-	-	-	-	-
Total Trade payables	**3,790**	**628**	**-**	**-**	**-**	**4,418**

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

Particulars	Outstanding for the following periods from due date					
	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**

17 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Advances from customers	74	21
Statutory dues	670	476
Total	**744**	**497**

18 Current tax liabilities (Net)

Particulars	As at 31 March 2024	As at 31 March 2023
Provison for Income taxes (Net of Advance Tax)*	127	186
Total	**127**	**186**

** Pertains to Foreign Subsidiary*

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19 Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from Services:		
A. Customer Experience Management (CXM)		
(i) International	22,775	17,507
(ii) Domestic	8,768	7,968
B. Employee Experience Management (EXM)		
(i) International	3,743	2,916
(ii) Domestic	11,651	10,654
Total	**46,937**	**39,045**

(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 dissaggregation 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 2024*	Year ended 31 March 2023
Receivables, which are included in 'Trade and other receivables'	6,573	5,924
Unbilled Revenue	2,872	2,813

* The amount excludes the portion of trade receivables and unbilled revenue which are reclassified to assets classified as held for sale (Refer Note 34)
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 2024	Year ended 31 March 2023
Interest Income		
- on fixed deposits	7	2
- income tax refund	24	54
- on foreign related parties overdue payment	12	-
- others	48	56
Net gain/(loss) arising on Financial Assets designated as at Fair Value through Profit or Loss	27	(42)
Profit on redemption of current investments	308	290
Net gain on foreign currency transaction and translation	264	443
Profit on sale of assets *	-	-
Total	**690**	**803**

* Amount is less than a lakh rupees

21 Employee benefits expense

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	23,330	19,648
Contribution to provident fund and other funds	1,719	1,397
Staff welfare expenses	1,373	1,125
Total	**26,422**	**22,170**

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22 Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense		
(i) Interest accrued on lease liabilities	380	367
Total	380	367

23 Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Professional and Consultancy Charges	2,460	2,501
Travelling and Conveyance	684	783
Power and Fuel *	829	954
Rent	131	178
Repairs and maintenance		
-Machinery	1,400	1,091
-Others	587	626
Insurance expenses	43	27
Fees, rates and taxes	111	87
Sales and marketing expenses	704	293
Connectivity and communication cost	892	834
Security charges	397	363
Bank charges	25	21
Allowance for Expected Credit Losses	505	95
Trade Receivables Written off	100	-
Less: Release of allowance for expected credit losses	(100)	-
	-	-
Corporate social responsibility expenditure (Refer note 24)	53	51
Directors' sitting fees	7	12
Directors' commission	16	18
Miscellaneous expenses	113	98
Total	8,957	8,032

** Power and Fuel expenses for the year ended 31 March 2023 includes provision of Rs.221 Lakhs made towards tariff disputes (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 2024	For the year ended 31 March 2023
Gross amount required to be spent by the Company during the year	53	51
Amount spent during the year		
(i) Construction or acquisition of any asset	-	-
(ii) On purpose other than (i) above (Refer Note 27)*	37	72
Shortfall at the end of the year	41	25
Total of previous years shortfall	10	-
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 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.The Company has received back an amount of Rs. 5 Lakhs from careworks foundation out of the payments made during the financial year 2022-2023 to its earmarked bank account in April 2023. During the current financial year, the Company has spent an amount of Rs.22 Lakh (31 March 2023 - Rs.26 Lakhs) against current year obligation and Rs.20 Lakh(31 March 2024-Rs.46 Lakhs) 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 Rs.41 Lakh (31 March 2023 - Rs.25 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 the amount of Rs. 7 Lakh to its earmarked bank account and the entire pending amount of Rs.48 Lakh shall be spent for the intended project in the subsequent period.

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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 2024	Year ended 31 March 2023
Current Tax:		
In respect of the current year *	2,195	1,606
	2,195	**1,606**
Deferred Tax		
In respect of the current year	(85)	(38)
	(85)	**(38)**
Total income tax expense recognised in statement of profit and loss	**2,110**	**1,568**

*The Company has opted to avail deduction under Section 80M of Income Tax Act, 1961 in respect of dividend income received from its wholly owned subsidiary, Allsectech Manila Inc., Philippines amounting to Rs.3,973 lakhs and Rs.2,932 Lakh during the year ended 31 March 2024 and 31 March 2023, respectively. Consequently, the Company charged off foreign tax credit on the dividend income to 'current tax expense' which aggregates to Rs.596 lakhs and Rs.435 lakhs during the year ended 31 March 2024 and 31 March 2023, respectively.

25.1.2 Recognised in Other Comprehensive Income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Deferred Tax		
Remeasurements of the defined benefit liabilities/ (asset)	21	(4)
Total income tax recognised in other comprehensive income	**21**	**(4)**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that may be reclassified to profit or loss	21	(4)
	21	**(4)**

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%. The Company opted for new tax scheme u/s 115BAA. A 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 2024	For the year ended 31 March 2023
Profit before tax	8,510	6,454
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	**2,142**	**1,624**
Tax on Dividend Income treated under special provision	596	435
Effect of non-deductible expenses	13	36
Effect of Special deductions	(59)	(22)
Tax on Gain from Mutual Fund investments under special provision	(9)	(32)
Others	16	19
Difference in overseas tax rates	(589)	(492)
Total income tax expense recognised in the statement of profit and loss	**2,110**	**1,568**

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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	For the year ended 31 March 2024	For the year ended 31 March 2023
Deferred tax assets	882	785
Less: Deferred tax liabilities	(79)	(88)
Deferred tax asset (net)	**803**	**697**

Movement in the deferred tax balance :

Particulars	For the year ended 31 March 2024			
	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Depreciation on Property, Plant and Equipment	410	(55)	-	355
Employee Benefit Expenses	249	40	21	310
Provision for Expected Credit Loss on Financial Assets	59	83	-	142
Impact on account of ROU asset and lease liabilities	29	8	-	37
Fair valuation adjustments - Financial Assets	(88)	9	-	(79)
Provision for Impairment of Intangible Asset under development	38	-	-	38
Deferred Tax Asset /(Liabilities)	**697**	**85**	**21**	**803**

Particulars	For the year ended 31 March 2023			
	Opening Balance	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**

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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 2024:

	Category of ROU Asset		
Particulars	**Buildings**	**Computers**	**Total**
Balance as at 01 April 2023	4,012	229	4,241
Additions ^	2,366	-	2,366
Deletions ^	(155)	-	(155)
Depreciation*	(2,075)	(229)	(2,304)
Balance as at 31 March 2024	**4,148**	**-**	**4,148**

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**

^ 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 2024:

Particulars	**Buildings**	**Computers**	**Total**
Balance as at 01 April 2023	4,167	227	4,394
Additions	2,366	-	2,366
Finance cost accrued during the year	370	10	380
Deletions	(155)	-	(155)
Payment of lease liabilities	(2,283)	(237)	(2,520)
Balance as at 31 March 2024	**4,465**	**-**	**4,465**

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 break-up of current and non-current lease liabilities:

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Non-current lease liabilities	2,641	2,507
Current lease liabilities	1,824	1,887

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

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Depreciation Expenditure	2,304	1,922
Finance Cost on Lease Liabilitities	380	367

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

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Not later than 1 year	2,179	2,173
Later than 1 year and not later than 5 years	2,826	2,740
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
Holding Company	Quess Corp Limited - w.e.f. 30 November 2023 Conneqt Business Solutions Limited till 29 November 2023 (amalgamated with Quess Corp Limited)
Fellow Subsidiaries	Billion Careers Private Limited Heptagon Technologies Private Limited MFX Infotech Private Limited - Amalgamated with Quess Corp MFXchange US, Inc. Monster.Com (India) Private Limited Qdigi Services Limited Quess (Philippines) Corp. Quess Corp Manpower Supply Services LLC Quess International Services Private Limited (Formerly known as Golden Star Facilities And Services Private Limited) Quessglobal (Malaysia) Sdn. Bhd. Terrier Security Services (India) Private Limited Trimax Smart Infraprojects Private Limited Vedang Cellular Services Private Limited
Entity in which key managerial personnel have significant influence	Careworks Foundation Quess Foundation
Key management personnel	
Chief Executive Officer	Mr. Naozer Cusrow Dalal
Chief Financial officer	Mr. Gaurav Mehra
Company Secretary	Ms. Sripiriyadashini (till 27 September 2023)
Company Secretary	Mr. Neeraj Manchanda (w.e.f. 28 September 2023)
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
Non-executive Non-independent director	Mr. Kamal Pal Hoda

B. Transactions with related parties

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income from services billed to		
Quess Corp Limited	297	275
Conneqt Business Solutions Limited	48	42
Monster.Com (India) Private Limited	3	5
Heptagon Technologies Private Limited	1	1
Terrier Security Services (India) Private Limited	-	1
MFX Infotech Private Limited	-	4
MFXchange US, Inc.	1,278	999
Quessglobal (Malaysia) Sdn. Bhd.	4	5
Quess (Philippines) Corp.	5	4
Qdigi Services Limited	19	18
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)*	-	-
Interest Income		
MFXchange US, Inc.	11	-
Quess (Philippines) Corp.*	-	-
Quessglobal (Malaysia) Sdn. Bhd.*	-	-
Expense incurred for recruitment/professional/consulting/security/AMC etc		
MFX Infotech Private Limited	52	92
MFXchange US, Inc.	397	179
Monster.Com (India) Private Limited	3	-
Simpliance Technologies Pvt Ltd@	-	120
Quess Corp Limited	446	293
Terrier Security Services (India) Private Limited	276	285
Heptagon Technologies Private Limited	-	58
Conneqt Business Solutions Limited	75	126
Quess Corp Manpower Supply Services LLC	85	79
Cost of Asset		
MFX Infotech Private Limited	2	-
Quess Corp Limited	167	-
Dividend paid to Holding company		
Conneqt Business Solutions Limited	3,355	2,237
Reimbursement of expenses incurred by the company		
Quess Corp Limited	39	60
Conneqt Business Solutions Limited	-	105

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Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Recovery made by the company towards facilities cost		
MFXchange US, Inc.	184	132
Payments made towards Corporate Social Responsibility Expense		
Careworks Foundation	(5)	67
Quess Foundation	42	-
Remuneration and other benefits#		
Chief Executive officer	172	167
Chief financial officer	66	72
Company Secretary	18	10
Other than whole-time directors	23	30

* 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 previous year are upto 21 October 2022

C. Balances with related parties

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables		
Quess Corp Limited	99	69
Conneqt Business Solutions Limited	1	9
Heptagon Technologies Private Limited *	-	-
MFXchange US, Inc.	107	117
Quessglobal (Malaysia) Sdn. Bhd.	1	-
Quess (Philippines) Corp.	1	1
Qdigi Services Limited	1	1
MFX Infotech Private Limited	-	1
Monster.Com (India) Private Limited	1	3
Terrier Security Services (India) Private Limited*	-	1
Quess International Services Private Limited (formerly Golden Star Facilities And Services Private Limited)*	-	-
Trade Payable		
Terrier Security Services (India) Private Limited	32	36
Quess Corp Limited	262	45
Conneqt Business Solutions Limited	-	3
MFX Infotech Private Limited	-	27
MFXchange US, Inc.	7	-
Salaries payable to KMP	19	11
Directors' commission payable	16	18
Other financial assets		
Quess Corp Limited	12	5
MFXchange US, Inc.	105	95
MFX Infotech Private Limited*	-	-
Monster.Com (India) Private Limited	-	2
Quessglobal (Malaysia) Sdn. Bhd.*	-	1
QDigi Services limited	2	1
Conneqt Business Solutions Limited	1	3
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 Assets - Interest Income Receivable		
MFXchange US, Inc.	11	-
Quess (Philippines) Corp.*	-	-
Quessglobal (Malaysia) Sdn. Bhd.*	-	-
Other financial liabilities		
Conneqt Business Solutions Limited	94	49
MFX Infotech Private Limited	25	4
MFXchange US, Inc.	79	-
Quess Corp Limited	151	129
Terrier Security Services (India) Private Limited	15	8

* Amount less than a lakh rupees

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 2024, 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 2024	Year ended 31 March 2023
Profit after tax considered as numerator for calculating basic and diluted earnings per share	6,400	4,886
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 ₹)	42.00	32.06
Diluted EPS (in ₹)	42.00	32.06

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 receieved 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 is yet to be made will be favourable to the company.

(b) Commitments

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Capital commitments that are not cancellable - Estimated amount of capital contracts remaining to be executed	93	83

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

Particulars*	2023-2024	2022-2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	6	108
(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.

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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 Customer Experience Management (CXM), (in previous year, this was called Digital Business Services (DBS)) and Employee Experience Management (EXM) (in previous year, this was called Human Resource Outsourcing (HRO)) as its business segments for the financial year ended 31 March 2024.

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 2024.

Business Segments

CXM comprises Inbound and Outbound Tele calling services and Call Quality Monitoring services rendered to its clients. EXM 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	CXM	EXM	Unallocable	Total
Revenue from operations	31,540	15,397	-	46,937
	25,475	*13,570*	-	*39,045*
Operating and other expenses/(income), net	24,754	9,474	552	34,780
	20,378	*8,890*	*243*	*29,511*
Depreciation and amortization expense	2,494	676	188	3,358
	1,960	*585*	*280*	*2,825*
Finance costs	-	-	380	380
	-	-	*367*	*367*
Interest income	-	-	91	91
	-	-	*112*	*112*
Profit before tax	4,292	5,247	(1,029)	8,510
	3,137	*4,095*	*(778)*	*6,454*
Tax expense	-	-	2,110	2,110
	-	-	*1,568*	*1,568*
Profit after tax	-	-	-	6,400
	-	-	-	*4,886*

Note : Numbers in italic represents corresponding figures for the Financial Year ended 31 March 2023

Other information

Particulars	CXM	EXM	Unallocable	Total
Segment Assets	7,266	5,085	24,411	36,762
	5,218	*5,432*	*22,707*	*33,357*

Particulars	CXM	EXM	Unallocable	Total
Segment Liabilities	2,635	1,711	7,870	12,216
	1,924	*1,075*	*7,390*	*10,389*

Note : Numbers in italic represents corresponding figures for the Financial Year ended 31 March 2023

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33 Employee Benefits

a) Defined Contribution plans

The Group 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 2024	For the year ended 31 March 2023
Included under 'Contributions to Provident and other Funds'		
Contributions to Employee state insurance	157	159
Contributions to provident funds	898	808
Contributions to other funds	468	298

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 availabilty 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 2024. 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 2024	Year ended 31 March 2023
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	**843**	**808**
Interest cost	63	47
Current service cost	108	88
Past service cost	-	-
Benefits paid	(160)	(85)
Actuarial loss/(gain)	75	(15)
Present value of defined benefit obligation at the end of the year	**929**	**843**
Changes in fair value of plan assets		
Fair value of plan assets at the beginning of the year	**145**	**143**
Expected return	10	8
Contributions by the Company	106	78
Benefits paid and charges deducted	(160)	(85)
Administration Expenses	(4)	-
Actuarial (loss)/gain	(8)	1
Fair value of plan assets at the end of the year	**89**	**145**
Net defined benefit obligation (deficit)	**840**	**698**
Non-current	**767**	**638**
Current	**73**	**60**

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Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount recognised in profit or loss		
Current service cost	108	88
Past service cost	-	-
Interest cost	63	47
Expected return on planned assets	(10)	(8)
Administration Expenses	4	-
Total amount recognised in profit or loss	**165**	**127**
Amount recognised in other comprehensive income		
Remeasurement due to changes in actuarial assumptions	83	(16)
Total amount recognised in other comprehensive income	**83**	**(16)**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Significant actuarial assumptions		
a) Discount rate and expected return on plan assets	6.97%	7.13%
b) Long-term rate of compensation increase	5.00%	5.00%
c) Attrition rate		
- employees with service upto 4.5 years as at valuation date	39.00%	39.00%
- employees with service more than 4.5 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 2024						
Sensistivity Level	1%	-1%	1%	-1%	1%	-1%
Impact on defined benefit obligation	15	(17)	(89)	105	101	(89)
31 March 2023						
Sensistivity Level	1%	-1%	1%	-1%	1%	-1%
Impact on defined benefit obligation	17	(19)	(79)	92	85	(76)

Other information

Expected contribution to post-employment benefit plans for the year ending 31 March 2025 is ₹ 73 lakhs. The weighted average duration of the defined benefit obligation is 8 years (31 March 2023: 13 years).

The expected benefit payments for the 15 years after balance sheet date is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Between 6-10 years	Between 11-15 years	More than 15 years	Total
31 March 2024							
Defined benefit obligation	73	59	170	259	520	1,168	2,249
31 March 2023							
Defined benefit obligation	32	111	195	239	-	-	577

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 2024	Year ended 31 March 2023
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	**135**	**121**
Interest cost	9	7
Current service cost	22	20
Past service cost	-	-
Benefits paid	-	-
Actuarial loss/(gain)	27	(18)
Exchange Fluctuation adjustments	(4)	5
Present value of defined benefit obligation at the end of the year	**189**	**135**
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)	**189**	**135**
Current	-	-
Non-current	**189**	**135**

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Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amount recognised in profit or loss		
Current service cost	22	20
Past service cost	-	-
Interest cost	9	7
Expected return on planned assets	-	-
Total amount recognised in profit or loss	31	27
Amount recognised in other comprehensive income		
Remeasurement due to changes in actuarial assumptions	27	(18)
Total amount recognised in other comprehensive income	27	(18)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Significant actuarial assumptions		
a) Discount rate and expected return on plan assets	6.30%	6.70%
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 2024				
Sensistivity Level	1%	-1%	1%	-1%
Impact on defined benefit obligation	(25)	31	30	(25)
31 March 2023				
Sensistivity Level	1%	-1%	1%	-1%
Impact on defined benefit obligation	(18)	22	22	(18)

The expected benefit payments for the 15 years after balance sheet date is as follows:

Particulars	Between 1-5 years	Between 6-10 years	Between 11-15 years	16 years and above	Total
31 March 2024					
Defined benefit obligation	32	76	499	3,817	4,424
31 March 2023					
Defined benefit obligation	13	64	197	1,878	2,152

d) Compensated Absences

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Included under ' Salaries and Bonus '	81	10

** Net of encashments*

Particulars	As at 31 March 2024	As at 31 March 2023
(b) Net asset / (liability) recognised in the Balance Sheet	**308**	**227**
Current portion of the above	308	227
Non - current portion of the above	-	-

*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.

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

Particulars	2023-2024	2022-2023
Discount Rate (% p.a)	6.93%	7.13%
Future Salary Increase (% p.a)	5.00%	5.00%

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34 Information of assets and associated liabilities classified as held for sale

The Board of Directors of the Company, at its meeting held on 06 February 2024 approved the sale of its Labour Law Compliance Division (LLC) on a going concern basis by way of slump sale for a consideration of ₹ 2,700 lakhs, subject to closing adjustments as defined in Business Transfer Agreement (BTA) dated 06 February 2024. As per the BTA, the closing date of the said transaction was 31 March 2024 which was subsequently extended to 30 April 2024. Consequently, the closing conditions were met on 30 April 2024 and the transaction was effective from that day. Accordingly, the assets and liabilities of the LLC business have been classified as held for sale as at March 31, 2024.

Particulars	As at 31 March 2024
Non-Current Assets	
Property, plant and equipment	8
Current assets	
Trade receivables	603
Other financial assets	190
Total assets classified as held for sale	**801**
Non-current liabilities	
Provisions	29
Current liabilities	
Trade payables	231
Liabilities directly associated with assets classified as held for sale	**260**

The details of operations related to LLC business is as follows:

Sl. No.	Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023
1	Total Income	2,504	2,657
2	Total Expense	2,001	1,996
3	**Profit before tax (1-2)**	**503**	**661**
4	Tax expense	100	132
5	**Profit after tax (3-4)**	**403**	**529**

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35 Financial Instruments

35.1 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 2024	As at 31 March 2023
Borrowings	-	-
Cash and Bank Balance	(8,200)	(9,040)
Net Debt over and above the cash and bank balances (A)	-	-
Total Equity (B)	24,546	22,968
Net Debt to equity ratio (A/B)	- %	- %

35.2 Categories of Financial Instruments

The carrying value of the financial instruments by categories as on 31 March 2024 and 31 March 2023 are as follows:

Particulars	Carrying Value		Fair Value	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
(a) Financial Assets				
Measured at fair value through P&L				
- Current Investments	5,628	4,678	5,628	4,678
- Other financial assets	20	9	20	9
Measured at amortised cost				
- Cash and Bank balances	8,172	9,012	8,172	9,012
- Other Bank balances	28	28	28	28
- Trade receivables	6,573	5,924	6,573	5,924
- Other financial assets	4,413	3,650	4,413	3,650
	24,834	**23,301**	**24,834**	**23,301**
(b) Financial Liabilities :				
Measured at amortised cost				
- Trade Payables	4,187	3,809	4,187	3,809
- Lease Liabilities	4,465	4,394	4,465	4,394
- Other financial liabilities	863	198	863	198
	9,515	**8,401**	**9,515**	**8,401**

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 estmate 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 2024 and 31 March 2023.

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35.3 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 2024				
Interest bearing*	1,824	2,641	-	4,465
Non-interest bearing	5,050	-	-	5,050
Total	**6,874**	**2,641**	**-**	**9,515**
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**

*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 2024				
Interest bearing	28	-	-	28
Non-interest bearing	23,339	1,467	-	24,806
Total	**23,367**	**1,467**	**-**	**24,834**
31 March 2023				
Interest bearing	28	-	-	28
Non-interest bearing	22,498	775	-	23,273
Total	**22,526**	**775**	**-**	**23,301**

(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 2024 and as at 31 March 2023.

(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 2024	As at 31 March 2023
		Amount ₹ in lakhs	Amount ₹ in lakhs
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	USD	9,323	9,269
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	PHP	2,663	1,231
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	SGD	7	6
Financial Liabilities (comprising of Trade payables & Provisions)	GBP	5	2
Financial Liabilities (comprising of Trade payables & Provisions)	USD	724	355
Financial Liabilities (comprising of Trade payables & Provisions)	PHP	515	219

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 2024	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2023
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	860	(860)	891	(891)
PHP	215	(215)	101	(101)
SGD	1	(1)	1	(1)
GBP	1	(1)	-	-

Impact on total equity as at end of the reporting period

Particulars	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2023
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	860	(860)	891	(891)
PHP	215	(215)	101	(101)
SGD	1	(1)	1	(1)
GBP	1	(1)	-	-

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.

35.4 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.

35.5 Offsetting of financial assets and financial liabilities

The Group has not offset financial assets and financial liabilities.

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36 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 2024								
Holding company	78%	19,805	65%	6,638	70%	(62)	65%	6,576
Foreign subsidiaries:								
Allsectech Inc	2%	584	1%	89	0%	-	1%	89
Allsectech Manila Inc	20%	5,023	34%	3,481	30%	(27)	34%	3,454
Sub-total	**100%**	**25,412**	**100%**	**10,208**	**100%**	**(89)**	**100%**	**10,119**
Inter-company eliminations and other adjustments		(866)		(3,808)		(162)		(3,970)
Total		**24,546**		**6,400**		**(251)**		**6,149**

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
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**		**186**		**5,072**

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37 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 2024	31 March 2023		
Investments in Mutual Funds	5,628	4,678	Level 1	Quoted Net Asset Value in Active Markets
Foreign Currency Forward contracts	20	9	Level 2	Refer below

There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2024 and 31 March 2023

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.

38 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.

39 Dividend

During the current year, the Group declared and paid out Interim Dividend of ₹ 30 per equity share (300% of par value of ₹10 each) pursuant to the approval of the Board of Directors, at their meeting held on 26 October 2023 and final dividend of ₹ 15 per equity share (150% of par value of ₹ 10 each) pursuant to the approval of the Shareholders, at their meeting held on 06 May 2024.

During the previous year, the Group 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.

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40 Audit Trail and Backup of Accounting records

1. The Holding company has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2024 which have a feature of recording audit trail (edit log) facility and the audit trail facility has been operating throughout the year for all relevant transactions recorded in the softwares except that :

(i) Audit trail was not enabled at the database level for SAP accounting software to log direct data changes, and
(ii) audit trail logs were not enabled for certain standard SAP tables.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March 2024.

2. The Company has maintained the backup of the books of accounts on a daily basis on server situated in India.

41 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 2024 and 31 March 2023.

(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 2024 and 31 March 2023 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 2024 and 31 March 2023 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) Details of transactions and balances outstanding with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 as of and for the year ended 31 March 2024.

Name of struck off Company	Nature of transactions with struck off Company	Transactions during the year	Balance outstanding as of 31 March 2024	Relationship with the struck off Company, if any, to be disclosed
Chennai Innovation	Sales	-	1.00	Third Party Customer

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42 Approval of Financial Statements

In connection with the preparation of the consolidated financial statements for the year ended 31 March 2024, 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 06 May 2024 in accordance with the provisions of Companies Act, 2013.

For and on behalf of **the Board of Directors** of
Allsec Technologies Limited
CIN: L72300TN1998PLC041033

Ajit Abraham Isaac
Chairman
Place : Bengaluru
Date : 06 May 2024

Guruprasad Srinivasan
Director
Place : Bengaluru
Date : 06 May 2024

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

Naozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date : 06 May 2024

Gaurav Mehra
Chief Financial Officer
Place : Chennai
Date : 06 May 2024

Neeraj Manchanda
Company Secretary
Place : Bengaluru
Date : 06 May 2024

Allsec Technologies Limited Chennai 600 042

Deloitte
Haskins & Sells

Chartered Accountants
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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF ALLSEC TECHNOLOGIES LIMITED

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2024 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2024 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Audited Standalone Financial Results for the Year Ended March 31, 2024 and Unaudited Standalone Financial Results for the Quarter Ended March 31, 2024" of **ALLSEC TECHNOLOGIES LIMITED** ("the Company") ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2024:

i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and

ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2024

With respect to the Standalone Financial Results for the quarter ended March 31, 2024, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2024, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Deloitte
Haskins & Sells

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2024

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2024 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 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.

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2024 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2024 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2024

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2024 as a whole is 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 this Standalone Financial Results.

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, 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 made by the Board of Directors.

- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.

- Conclude on the appropriateness of the Board of 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 ability of the Company 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 Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results 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 Annual Standalone Financial Results.

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.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2024

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2024 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2024 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

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

MANISH MURALIDHAR CONJEEVARAM
Digitally signed by MANISH MURALIDHAR CONJEEVARAM
Date: 2024.05.06 18:45:03 +05'30'

C Manish Muralidhar
Partner
(Membership No. 213649)
UDIN: 24213649BKCJEV8048

Place: Mumbai
Date: May 06, 2024
MM/VLS/YK/2024/9

Allsec Technologies Limited

Standalone Balance Sheet as at 31 March 2024

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

	Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
A	ASSETS			
I	Non-Current Assets			
	(a) Property, plant and equipment	3(a)	1,061	1,099
	(b) Right of use asset	26	2,158	3,492
	(c) Other intangible assets	3(a)	1,423	478
	(d) Intangible assets under development	4	-	1,204
	(e) Financial assets			
	(i) Investments	5(A)	1,020	1,020
	(ii) Other financial assets	6	1,206	627
	(f) Deferred tax assets (net)	25.2	803	697
	(g) Income tax assets (net)	7	1,543	1,217
	(h) Other non-current assets	8	26	23
	Total Non-Current Assets		9,240	9,857
II	Current Assets			
	(a) Financial assets			
	(i) Investments	5(B)	5,628	4,678
	(ii) Trade receivables	9	4,522	4,278
	(iii) Cash and cash equivalents	10	5,590	3,931
	(iv) Bank balances other than cash and cash equivalents	11	28	28
	(v) Other financial assets	6	1,975	2,897
	(b) Other current assets	8	636	808
	(c) Assets classified as held for sale	32	801	-
	Total Current Assets		19,180	16,620
	Total Assets (I + II)		28,420	26,477
B	EQUITY AND LIABILITIES			
III	Equity			
	(a) Equity Share Capital	12	1,524	1,524
	(b) Other equity	13	18,281	16,277
	Total Equity		19,805	17,801
IV	Non-Current Liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	26	1,182	2,145
	(b) Provisions	15	738	638
	Total Non-Current Liabilities		1,920	2,783
V	Current Liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	26	1,192	1,467
	(ii) Trade payables	16		
	(a) Total outstanding dues of micro enterprises and small enterprises		6	32
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,148	3,253
	(iii) Other financial liabilities	14	862	216
	(b) Other current liabilities	17	584	392
	(c) Provisions	15	643	533
	(d) Liabilities directly associated with assets classified as held for sale	32	260	-
	Total current Liabilities		6,695	5,893
	TOTAL LIABILITIES (IV + V)		8,615	8,676
	Total Equity and Liabilities (III + IV + V)		28,420	26,477

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 : Mumbai
Date : 06 May 2024

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Allsec Technologies Limited
CIN: L72300TN1998PLC041033

Ajit Abraham Isaac
Chairman
Place : Bengaluru
Date : 06 May 2024

Guruprasad Srinivasan
Director
Place : Bengaluru
Date : 06 May 2024

Nauzer Gustow Dalal
Chief Executive Officer
Place : Chennai
Date : 06 May 2024

Gaurav Mehra
Chief Financial Officer
Place : Chennai
Date : 06 May 2024

Neeraj Manchanda
Company Secretary
Place : Bengaluru
Date : 06 May 2024

Allsec Technologies Limited ★ Chennai 600 042

Allsec Technologies Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2024
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

	Particulars	Note No.	For the year ended 31 March 2024	For the year ended 31 March 2023
I	Revenue from operations	18	31,405	27,907
II	Other income	19	4,518	3,415
III	**Total Income (I + II)**		**35,923**	**31,322**
IV	**Expenses**			
	Employee benefits expense	20	18,895	17,145
	Finance costs	21	292	310
	Depreciation and amortisation expense	3(b)	2,428	2,264
	Other expenses	22	6,031	5,818
	Total expenses		**27,646**	**25,537**
V	**Profit before tax (III - IV)**		**8,277**	**5,785**
VI	**Tax expense**			
	(a) Current tax	25.1	1,725	1,191
	(b) Deferred tax	25.1	(85)	(38)
			1,640	1,153
VII	**Profit for the Year (V - VI)**		**6,637**	**4,632**
VIII	**Other comprehensive income:**			
	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		(83)	16
	Income tax relating to items that will not be reclassified to profit or loss		21	(4)
			(62)	**12**
	Items that will be reclassified subsequently to profit or loss		-	-
	Total other comprehensive (loss)/income for the year		**(62)**	**12**
IX	**Total comprehensive income for the year (VII + VIII)**		**6,575**	**4,644**
X	**Earnings per equity share (Face value of ₹ 10 each)**	28		
	(a) Basic (in ₹)		43.55	30.40
	(b) Diluted (in ₹)		43.55	30.40

See accompanying notes forming part of the Standalone Financial Statements

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Date : 06 May 2024

Allsec Technologies Limited ★ Chennai 600 042

Allsec Technologies Limited

Standalone Cash Flow Statement for the year ended 31 March 2024

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

Particulars	year ended 31 March 2024	year ended 31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax	8,277	5,785
Adjustments to reconcile net profit to net cash provided by operating activities :		
Depreciation and amortisation expense	2,428	2,264
Unrealized foreign exchange gain	(29)	(115)
Loss allowance for doubtful trade receivables (net)	424	95
Finance costs	292	310
Fair Value gain on financial assets (measured at Fair Value through Profit & Loss)	(62)	(5)
Profit on redemption of current investments	(308)	(290)
Interest Income		
- on fixed deposits	(5)	(2)
- income tax refund	(24)	(54)
Dividend income received from subsidiary	(3,973)	(2,932)
Operating profit before Working Capital changes	**7,020**	**5,056**
(Increase)/Decrease in Trade receivables	(1,260)	36
Decrease/(Increase) in other financial assets	188	(1,665)
Decrease/(Increase) in other assets	169	(377)
Increase in trade payables	100	1,095
Increase in other financial liabilities	594	6
Increase/(Decrease) in other liabilities	192	(12)
Increase in provisions	156	259
Cash Generated from Operations	**7,159**	**4,398**
Net income tax paid	(1,431)	(860)
Net cash generated from operating activities	**5,728**	**3,538**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment, other Intangible assets and intangible assets under development	(455)	(1,432)
Proceeds from sale of Property, plant and equipment	-	-
(Purchase)/Redemption of current investments (net)	(615)	264
Interest received on fixed deposits	5	2
Dividend income received from subsidiary	3,973	2,902
Tax Expenses on Dividend received from subsidiary	(596)	(435)
Net cash generated from Investing activities	**2,312**	**1,301**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of Lease Liabilities	(1,536)	(1,383)
Interest paid	(292)	(310)
Dividend paid	(4,571)	(3,048)
Net cash flow used in Financing activities	**(6,399)**	**(4,741)**

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

Allsec Technologies Limited Chennai 600 042

Allsec Technologies Limited

Standalone Cash Flow Statement for the year ended 31 March 2024

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

Particulars	year ended 31 March 2024	year ended 31 March 2023
Net increase in cash and cash equivalents	**1,641**	**98**
Effect of exchange differences on cash & cash equivalents held in foreign currency	18	162
Cash and cash equivalents at the beginning of the year	3,931	3,671
Cash and cash equivalents at the end of the year	**5,590**	**3,931**
Components of cash and cash equivalents (Refer Note 10)		
Cash on hand	-	-
Balance with banks	5,590	3,931
Total cash and cash equivalents	**5,590**	**3,931**

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 : Mumbai
Date : 06 May 2024

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

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

Place : Bengaluru
Date : 06 May 2024

Allsec Technologies Limited ★ Chennai 600 042 ★

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 2024	As at 31 March 2023
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 2022	**1,413**	**3,424**	**(2,175)**	**12,019**	**14,681**
Profit for the year	-	4,632	-	-	4,632
Dividends (Refer Note 37)	-	(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**
Profit for the year	-	6,637	-	-	6,637
Dividends (Refer Note 37)	-	(4,571)	-	-	(4,571)
Remeasurement of defined benefits plan (net of taxes)	-	(62)	-	-	(62)
Balance at 31 March 2024	**1,413**	**7,024**	**(2,175)**	**12,019**	**18,281**

* 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 : Mumbai
Date : 06 May 2024

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

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Company Secretary
Place : Bengaluru
Date : 06 May 2024

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 Customer Experience Management (CXM) and Employee Experience Management (EXM) 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 New and revised Ind AS

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. There is no other Indian Accounting Standard that has been issued as of that date but was not mandatorily 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 2024, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendments Rules, 2023, applicable from 1 April, 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 01 April 2023.

The company has adopted the amendments to Ind AS 1 for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements

The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The company has adopted the amendments to Ind AS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

Recent Statutory Pronouncements:

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 material accounting policies

2.1.a 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. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

Allsec Technologies Limited Chennai 600 042

2.1.b 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.

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 noncurrent assets and liabilities.

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.

The company has adopted the amendments to Ind AS8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of "accounting estimates" .Under the new definition, accounting estimates are " monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

(i) Impairment of financial assets:

The Company recognises 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 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).

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 31)

iii) 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.

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 Company are segregated based on the available information.

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

Allsec Technologies Limited Chennai 600 042

2.5 Revenue from contracts with customers

The Company derives revenues primarily from services comprising the CXM and EXM services for customer in India and outside India. Effective 01 April 2018, the Company has adopted Ind AS 115, Revenue from Contracts with Customers, using modified retrospective method, applied to contracts that were not completed as at 01 April 2018. The following is a summary of the material accounting policies related to revenue recognition.

To determine whether to recognise revenue from contracts with customers, the Company 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 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.

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 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.

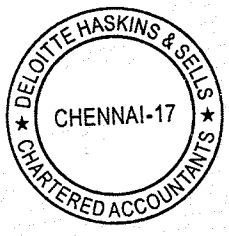
2.7 Property, plant and equipment

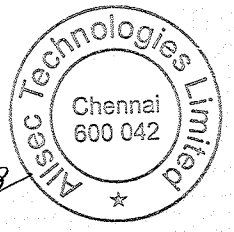
Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss (if any). The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates and includes taxes, duties, freight, incidental expenses related to the 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
Computers and Servers	3-10
Call centre Equipment	3-10
Furnitures and Fixtures	3-10
Office Equipment	5
Motor Vehicles	3-5

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.

Internally-generated intangible asset are amortised using the straight-line method over a period of 5 years.

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.

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

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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.

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 shortterm 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.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.

2.11 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.

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(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.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.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.

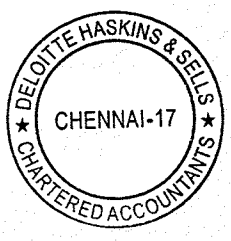
Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item.

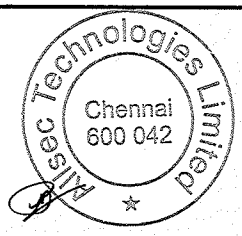
(d) Financial assets at fair value through profit or loss (FVTPL)

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.

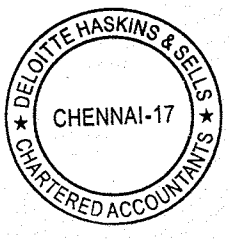
On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or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

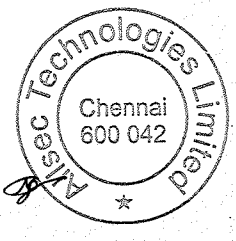
On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and 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 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 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 companying 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.

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(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 is recognised when its right to receive the dividend is established. The acquired investment in subsidiaries are measured at acquisition date fair value. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

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.

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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 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 equalling 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.

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.

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2.17 Assets classified as held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the asset is recognised at the date of de-recognition.

Assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal company classified as held for sale continue to be recognised.

Assets classified as held for sale are presented separately from the other assets in the Balance Sheet. The liabilities of a disposal company classified as held for sale are presented separately from other liabilities in the Balance Sheet.

2.18 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.

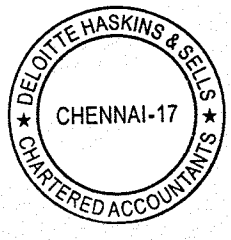
2.19 Segment Reporting

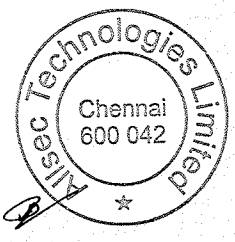
Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief operating decision maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and 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".





2.20 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.

2.21 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.

2.22 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.

2.23 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 "functional 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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Allsec Technologies Limited

Notes forming part of the Standalone Financial Statements for the year ended 31 March 2024

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

3(a) 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 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**
Additions	257	138	14	33		25	467	1,244
Less : Transferred to assets classified as held for sale (Refer Note 32)	(15)	-	-	-	-	-	(15)	-
Disposals	-	(46)	-	-	-	-	(46)	-
Balance as at 31 March 2024	**1,153**	**947**	**144**	**442**	**-**	**442**	**3,128**	**2,657**
Accumulated depreciation/amortisation								
Balance as at 01 April 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**
Depreciation/amortisation expense for the year	90	234	17	58	-	98	497	299
Less : Transferred to assets classified as held for sale (Refer Note 32)	(7)	-	-	-	-	-	(7)	-
Disposals	-	(46)	-	-	-	-	(46)	-
Balance as at 31 March 2024	**586**	**808**	**78**	**306**	**-**	**289**	**2,067**	**1,234**
Net block								
Balance as at 31 March 2023	408	235	69	161	-	226	1,099	478
Balance as at 31 March 2024	**567**	**139**	**66**	**136**	**-**	**153**	**1,061**	**1,423**

Note:

3(b) Depreciation and amortisation expense:

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of Property, Plant and Equipment	497	396
Amortisation of Other intangible assets & Impairment of Intangible Assets under development (Refer Note 4(a))	299	348
Depreciation of Right of use asset (Refer Note 26(c))	1,632	1,520
Total	**2,428**	**2,264**

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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 2023-24					
Project in Progress	-	-	-	-	-
FY 2022-23					
Project in Progress	572	586	46	-	1,204

During the current year, the company capitalised for all of the assets forming part of IAUD.

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 31 March, 2024 and 31 March, 2023 :

Description	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
FY 2023-24				
Project in Progress	-	-	-	-
Grand Total	-	-	-	-
FY 2022-23				
Project in Progress	1,204	-	-	-
Grand Total	1,204	-	-	-

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5 Investments

Particulars	As at 31 March 2024	As at 31 March 2023
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 2023 - 100) Common stock of US $23,100 each, fully paid up		
Allsectech Manila Inc., Philippines	1,020	1,020
- 8,12,500 (31 March 2023 - 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 value of unquoted investments	2,234	2,234
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	5,628	4,678
Total current investments	5,628	4,678
Aggregate amount of quoted investments and market value thereof	5,628	4,678
Aggregate book value of investments	5,628	4,678
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 2024	31 March 2023	31 March 2024	31 March 2023
Axis Overnight Fund - Growth - Direct	24,246	-	307	-
HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	1,008,604	1,008,604	463	427
HDFC Liquid Fund - Growth - Direct	9,733	-	462	-
HDFC Overnight Fund - Growth - Direct	8,640	-	307	-
HDFC Ultra Short Term Fund - Direct Growth	-	3,266,716	-	428
ICICI Prudential Banking & PSU Debt Fund Growth	1,786,852	1,786,852	530	492
ICICI Prudential Liquid Fund - Growth - Direct	129,206	-	462	-
ICICI Prudential Overnight Fund - Growth - Direct	23,792	-	307	-
ICICI Prudential Savings Fund - Direct Plan - Growth	50,646	187,596	253	868
ICICI Prudential Savings Fund - Growth	19,823	19,823	98	91
ICICI Prudential Short Term Fund - Growth	1,525,236	1,525,236	830	771
Kotak Banking and PSU Debt - Direct Growth / Growth (Regular Plan)	515,558	2,695,684	316	1,488
SBI Liquid Fund - Growth - Direct	17,563	-	664	-
SBI Overnight Fund - Growth - Direct	6,567	-	256	-
UTI Liquid Fund - Direct Plan - Growth	6,379	-	252	-
UTI Low Duration Fund - Direct Plan Growth	3,707	3,707	121	113
			5,628	4,678

** Number of units are in absolute numbers*

6 Other Financial Assets

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Security Deposits		
- Unsecured, considered good *	1,206	627
Total	1,206	627
Current		
Foreign currency forward contracts receivable	19	-
Unbilled Revenue	2,087	2,876
Less : Transferred to assets classified as held for sale (Refer Note 32)	(190)	-
Interest Receivable from Related Parties	41	-
Other Advances	18	21
Total	1,975	2,897

* Deposit includes Rs. 688 Lakhs paid under protest towards outstanding demand from Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) in relation to outstanding demand pertaining to FY 2005-2011 arising out of reclassification of tariff. (As at 31 March, 2023 - Rs.161 Lakhs) (Refer Note 29(a))

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7 Non-Current tax asset

Particulars	As at 31 March 2024	As at 31 March 2023
Advance Taxes (Net of Provision for taxes)	1,543	1,217
Total	1,543	1,217

8 Other assets

Particulars	As at 31 March 2024	As at 31 March 2023
Non-Current		
Prepaid expenses	26	23
Total	26	23
Current		
Prepaid expenses	580	620
Advance to suppliers	29	2
Advance to Employees	27	179
Others	-	7
Total	636	808

9 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade Receivables considered good, Unsecured*	5,575	4,459
Less: Allowance for Expected Credit Losses	(450)	(181)
Trade Receivables considered good, Unsecured	5,125	4,278
Trace Receivable - Doubtful - Unsecured	115	60
Less: Allowance for Expected Credit Losses	(115)	(60)
Trace Receivable - Doubtful - Unsecured	-	-
Total Trade Receivables	5,125	4,278
Less : Transferred to assets classified as held for sale (Refer Note 32)	(603)	-
	4,522	4,278
* Includes Trade Receivables from Related Parties (Refer Note 27)	1,130	381

Trade receivables ageing schedule for the year ended as on 31 March, 2024:

Ageing for trade receivables (including Rs.603 lakhs related to assets classified as held for sale) from the due date of payment for each of the category as at 31 March 2024 as follows:

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	3,617	1,424	164	101	39	16	5,361
- Significant increase in credit risk	-	13	179	20	-	2	214
- Credit impaired	-	-	-	-	-	-	-
	3,617	1,437	343	121	39	18	5,575
Disputed trade receivables							
- Considered good	-	-	-	-	10	13	23
- Significant increase in credit risk	1	23	33	29	6	-	92
- Credit impaired	-	-	-	-	-	-	-
	1	23	33	29	16	13	115
Total	3,618	1,460	376	150	55	31	5,690
Less: Allowance for Expected Credit Losses							(565)
Total Trade Receivables							5,125

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

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 2023: 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 2023: Ranging from 30 days to 180 days)

Of the trade receivable balance as at 31 March, 2024, ₹ 919 Lakh is due from one customer i.e having more than 10% of the total outstanding trade receivable balance.
[₹ 855 Lakhs is due from one customer i.e. having more than 10% of the total outstanding trade receivables balance as at 31 March 2023]

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.

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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 2024	As at 31 March 2023
Balance at beginning of the year	241	146
Add: Allowance towards Expected credit loss provided	424	95
Less: Provisions reversed against receivables written off	(100)	-
Balance at end of the year	**565**	**241**

10 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Cash on hand *	-	-
(b) Balance with banks	5,556	3,912
(c) Earmarked balances with banks **	34	19
Total	5,590	3,931

** Entity has cash balance of Rs. 271 as on 31 March 2024*
*** Earmarked bank balances includes :*
i. Rs. 24 Lakh (FY 23: Rs.19 Lakh) of balance towards unclaimed dividends and
ii. Rs.10 Lakh (FY 23: NIL) 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 2024	As at 31 March 2023
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 2024		As at 31 March 2023	
	Number of Shares *	Amount	Number of Shares *	Amount
Authorised				
Equity shares of Rs.10/- each	20,000,000	2,000	20,000,000	2,000
Convertible preference shares of Rs. 100/- each	1,350,000	1,350	1,350,000	1,350
Issued, subscribed and fully paid-up				
Equity shares of Rs. 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 Rs.10/- each fully paid

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of Shares *	% holding	Number of Shares *	% holding
Conneqt Business Solutions Limited ^	-	-	11,182,912	73.39%
Quess Corp Limited ^	11,182,912	73.39%	-	-

** No of shares are in absolute numbers,*
^ Conneqt Business Solutions Limited (holding company) merged with Quess Corp Limited (ultimate holding company) with an appointed date of 01 April 2021

c) Rights, preferences and restrictions attached to equity shares

The Company has issued only one class of equity shares having a face value of Rs.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 persuant to contract without payment being received in cash, alloted as fully paid up by way of bonus issues or brought back during the last five years immediately preceding 31 March 2024.

e) Shareholding of Promoters

Promoter Name	31 March 2024			31 March 2023		
	No.of Shares *	% of total Shares	% changes during the year	No.of Shares *	% of total Shares	% changes during the year
Conneqt Business Solutions Limited ^	-	0.00%	-73%	11,182,912	73.39%	0%
Quess Corp Limited ^	11,182,912	73.39%	73%	-	0.00%	0%

** No of shares are in absolute numbers,*
^ Conneqt Business Solutions Limited (holding company) merged with Quess Corp Limited (ultimate holding company) with an appointed date of 01 April 2021.

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13 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
a) Securities Premium (Refer Note 13.1 below)		
Balance at the beginning of the year	12,019	12,019
Add/(less) : Addition/Deletion 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	5,020	3,424
Less: Dividends (Refer Note 37)	(4,571)	(3,048)
Add: Profit for the year	6,637	4,632
Add : Remeasurement of defined benefits plan (net of taxes)	(62)	12
Balance at the end of the year	**7,024**	**5,020**
Total	**18,281**	**16,277**

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.

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 shareholders.

14 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Creditor for Capital Goods*	231	179
Unclaimed dividend	24	19
Unearned Revenue	202	-
Foreign currency forward contracts payable	-	16
Advance towards sale of Business (Refer Note 32)	405	-
Others	-	2
Total	**862**	**216**

* Includes balance of Rs.3 Lakh due to MSME vendor against capex invoices (As at 31 March 2023, Rs.76 Lakhs)

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15 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current		
Provision for Gratuity	767	638
Less : Liabilities directly associated with assets classified as held for sale (Refer Note 32)	(29)	-
	738	638
Current		
Gratuity	73	60
Compensated absences*	308	227
Provision for CSR Expenditure (Refer Note 24)	41	25
Provision for Electricity Board tariff dispute claim (Refer Note 29 (a))	221	221
Total	643	533

*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 2024	As at 31 March 2023
- Other than Acceptances (Refer Note 30)		
- Dues of Micro Enterprises and Small Enterprises	6	32
- Dues of creditors other than Micro Enterprises and Small Enterprises*	3,379	3,253
- Less : Liabilities directly associated with assets classified as held for sale (Refer Note 32)	(231)	-
Total Trade payables	3,154	3,285
* Includes Trade Payable to Related Parties (Refer Note 27)	320	122

There are no interest due or outstanding on the dues to Micro, Small and Medium Enterprises. During the year ended 31 March, 2024 and 31 March, 2023, all the dues were paid to MSME vendors within the agreed credit terms

Trade payables ageing schedule for the year ended as on 31 March, 2024 :

Ageing for trade payables (including Rs. 231 crores related to liabilities directly associated with assets held for sale) from the due date of payment for each of the category as at 31 March 2024 is as follows:

Particulars	Outstanding for the following periods from due date					
	Not Due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
(i). MSME	3	3	-	-	-	6
(ii). Others	3,024	355	-	-	-	3,379
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iii). Disputed Dues - Others	-	-	-	-	-	-
Total Trade payables	3,027	358	-	-	-	3,385

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

Particulars	Outstanding for the following periods from due date					
	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

17 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Advances from customers	71	21
Statutory dues payable	513	371
Total	584	392

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18 Revenue from operations

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023
Revenue from Services:		
A. Customer Experience Management (CXM)		
(i) International	8,314	7,240
(ii) Domestic	8,768	7,968
B. Employee Experience Management (EXM)		
(i) International	2,672	2,045
(ii) Domestic	11,651	10,654
Total	**31,405**	**27,907**

(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 dissaggregation 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	Year ended 31 March 2024*	Year ended 31 March 2023
Receivables, which are included in 'Trade and other receivables'	4,522	4,278
Unbilled Revenue	1,897	2,876

* The amount excludes the portion of trade receivables and unbilled revenue which are reclassified to Assets held for sale. (Refer Note 32)
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 2024	For the year ended 31 March 2023
Dividend Income from Subsidiaries	3,973	2,932
Interest Income		
- on fixed deposits	5	2
- income tax refund	24	54
- on foreign related parties overdue payment	41	-
- others	35	47
Net gain/(loss) arising on Financial Assets designated as at Fair Value through Profit or Loss	27	(42)
Profit on redemption of current investments	308	290
Net gain on foreign currency transaction and translation	105	132
Profit on sale of assets *	-	-
Total	**4,518**	**3,415**

* Amount is less than a lakh rupees

20 Employee benefits expense

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	16,832	15,225
Contribution to provident and other funds	1,220	1,094
Staff welfare expenses	843	826
	18,895	**17,145**

21 Finance costs

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023
Interest expense		
(i) Interest accrued on lease liabilities	292	310
Total	**292**	**310**

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22 Other expenses

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023
Professional and Consultancy Charges	1,796	1,807
Travelling and Conveyance	235	281
Power and Fuel *	489	750
Rent	60	33
Repairs and maintenance		
-Machinery	1,314	1,091
-Others	297	364
Insurance expenses	13	21
Fees, rates and taxes	1	13
Sales and marketing expenses	195	174
Connectivity and communication cost	744	717
Security charges	298	282
Bank charges	23	14
Allowance for Expected Credit Losses	424	95
Trade Receivables Written off	100	-
Less: Release of allowance for expected credit losses	(100)	-
	-	-
Corporate social responsibility expenditure (Refer note 24)	53	51
Directors' sitting fees	7	12
Directors' commission	16	18
Miscellaneous expenses	66	95
Total	6,031	5,818

** Power and Fuel expenses for the year ended 31 March 2023 includes provision of Rs.221 Lakhs made towards tariff disputes (Refer Note No. 29(a))*

23 Details of payment to auditors

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023
As auditor:		
Audit fee*	54	47
In other capacities:		
Certification fees*	3	5
Re-imbursement of expenses*	4	2
Total	61	54

*excluding taxes

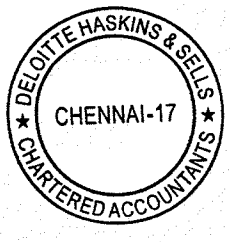
24 Corporate social responsibility expenditure

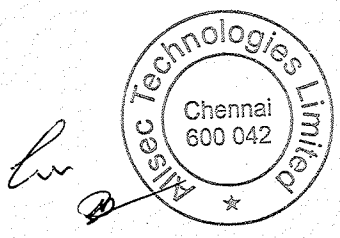
As per section 135 of the Companies Act, 2013, 2% of the average net profit of the last 3 years as computed under Section 198 of the Act, are as follows:

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023
Gross amount required to be spent by the Company during the year	53	51
Amount spent during the year		
(i) Construction or acquisition of any asset	-	-
(ii) On purpose other than (i) above*	37	72
Shortfall at the end of the year	41	25
Total of previous years shortfall	10	-
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

** 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.The Company has received back an amount of Rs. 5 Lakhs from careworks foundation out of the payments made during the financial year 2022-2023 to its earmarked bank account in April 2023. During the current financial year, the Company has spent an amount of Rs.22 Lakh (31 March 2023 - Rs.26 Lakhs) against current year obligation and Rs.20 Lakh(31 March 2024-Rs.46 Lakhs) 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 Rs.41 Lakh (31 March 2023 - Rs.25 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. The pending amount shall be spent for the intended project in the subsequent months by the Company. Subsequent to the year end, the Company has received back the amount of Rs. 7 Lakh to its earmarked bank account and the entire pending amount of Rs.48 Lakh shall be spent for the intended project in the subsequent period.





25 Taxation

25.1 Income tax expense

25.1.1 Recognised in Statement of Profit and Loss

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023
Current Tax:		
In respect of the current year *	1,725	1,191
	1,725	1,191
Deferred Tax		
In respect of the current year	(85)	(38)
	(85)	(38)
Total income tax expense recognised in statement of profit and loss	1,640	1,153

*The Company has opted to avail deduction under Section 80M of Income Tax Act, 1961 in respect of dividend income received from its wholly owned subsidiary, Allsectech Manila Inc., Philippines amounting to Rs.3,973 lakhs and Rs.2,932 Lakh during the year ended 31 March 2024 and 31 March 2023, respectively. Consequently, the Company charged off foreign tax credit on the dividend income to 'current tax expense' which aggregates to Rs.596 lakhs and Rs.435 lakhs during the year ended 31 March 2024 and 31 March 2023, respectively.

25.1.2 Recognised in Other Comprehensive Income

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023
Deferred Tax		
Remeasurements of the defined benefit liabilities/ (asset)	21	(4)
Total income tax recognised in other comprehensive income	21	(4)
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	21	(4)
	21	(4)

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%. The Company opted for new tax scheme u/s 115BAA. A 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 2024	For the year ended 31 March 2023
Profit before tax	8,277	5,785
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	**2,083**	**1,456**
Tax on Dividend Income treated under special provision	(404)	(304)
Effect of non-deductible expenses	13	36
Effect of Special deductions	(59)	(22)
Tax on Gain from Mutual Fund investments under special provision	(9)	(32)
Others	16	19
Total income tax expense recognised in the statement of profit and loss	1,640	1,153

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 2024	For the year ended 31 March 2023
Deferred tax assets	882	785
Less: Deferred tax liabilities	(79)	(88)
Deferred tax asset (net)	**803**	**697**

Movement in the deferred tax balance :

Particulars	For the Year ended 31 March 2024			
	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Depreciation on Property, Plant and Equipment	410	(55)	-	355
Employee Benefit Expenses	249	40	21	310
Provision for Expected Credit Loss on Financial Assets	59	83	-	142
Impact on account of ROU asset and lease liabilities	29	8	-	37
Fair valuation adjustments - Financial Assets	(88)	9	-	(79)
Provision for Impairment of Intangible Asset under development	38	-	-	38
Deferred Tax Asset /(Liabilities)	**697**	**85**	**21**	**803**

Particulars	For the year ended 31 March 2023			
	Opening Balance	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**

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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 2024:

Particulars	Category of ROU Asset		Total
	Buildings	Computers	
Balance as at 01 April 2022	2,928	213	3,141
Additions ^	1,623	248	1,871
Deletions ^	-	-	-
Depreciation*	(1,288)	(232)	(1,520)
Balance as at 31 March 2023	**3,263**	**229**	**3,492**
Balance as at 01 April 2023	3,263	229	3,492
Additions ^	453		453
Deletions ^	(155)		(155)
Depreciation*	(1,403)	(229)	(1,632)
Balance as at 31 March 2024	**2,158**	**-**	**2,158**

^ 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 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**
Balance as at 01 April 2023	3,385	227	3,612
Additions	453	-	453
Finance cost accrued during the year	282	10	292
Deletions	(155)		(155)
Payment of lease liabilities	(1,591)	(237)	(1,828)
Balance as at 31 March 2024	**2,374**	**-**	**2,374**

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

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current lease liabilities	1,182	2,145
Current lease liabilities	1,192	1,467

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

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023
Depreciation Expenditure	1,632	1,520
Finance Cost on Lease Liabilitities	292	310

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

Particulars	As at 31 March 2024	As at 31 March 2023
Not later than 1 year	1,359	1,718
Later than 1 year and not later than 5 years	1,272	2,368
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.

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27 Related party transactions

A. Names of related parties and related party relationships

Nature of Relationship*	Name of the related party
Holding Company	Quess Corp Limited - w.e.f. 30 November 2023
	Conneqt Business Solutions Limited till 29 November 2023 (amalgamated with Quess Corp Limited)
Fellow Subsidiaries	Billion Careers Private Limited
	Heptagon Technologies Private Limited
	MFX Infotech Private Limited - Amalgamated with Quess Corp
	MFXchange US, Inc.
	Monster.Com (India) Private Limited
	Qdigi Services Limited
	Quess (Philippines) Corp.
	Quess Corp Manpower Supply Services LLC
	Quess International Services Private Limited (Formerly known as Golden Star Facilities And Services Private Limited)
	Quessglobal (Malaysia) Sdn. Bhd.
	Terrier Security Services (India) Private Limited
	Trimax Smart Infraprojects Private Limited
	Vedang Cellular 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
	Quess Foundation
Key management personnel	
Chief Executive Officer	Mr. Naozer Cusrow Dalal
Chief Financial officer	Mr. Gaurav Mehra
Company Secretary	Ms. Sripriyadashini (till 27 September 2023)
Company Secretary	Mr. Neeraj Manchanda (w.e.f. 28 September 2023)
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
Non-executive Non-independent director	Mr. Kamal Pal Hoda

* Related Party relationships are as identified by the Management.

B. Transactions with related parties

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income from services billed to		
Allsectech Inc., USA	6,412	5,380
Quess Corp Limited	297	275
Conneqt Business Solutions Limited	48	42
Monster.Com (India) Private Limited	3	5
Heptagon Technologies Private Limited	1	1
Terrier Security Services (India) Private Limited	-	1
MFX Infotech Private Limited	-	4
MFXchange US, Inc.	1,278	999
Quessglobal (Malaysia) Sdn. Bhd.	4	5
Quess (Philippines) Corp.	5	4
Qdigi Services Limited	19	18
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)*	-	-
Interest Income		
Allsectech Inc., USA	30	-
MFXchange US, Inc.	11	-
Quess (Philippines) Corp.*	-	-
Quessglobal (Malaysia) Sdn. Bhd.*	-	-

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Expense incurred for recruitment/professional/consulting/security/AMC etc		
MFX Infotech Private Limited	52	92
Simpliance Technologies Pvt Ltd@	-	120
Monster.Com (India) Private Limited	3	-
Quess Corp Limited	446	293
Terrier Security Services (India) Private Limited	276	285
Heptagon Technologies Private Limited	-	58
Conneqt Business Solutions Limited	75	126
Quess Corp Manpower Supply Services LLC	85	79
Cost of Asset		
MFX Infotech Private Limited	2	-
Quess Corp Limited	167	-
Dividend paid to Holding company		
Conneqt Business Solutions Limited	3,355	2,237
Dividend from wholly owned subsidiary company		
Allsectech Manila Inc., Philippines	3,973	2,932

27 **Related party transactions (continued)**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Reimbursement of expenses incurred by the company		
Quess Corp Limited	39	60
Conneqt Business Solutions Limited	-	105
Recovery made by the company towards facilities cost		
MFXchange US, Inc.	184	132
Allsectech Inc., USA	5	-
Payments made/ (Refund received) towards Corporate Social Responsibility Expense		
Careworks Foundation	(5)	67
Quess Foundation	42	-
Remuneration and other benefits#		
Chief Executive officer	172	167
Chief Financial Officer	66	72
Company Secretary	18	10
Other than whole-time directors	23	30

* 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 previous year are upto 21 October 2022

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27 Related party transactions (continued)

C. Balances with related parties

Particulars	year ended 31 March 2024	year ended 31 March 2023
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	919	179
Quess Corp Limited	99	69
Conneqt Business Solutions Limited	1	9
Heptagon Technologies Private Limited *	-	-
MFXchange US, Inc.	107	117
Quessglobal (Malaysia) Sdn. Bhd.	1	-
Quess (Philippines) Corp.	1	1
Qdigi Services Limited	1	1
MFX Infotech Private Limited	-	1
Monster.Com (India) Private Limited	1	3
Terrier Security Services (India) Private Limited *	-	1
Quess International Services Private Limited (formerly Golden Star Facilities And Services Private Limited) *	-	-
Trade Payable		
Terrier Security Services (India) Private Limited	32	36
Quess Corp Limited	262	45
Conneqt Business Solutions Limited	-	3
MFX Infotech Private Limited	-	27
MFXchange US, Inc.	7	-
Salaries payable to KMP	19	11
Directors' commission payable	16	18
Other financial assets		
Quess Corp Limited	12	5
Allsectech Inc., USA	157	482
MFXchange US, Inc.	105	95
Monster.Com (India) Private Limited	-	2
Quessglobal (Malaysia) Sdn. Bhd.*	-	1
QDigi Services limited	2	1
Conneqt Business Solutions Limited	1	3
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 Assets - Interest Income Receivable		
Allsectech Inc., USA	30	-
MFXchange US, Inc.	11	-
Quess (Philippines) Corp.	-	-
Quessglobal (Malaysia) Sdn. Bhd.	-	-
Other financial liabilities		
Conneqt Business Solutions Limited	94	49
MFX Infotech Private Limited	25	4
MFXchange US, Inc.	79	-
Quess Corp Limited	151	129
Terrier Security Services (India) Private Limited	15	8

* Amount less than a lakh rupees

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27 Related party transactions (continued)

Particulars	year ended 31 March 2024	year ended 31 March 2023
Investments made in subsidiaries		
Allsectech Inc, USA	1,214	1,214
Allsectech Manila Inc., Philippines	1,020	1,020

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 2024 and 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.

28 Earnings per equity share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit after tax considered as numerator for calculating basic and diluted earnings per share	6,637	4,632
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 ₹)	43.55	30.40
Diluted EPS (in ₹)	43.55	30.40

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 receieved 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 is yet to be made will be favourable to the company.

(b) Commitments

Particulars	year ended 31 March 2024	year ended 31 March 2023
Capital commitments that are not cancellable - Estimated amount of capital contracts remaining to be executed *	93	83

* 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*	2023-2024	2022-2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	6	108
(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 2024	For the year ended 31 March 2023
Included under 'Contributions to Provident and other Funds'		
Contributions to Employee state insurance	157	159
Contributions to provident and other funds	898	808

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 availabilty 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 2024. 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 2024	year ended 31 March 2023
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	**843**	**808**
Interest cost	63	47
Current service cost	108	88
Past service cost	-	-
Benefits paid	(160)	(85)
Actuarial loss/(gain)	75	(15)
Present value of defined benefit obligation at the end of the year	**929**	**843**
Changes in fair value of plan assets		
Fair value of plan assets at the beginning of the year	**145**	**143**
Expected return	10	8
Contributions by the Company	106	78
Benefits paid and charges deducted	(160)	(85)
Administration Expenses	(4)	-
Actuarial gains	(8)	1
Fair value of plan assets at the end of the year	**89**	**145**
Net defined benefit obligation (deficit)	**840**	**698**
Non-current	**767**	**638**
Current	**73**	**60**

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Particulars	year ended 31 March 2024	year ended 31 March 2023
Amount recognised in profit or loss		
Current service cost	108	88
Past service cost	-	-
Interest cost	63	47
Expected return on planned assets	(10)	(8)
Administration Expenses	4	-
Total amount recognised in profit or loss	**165**	**127**
Amount recognised in other comprehensive income		
Remeasurement due to changes in actuarial assumptions	83	(16)
Total amount recognised in other comprehensive income	**83**	**(16)**

Particulars	year ended 31 March 2024	year ended 31 March 2023
Significant actuarial assumptions		
a) Discount rate and expected return on plan assets	6.97%	7.13%
b) Long-term rate of compensation increase	5.00%	5.00%
c) Attrition rate		
- employees with service upto 4.5 years as at valuation date	39.00%	39.00%
- employees with service more than 4.5 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 2024						
Sensistivity Level	1%	-1%	1%	-1%	1%	-1%
Impact on defined benefit obligation	15	(17)	(89)	105	101	(89)
31 March 2023						
Sensistivity Level	1%	-1%	1%	-1%	1%	-1%
Impact on defined benefit obligation	17	(19)	(79)	92	85	(76)

Other information

Expected contribution to post-employment benefit plans for the year ending 31 March 2025 is ₹ 73 lakhs. The weighted average duration of the defined benefit obligation is 8 years (31 March 2023: 12 years).

The expected benefit payments for the 15 years after balance sheet date is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Between 6-10 years	Between 11-15 years	More than 15 years	Total
31 March 2024							
Defined benefit obligation	73	59	170	259	520	1,168	2,249
31 March 2023							
Defined benefit obligation	32	111	195	239	-	-	577

c) Compensated Absences

Particulars	For the Year ended 31 March 2024	For the year ended 31 March 2023
(a) Included under ' Salaries and Bonus ' *	80	10

** Net of encashments*

Particulars	As at 31 March 2024	As at 31 March 2023
(b) Net asset / (liability) recognised in the Balance Sheet	**308**	**227**
Current portion of the above *	308	227
Non - current portion of the above	-	-

*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.

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

Particulars	2023-2024	2022-2023
Discount Rate (% p.a)	6.93%	7.13%
Future Salary Increase (% p.a)	5.00%	5.00%

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32 Information of assets and associated liabilities classified as held for sale

The Board of Directors of the Company, at its meeting held on 06 February 2024 approved the sale of its Labour Law Compliance Division (LLC) on a going concern basis by way of slump sale for a consideration of ₹ 2,700 lakhs, subject to closing adjustments as defined in Business Transfer Agreement (BTA) dated 06 February 2024. As per the BTA, the closing date of the said transaction was 31 March 2024 which was subsequently extended to 30 April 2024. Consequently, the closing conditions were met on 30 April 2024 and the transaction was effective from that day. Accordingly, the assets and liabilities of the LLC business have been classified as held for sale as at March 31, 2024.

Particulars	As at 31 March 2024
Non-Current Assets	
Property, plant and equipment	8
Current assets	
Trade receivables	603
Other financial assets	190
Total assets classified as held for sale	**801**
Non-current liabilities	
Provisions	29
Current liabilities	
Trade payables	231
Liabilities directly associated with assets classified as held for sale	**260**

The details of operations related to LLC business is as follows:

Sl. No.	Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023
1	Total Income	2,504	2,657
2	Total Expense	2,001	1,996
3	**Profit before tax (1-2)**	**503**	**661**
4	Tax expense	100	132
5	**Profit after tax (3-4)**	**403**	**529**

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Notes forming part of the Standalone Financial Statements for the year ended 31 March 2024

33 Ratios

The following are analytical ratios for the year ended 31 March 2024 and 31 March 2023

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	Variance	Remarks
Current Ratio	Current assets	Current liabilities	2.9	2.8	2%	
Debt – Equity Ratio	Total Debt (including lease liabilities)*	Shareholder's Equity	0.1	0.2	-41%	Refer Note 1
Debt Service Coverage Ratio	Earnings available for debt service **	Debt Service @	5.05	4.2	20%	
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	35%	27%	30%	Refer Note 2
Trade receivables turnover ratio	Revenue	Average Trade Receivable	7.1	6.4	11%	
Trade payables turnover ratio	Purchase of Goods and Services	Average Trade Payables	7.7	8.4	-8%	
Net Capital turnover ratio	Revenue	Working Capital	2.5	2.6	-3%	
Net Profit ratio	Net Profit	Revenue	21%	17%	27%	Refer Note 2
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed #	39%	28%	36%	Refer Note 2
Return on Investment (ROI)	Income generated on investments ##	Average Investments ###	7%	5%	24%	

* *Total debts for the year ended 31 March 2024 and 31 March 2023 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 *Reduction in Debt Equty ratio is on account of repayment of lease liabilities, and corresponding increase in profit during the year*

2 *Increase is on account of increase in dividend income from subsidiary company Allsectech Manila Inc., Philippines (reported under other income) by Rs.1,041 Lakhs compared to previous year.*

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34 Financial Instruments

34.1 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 2024	As at 31 March 2023
Borrowings	-	-
Cash and Bank Balance	(5,618)	(3,959)
Net Debt over and above the cash and bank balances (A)	-	-
Total Equity (B)	19,805	17,801
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 2024 and 31 March 2023 is as follows:

Particulars	Carrying Value		Fair Value	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
(a) Financial Assets				
Measured at fair value through P&L				
- Current Investments	5,628	4,678	5,628	4,678
- Other financial assets	-	-	-	-
Measured at amortised cost				
- Cash and Bank balances	5,590	3,931	5,590	3,931
- Other Bank balances	28	28	28	28
- Trade receivables	4,522	4,278	4,522	4,278
- Other financial assets	3,181	3,524	3,181	3,524
	18,949	**16,439**	**18,949**	**16,439**
(b) Financial Liabilities :				
Measured at amortised cost				
- Trade Payables	3,154	3,285	3,154	3,285
- Lease Liabilities	2,374	3,612	2,374	3,612
- Other financial liabilities	862	216	862	216
	6,390	**7,113**	**6,390**	**7,113**

Investment in subsidiaries carried at cost is not appearing as financial asset in the table above being investment in subsidiaries and associates accounted under Ind AS 27, Separate Financial Statements and is hence scoped out under Ind AS 109.

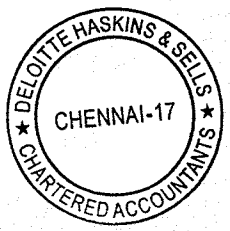
The management assessed that fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

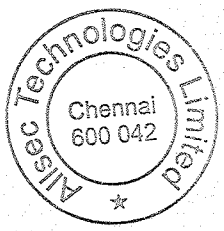
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estmate 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.





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 2024 and 31 March 2023.

34.3 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 2024				
Interest bearing*	1,192	1,182	-	2,374
Non-interest bearing	4,016	-	-	4,016
Total	**5,208**	**1,182**	**-**	**6,390**
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**

*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 2024				
Interest bearing	28	-	-	28
Non-interest bearing	17,715	1,206	-	18,921
Total	**17,743**	**1,206**	**-**	**18,949**
31 March 2023				
Interest bearing	28	-	-	28
Non-interest bearing	15,784	627	-	16,411
Total	**15,812**	**627**	**-**	**16,439**

(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 2024 and 31 March 2023 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 2024	As at 31 March 2023
		Amount ₹ In lakhs	Amount ₹ In lakhs
Financial Assets (Trade Receivables, Unbilled Revenue & Cash and Cash equivalents)	USD	5,188	3,838
Financial Assets (Trade Receivables & Unbilled Revenue)	SGD	7	6
Financial Assets (Trade Receivables & Unbilled Revenue)	GBP	5	2
Financial Liabilities (Trade Payables and Provisions)	USD	205	48
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 2024	For the Year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2023
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	498	(498)	379	(379)
SGD	1	(1)	1	(1)
GBP	1	(1)	-	-
EUR	-	-	-	-

Impact on total equity as at end of the reporting period

Particulars	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023	As at 31 March 2023
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
USD	498	(498)	379	(379)
SGD	1	(1)	1	(1)
GBP	1	(1)	-	-
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.

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 Company has not offset financial assets and financial liabilities.

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35 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 2024	31 March 2023		
Investments in Mutual Funds	5,628	4,678	Level 1	Quoted Net Asset Value in Active Markets
Foreign Currency Forward contracts	19	(16)	Level 2	Refer below

There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2024 and 31 March 2023

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.

36 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.

37 Dividend

During the current year, the company declared and paid out Interim Dividend of ₹ 30 per equity share (300% of par value of ₹10 each) pursuant to the approval of the Board of Directors, at their meeting held on 26 October 2023 and final dividend of ₹ 15 per equity share (150% of par value of ₹ 10 each) pursuant to the approval of the shareholders, at their meeting held on 06 May 2024.

During the previous 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.

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38 Relationship with struckoff companies

Details of transactions and balances outstanding with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 as of and for the year ended 31 March 2024.

Name of struck off Company	Nature of transactions with struck off Company	Transactions during the year	Balance outstanding as of 31 March 2024	Relationship with the struck off Company, if any, to be disclosed
Chennai Innovation Factory	Sales	-	1.00	Third Party Customer

39 Audit Trail and Backup of Accounting records

1. The Company has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2024 which has a feature of recording audit trail (edit log) facility and the audit trail facility has been operating throughout the year for all relevant transactions recorded in the softwares except that :
(i) Audit trail was not enabled at the database level for SAP accounting software to log direct data changes, and
(ii) audit trail logs were not enabled for certain standard SAP tables.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March 2024.

2. The Company has maintained the backup of the books of accounts on a daily basis on server situated in India.

40 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 2024 and 31 March 2023.

(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 2024 and 31 March 2023 as defined in Ind AS 40.

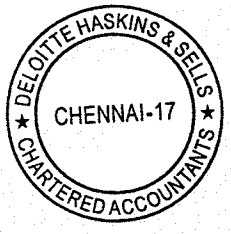
(g) As at 31 March 2024, the Company has two wholly owned subsidiaries (Refer Note 1) and the Company complies with clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

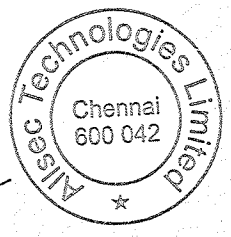
(h) The Company has not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
(i) directly or indirectly lend or invest in other persons or entities 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) 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.

(j) No proceedings have been initiated during the year or are pending against the company as at 31 March 2024 and 31 March 2023 for holding any benami property under Benami Property Transactions (Prohibition) Act, 1988.

(k) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification /disclosure.





41 Approval of Financial Statements

In connection with the preparation of the standalone financial statements for the year ended 31 March 2024, 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 06 May 2024 in accordance with the provisions of Companies Act, 2013.

For and on behalf of the Board of Directors of
Allsec Technologies Limited
CIN: L72300TN1998PLC041033

Ajit Abraham Isaac
Chairman
Place : Bengaluru
Date : 06 May 2024

Guruprasad Srinivasan
Director
Place : Bengaluru
Date : 06 May 2024

DELOITTE HASKINS & SELLS ★ CHENNAI-17 ★ CHARTERED ACCOUNTANTS

Naozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date : 06 May 2024

Gaurav Mehra
Chief Financial Officer
Place : Chennai
Date : 06 May 2024

Neeraj Manchanda
Company Secretary
Place : Bengaluru
Date : 06 May 2024

Allsec Technologies Limited Chennai 600 042

MSKA & Associates
Chartered Accountants

1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Telangana State, Hyderabad 500072, INDIA

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, 2024, 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 material accounting policy information and other explanatory information (hereinafter referred to as the "financial statements").

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, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, 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 of the 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 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.

Material Uncertainty related to Going Concern

We draw attention to Note 32 to the financial statements, which states that the Company has incurred net loss of Rs. 2,707.92 Lakhs during the year ended March 31, 2024 and has accumulated losses of Rs. 5,287.76 Lakhs as at that date which has fully eroded the net-worth of the Company as on March 31, 2024. Further, the Company's current liabilities have exceeded its current assets by Rs. 1,321.68 Lakhs as at March 31, 2024. These conditions, 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 confirmed to provide financial and operational support to the Company for a period of at least the next 12 months to enable the company to pay its obligations as and when they fall due. In view of the above, the financial statements of the Company for the year ended March 31, 2024 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 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Directors Report has not been made available to us as at the date of this auditor's report. 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 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 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) The matter described in the Material Uncertainty Related to Going Concern paragraph of our report may, in our opinion, may have an adverse effect on the functioning of the Company.

(e) On the basis of the written representations received from the directors as on March 31,2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31,2024 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. Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording the audit trail (edit log) facility except that no audit trail feature was enabled for certain relevant transactions at the



application level, while we were not able to test whether the audit trail feature was enabled at the database level of the software which was maintained by a third party vendor. Further, the audit trail facility which has been enabled, as explained above, has been operated throughout the year for relevant transactions recorded in the accounting software at the application level, whereas we are unable to verify whether the audit trail facility has been operated throughout the year for relevant transactions recorded in the accounting software at the database level.

Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with, for the period for which the audit trail feature was enabled and operating.

3. In our opinion, according to information, explanations given to us, the provisions of Section 197 read with Schedule V of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 24205226BKEAII9002

Place: Hyderabad.
Date: May 08, 2024

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 and Board of Directors.

- Conclude on the appropriateness of management and Board of 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 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: 24205226BKEAII9002
Place: Hyderabad
Date: May 08, 2024

M S K A & ASSOCIATES Hyderabad Chartered Accountants

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF EXCELUS LEARNING SOLUTIONS PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2024

[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 under clause 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 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 provisions stated under clause 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 provisions stated under clause 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 under clause 3(i)(e) of the Order are not applicable to the Company.

ii. **(a)** The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.

(b) The Company has not been sanctioned any working capital limits during the year on the basis of security of current assets. Accordingly, the provisions stated under clause 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, or 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 stated under clause 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013, are applicable and accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.

vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 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/services of the Company. Accordingly, the provisions stated under clause 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/-.

Undisputed amounts payable in respect of Professional tax and Labour Welfare Fund which were outstanding, as at March 31, 2024, 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-Sep'22	10th of Subsequent month	Not Paid	Pending Registration
Kerala	Statutory Due	20,200	April'22-Sep'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	4200	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	Not Paid	Pending Registration



				Of 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 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 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 Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.

ix.

(a) Loans amounting to Rs. 925.89 Lakhs are repayable on demand and terms and conditions for repayment of interest thereon have not been stipulated. According to the information and explanations given to us and the records of the Company examined by us, such loans and interest thereon have not been demanded for repayment during the relevant financial year. The Company has not defaulted in repayment of other 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 and explanations provided to us, no money was raised by way of term loans. Accordingly, the provision stated under clause 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) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under clause 3(ix)(e) of the order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under 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. Accordingly, the provisions stated under clause 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. Accordingly, the provisions stated under clause 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 or on the Company has been noticed or reported during the year in the course of our audit.

(b) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(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 under clause 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 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the financial statements as required by applicable accounting standards. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Companies Act, 2013, the Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company. Accordingly, provisions started under clause 3(xiii) of the Order insofar as it relates to section 177 of the Companies Act, 2013, is not applicable to the Company.

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 the provisions of the Companies Act, 2013. Accordingly, reporting under clause 3(xiv) of the Order are not applicable to the Company.

(b) The Company did not have an internal audit system for the period under audit. Accordingly, we are unable to report under the clause 3(xiv)(b) of the Order.

xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is 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 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.



(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 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. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the provisions stated under clause 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, 2024 (Current year)	March 31, 2023 (Previous Year)
Cash losses (PAT + Depreciation + Impairment loss allowance on financial assets)	283.72	367.81

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 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 (as disclosed in note 36 to the financial statements), 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 and based on our examination of the evidence supporting the assumptions, 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 financial statements of the Company have been prepared on a going concern basis. (Also refer paragraph 3 of the main audit report). 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, provisions of Section 135 of the Companies Act, 2013, are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.



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: 24205226BKEAII9002

Place: Hyderabad
Date: May 08, 2024

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, 2024]

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 with reference to financial statements of Excelus Learning Solutions Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company, including 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, 2024, 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").

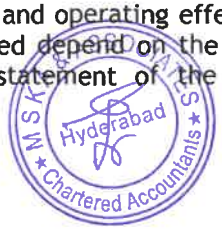
Managements' and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal 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: 24205226BKEAII9002

Place: Hyderabad
Date: May 08, 2024

Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Balance Sheet as at 31 March 2024
(Amounts in INR Lakhs,unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	5.20	0.80
Financial assets			
Other financial assets	4	68.63	419.76
Deferred tax assets (net)	5	-	464.63
Total non-current assets		**73.83**	**885.19**
Current assets			
Financial assets			
Trade receivables	6	280.69	2,420.90
Cash and cash equivalents	7	73.85	80.31
Loans	8	0.96	4.19
Other financial assets	9	0.08	19.99
Current tax assets (net)	10	-	7.38
Other current assets	11	-	14.58
Total current assets		**355.58**	**2,547.35**
Total assets		**429.41**	**3,432.54**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	1.00	1.00
Instruments entirely equity in nature	13	4,025.00	4,025.00
Other equity	14	(5,287.76)	(2,579.83)
Total equity		**(1,261.76)**	**1,446.17**
Liabilities			
Non-current liabilities			
Provisions	15	13.91	18.30
Total non current liabilities		**13.91**	**18.30**
Current liabilities			
Financial liabilities			
Borrowings	16	925.89	1,230.15
Trade payables	17		
i)total outstanding dues of micro enterprises and small enterprises		-	-
ii)total outstanding dues of creditors other than micro enterprises and small enterprises		44.72	0.76
Other financial liabilities	18	485.62	470.75
Other current liabilities	19	87.76	73.07
Provisions	20	130.50	193.34
Current tax liabilities (net)	21	2.77	-
Total current liabilities		**1,677.26**	**1,968.07**
Total Liabilities		**1,691.17**	**1,986.37**
Total Equity and Liabilities		**429.41**	**3,432.54**

See accompanying notes to the financial statements 1-51

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: 08 May 2024

For and on behalf of Board of Directors
Excelus Learning Solutions Private Limited
CIN: U74999KA2016PTC097984

Lohit Bhatia
Director
DIN : 07980280

Place: Bengaluru
Date: 08 May 2024

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 08 May 2024

Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Statement of Profit and Loss for the year ended 31 March 2024
(Amounts in INR Lakhs,unless otherwise stated)

	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	22	1,077.61	1,334.43
Other income	23	1.85	67.13
Total income		**1,079.46**	**1,401.56**
Expenses			
Employee benefit expenses	24	562.57	733.64
Finance costs	25	67.37	121.13
Depreciation expense	26	1.12	83.80
Other expenses	27	274.86	1,129.74
Total expenses		**905.92**	**2,068.31**
Profit / (Loss) before exceptional items and tax		**173.54**	**(666.75)**
Exceptional items	27(b)	(2,422.03)	-
Loss before tax		**(2,248.49)**	**(666.75)**
Income tax expense			
Current tax		-	-
Deferred tax	33	464.63	(33.36)
Total income tax expense		**464.63**	**(33.36)**
Loss for the year		**(2,713.12)**	**(633.39)**
Other comprehensive income			
Items not to be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans	30	5.20	10.49
Income tax effect on these items		-	(2.64)
Other comprehensive income for the year, net of tax		**5.20**	**7.85**
Total comprehensive income for the year, net of tax		**(2,707.92)**	**(625.54)**
Earnings / (Loss) per share	28		
Basic earnings /(loss) per share (INR)		(0.27)	(0.06)
Diluted earnings /(loss) per share (INR)		(0.22)	(0.05)
See accompanying notes to the financial statements	1-51		

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: 08 May 2024

M S K A & ASSOCIATES Hyderabad Chartered Accountants

For and on behalf of Board of Directors
Excelus Learning Solutions Private Limited
CIN: U74999KA2016PTC097984

Excelus Learning Solutions Private Limited

Lohit Bhatia
Director
DIN : 07980280

Place: Bengaluru
Date: 08 May 2024

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 08 May 2024

Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Statement of Changes in Equity for the year ended 31 March 2024
(Amounts in INR Lakhs,unless otherwise stated)

a) Equity share Capital

Particulars	31 March 2024	31 March 2023
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 2022	(1,971.84)	17.48	(1,954.36)
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)**

Particulars	Retained Earnings	Other Reserves	Total
Balance as of 01 April 2023	(2,597.32)	17.48	(2,579.84)
Add: Profit for the year	(2,713.12)	-	(2,713.12)
Add: Other comprehensive income	5.20	-	5.20
Balance as of 31 March 2024	**(5,305.24)**	**17.48**	**(5,287.76)**

c) Instruments entirely equity in nature

Compulsorily Convertible debentures

Balance as of 31 March 2024	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 2024 (a+b+c)		**(1,261.76)**

See accompanying notes to the financial statements 1-51

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: 08 May 2024

For and on behalf of Board of Director
Excelus Learning Solutions Private Limited
CIN: U74999KA2016PTC097984

Lohit Bhatia
Director
DIN : 07980280

Place: Bengaluru
Date: 08 May 2024

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 08 May 2024

Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Statement of cash flows for the year ended 31 March 2024
(Amounts in INR Lakhs,unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
Cash flows from operating activities		
Profit/ (Loss) before tax	(2,248.49)	(658.90)
Adjustments for:		
Depreciation and amortisation expenses	1.12	83.80
Interest income	(0.49)	(50.74)
Impairment of current assets	-	181.78
Operating loss before working capital changes	**(2,247.86)**	**(444.06)**
Changes in working capital		
Increase/ (Decrease) in trade payables	43.96	(1.38)
Increase / (Decrease) in provisions	(62.84)	1.11
Increase/ (Decrease) in other financial liabilities	14.87	58.62
Increase/ (Decrease) in other liabilities	18.35	658.13
Decrease/ (Increase) in trade receivables	2,140.21	(869.91)
Decrease/ (Increase) in other financial assets	374.27	323.09
Decrease/(Increase) in other current assets	21.96	18.19
Cash generated from operations	**302.92**	**(256.21)**
Income tax paid	-	
Net cash inflows/used from/in operating activities (A)	**302.92**	**(256.21)**
Cash flows from investing activities		
Payment for property, plant and equipment	(5.52)	132.12
Bank deposits (having original maturity of more than three months)	-	211.27
Interest received	0.41	29.49
Interest on IT Refund	-	1.26
Net cash inflows/used from/in investing activities (B)	**(5.11)**	**374.14**
Cash flows from financing activities		
Proceeds from borrowings	-	(690.83)
Loans from related parties	(304.26)	233.74
Net cash inflows/used from/in financing activities (C)	**(304.26)**	**(457.09)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(6.46)	(339.16)
Cash and cash equivalents at the beginning of the period	80.31	419.47
Cash and cash equivalents at the end of the year (refer note 7)	**73.85**	**80.31**
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents comprise (Refer note 7)		
Balances with banks:		
On current accounts	**73.85**	**80.31**
Total cash and cash equivalents at end of the year	**73.85**	**80.31**





Excelus Learning Solutions Private Limited
(A Subsidiary of Quess Corp Limited)

Statement of cash flows for the year ended 31 March 2024
(Amounts in INR Lakhs,unless otherwise stated)

See accompanying notes to the financial statements 1-51

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: 08 May 2024

For and on behalf of Board of Directors
Excelus Learning Solutions Private Limited
CIN: U74999KA2016PTC097984

Lohit Bhatia
Director
DIN : 07980280

Place: Bengaluru
Date: 08 May 2024

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 08 May 2024

1 General Information

Excelus Learning Solutions Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on November 23, 2016 under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at Bengaluru, India. The Company is primarily engaged in the business of skill development and training services.

The Board of Directors approved the financial statements for the year ended 31 March 2024 and authorised for issue on May 08, 2024.

2 Material accounting policies

Material accounting policies adopted by the company are as under:

2.01 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, as amended and other relevant provisions of the Act.

Accounting policies have been consistently applied to all the years presented unless otherwise stated.

(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 or revalued value as required by relevant Ind AS:-

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
ii) Share based payment transactions

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

(c) Classification between Current and Non-current

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:
i. Expected to be realised or intended to be sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realised within twelve months after the reporting period, or
iv. 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:
i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.





Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

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.

2.02 Property, plant and equipment

Property, plant and equipment are 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 recognized 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 any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

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'.

Depreciation methods, estimated useful lives

Property, plant and equipment	Useful life
Plant and machinery	3 years
Furniture and fixtures	5 years
Office equipment	5 years
Computer equipment	3 years
-Servers	
-End user devices such as, desktops, laptops etc.	
Vehicles	3 years
Leasehold improvements	3 years

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.03 Other Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

(a) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred.
Development Cost that are directly attributable to the design and testing of identifiable and unique software products are recognised as intangible assets where criteria mentioned in point (b) above are met. Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.
Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

M S K A & ASSOCIATES Hyderabad Chartered Accountants

Solutions Private Limited

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
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.

Intangible assets with indefinite useful lives are not amortised. Such intangible assets are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

2.04 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

2.05 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.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date 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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.06 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 principal or the most advantageous market must be accessible by the Company.

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.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

Excellus Learning Solutions Private Limited

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

2.07 Revenue from contract with customer

The Company trades and sells a range of Learning services. Revenue from contracts with customers involving sale of these products is recognized at a point in time when control of the product has been transferred, and there are no unfulfilled obligation that could affect the customer's acceptance of the products.

The Company has objective evidence that all criterion for acceptance has been satisfied.

(A) Sale of Services

Revenues from services are recognised as and when services are rendered and on the basis of contractual terms with the parties. The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer.

(B) Other Operating Revenue

(i) Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

(C) Contract Balances

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. A receivables represents the Company's right to an amount of consideration that is unconditional.

Trade Receivable

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

2.08 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(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/period 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

M S K A & ASSOCIATES Hyderabad Chartered Accountants

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. 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 realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.09 Leases

The Company's lease asset classes primarily consist of leases for land and building. 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 asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

- Lease liabilities include the net present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option

Right-of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.1 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").

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2.11 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.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

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.

2.12 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise balance with 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 balance with banks, cash on hand and short-term deposits net of bank overdraft.

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.

(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; or

c) at fair value through profit or loss.

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 (FVTPL): 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.

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 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense 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.

(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

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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.

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.

Borrowing Cost: Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(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.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The estimated future payments which are denominated in a currency other than INR, are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.





The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Compensated Absences: 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.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

Associate Employees - 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.

Core Employees - Core employees are not entitled for any leave encashment. Hence Actuarial Valuation is not applicable for Core employees.

2.15 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.

2.16 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 Standards (including amendments) issued but not yet effective

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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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3 Property, plant and equipment

Particulars	Leasehold improvements	Furniture and fixtures	Office equipment	Computer equipment	ROU Building	Total
Gross Block						
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**	**554.76**	**495.72**	**2,223.49**
As at 1 April 2022	258.72	342.19	572.10	554.76	495.72	**2,223.49**
Additions during the year	-	-	-	-	-	-
Deletions during the year	(230.92)	(313.28)	(538.16)	(519.07)	-	**(1,601.43)**
As at 31 Mar 2023	**27.80**	**28.91**	**33.94**	**35.69**	**495.72**	**622.06**
As at 1 April 2023	27.80	28.91	33.94	35.69	495.72	**622.06**
Additions during the year	-	-	3.22	2.29	-	**5.51**
Deletions during the year	-	-	-	-	-	-
As at 31 Mar 2024	**27.80**	**28.91**	**37.16**	**37.98**	**495.72**	**627.57**
Accumulated Depreciation						-
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	**259.57**
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**	**2,006.76**
As at 1 April 2022	238.19	267.94	464.05	540.86	495.72	**2,006.76**
Additions during the year	5.96	29.12	45.77	2.95	-	**83.80**
Deletions during the year	(216.35)	(268.49)	(476.34)	(508.12)	-	**(1,469.30)**
As at 31 Mar 2023	**27.80**	**28.57**	**33.48**	**35.69**	**495.72**	**621.26**
As at 1 April 2023	27.80	28.57	33.48	35.69	495.72	**621.26**
Additions during the year	-	0.12	0.96	0.04	-	**1.12**
Deletions during the year	-	-	-	-	-	-
As at 31 Mar 2024	**27.80**	**28.69**	**34.44**	**35.73**	**495.72**	**622.37**
Net Block :						
As at 31 Mar 2024	**0.00**	**0.22**	**2.72**	**2.25**	**-**	**5.20**
As at 31 Mar 2023	**0.00**	**0.33**	**0.46**	**-**	**-**	**0.80**
As at 31 Mar 2022	**20.53**	**74.25**	**108.05**	**13.90**	**-**	**216.73**

i. The Company has not revalued its Property, Plant and Equipment as at the balance sheet date.

ii. The Company has no Capital Work in Progress and Intangibles under Development.





4 Other financial assets

Particulars	31 March 2024	31 March 2023
Security deposits	57.29	39.24
In Deposit accounts with maturity for more than 12 months	11.34	380.52
	68.63	**419.76**

5 Deferred tax assets (net)

Particulars	31 March 2024	31 March 2023
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset on liabilities:		
Impairment loss allowance on financial assets	-	147.60
Provision on employee benefits- Gratuity	-	5.29
Provision on employee benefits- Compensated absences	-	1.64
Business loss current year and carried forward	-	153.88
Deferred tax asset on assets:		
Deferred tax on fixed assets	-	156.22
Net deferred tax assets	**-**	**464.63**

6 Trade receivables

Particulars	31 March 2024	31 March 2023
Receivable from contract with customer - billed	185.30	29.38
Receivable from contract with customer - unbilled	51.74	2,390.49
Receivable from related parties (Refer Note 29.02(i))	43.65	1.03
Total	**280.69**	**2,420.90**

Particulars	31 March 2024	31 March 2023
Unsecured		
Undisputed Trade receivables		
Considered good	326.49	30.41
	326.49	**30.41**
Disputed Trade receivables		
Less: Allowance for expected credit loss (considered doubtful)	**(97.54)**	-
	(97.54)	**-**
Net trade receivables	**228.95**	**30.41**

ii) Trade receivables - unbilled

Particulars	31 March 2024	31 March 2023
Unbilled revenue	2,479.80	2,976.93
Less: Provision for impairment of unbilled revenue	(2,428.06)	(586.44)
	51.74	2,390.49
	280.69	**2,420.90**

6.01 The company's exposure to credit risk and loss allowances related to trade receivables are disclosed in note 35

6.02 Refer ageing schedule of Trade Receivables in Note 6.03

7 Cash and cash equivalents

Particulars	31 March 2024	31 March 2023
Balances with banks:		
in current accounts	73.85	80.31
Cash on hand	-	-
Cash and cash equivalents in balance sheet	**73.85**	**80.31**





8 Loans

Particulars	31 March 2024	31 March 2023
Unsecured, considered good		
Loans to employees	0.96	4.19
	0.96	4.19

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.

The Company has not granted any loans or advances in the nature of loans to promoters, directors and KMPs, either severally or jointly with any other person.

9 Other financial assets

Particulars	31 March 2024	31 March 2023
Interest accrued but not due	0.08	19.99
	0.08	19.99

10 Current tax assets (net)

Particulars	31 March 2024	31 March 2023
Advance income tax	-	7.38
	-	7.38

11 Other current assets

Particulars	31 March 2024	31 March 2023
Advances other than capital advances		
Prepaid expenses	-	14.58
	-	14.58

12 Share capital

Equity Shares

Particulars	31 March 2024	31 March 2023
Authorised		
10,000 (31 March 2023: 10,000) Equity Shares of Rs.10 each	1.00	1.00
	1.00	1.00
Issued, subscribed and paid-up		
10,000 (31 March 2023: 10,000) Equity shares of Rs. 10 each fully paid	1.00	1.00
	1.00	1.00

(i) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

	31 March 2024		31 March 2023	
Particulars	Number of shares	Amount in INR Lakhs	Number of shares	Amount in INR Lakhs
Equity shares				
Outstanding at the beginning of the year	10,000	1.00	10,000	1.00
Add : Issued during the year	-	-	-	-
Outstanding at the end of the year	10,000	1.00	10,000	1.00

(ii) Rights, preferences and restrictions attached to equity shares

Equity Shares: The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held and carry a right to dividend. The 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.

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 in proportion to their shareholding.

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Notes forming part of the Financial Statements for the year ended 31 March 2024
(Amounts in INR Lakhs,unless otherwise stated)

(iii) Shares held by holding Company/ultimate holding Company

Particulars	31 March 2024		31 March 2023	
	Number of shares	Amount in INR Lakhs	Number of shares	Amount in INR Lakhs
Equity shares of par value Rs 10 each				
Quess Corp Limited (Holding Company)	9,999	1.00	9,999	1.00
	9,999	1.00	9,999	1.00

(iv) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	31 March 2024		31 March 2023	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of par value Rs 10 each				
Quess Corp Limited	9,999	100.00%	9,999	100.00%
	9,999	100.00%	9,999	100.00%

(v) There are no shares held by promoters at the end of the year i.e., 31 March 2024

(vi) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(vii) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

13 Instruments entirely equity in nature

Particulars	31 March 2024	31 March 2023
Compulsorily Convertible Debentures		
4,025 (31 March 2022: 4,025) Compulsorily Convertible Debentures (CCDs) 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 1,84,237.46/-.

a) Reconciliation of number of compulsorily convertible debentures

Particulars	31 March 2024		31 March 2023	
	No.	Amount in INR Lakhs	No.	Amount in INR Lakhs
Number of compulsorily convertible debentures (CCDs) outstanding	4,025	4,025	4,025	4,025
	4,025	4,025	4,025	4,025

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 2,184.68 equity shares at an issue price INR 1,84,237.46 each having a face value of INR 10 each.

Particulars	31 March 2024		31 March 2023	
	No.	Amount in INR Lakhs	No.	Amount in INR Lakhs
Quess Corp Limited , holding company	4,025	4,025.00	4,025	4,025.00

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(c) 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 2024		31 March 2023	
	% of holding	No	% of holding	No
Quess Corp Limited , holding company	100%	4,025	100%	4,025.00

14 Other equity

Particulars	31 March 2024	31 March 2023
Surplus/(deficit) in the Statement of Profit and Loss	(5,330.07)	(2,616.95)
Other reserves		
Other comprehensive income (refer note 14.01)	24.83	19.64
Other Equity- Corporate Guarantee (refer note 14.02)	17.48	17.48
	(5,287.76)	**(2,579.83)**

(A) Surplus/(deficit) in the Statement of Profit and Loss

Particulars	31 March 2024	31 March 2023
Opening balance	(2,616.95)	(1,991.41)
Add: Net loss for the current year	(2,713.12)	(625.54)
Closing balance	**(5,330.07)**	**(2,616.95)**

14.01 Other comprehensive income consists of actuarial gain/ loss and return on plan assets (exclusing interest income) on resmeasurement of net defined benefit liability / (asset)

14.02 A corporate guarantee was issued by holding company Quess Corp Limited against the loan secured from NSDC.

15 Provisions

Particulars	31 March 2024	31 March 2023
Provision for employee benefits (Refer note 30)		
Provision for gratuity	11.59	14.65
Provision for compensated absences	2.32	3.65
	13.91	**18.30**

16 Current Borrowings

Particulars	31 March 2024	31 March 2023
Unsecured, Loans from related parties (Refer footnote)		
Current maturities of long-term borrowings		
- Quess Corp Limited (refer note 29.02(iii))	925.89	1,230.15
	925.89	**1,230.15**

16.01 Terms and conditions of loans

Loan from Quess Corp Limited, the Ultimate Holding Company, is repayable on demand from the date of 1st disbursement (i.e. January 01, 2019) along with interest at 7.27% (average) per annum.

Net Debt Reconciliation

Analysis of net debts and movement in net debts for each of the period presented:

Particulars	31 March 2024	31 March 2023
Current Borrowings	925.89	1,230.15
Non-current borrowings	-	-
Net Debt	**925.89**	**1,230.15**

17 Trade payables

Particulars	31 March 2024	31 March 2023
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises*	44.72	0.76
	44.72	**0.76**

* Refer Note 29.02(ii) for trade payables to related parties.

17.01 Refer ageing schedule of Trade Payables in Note 17.02

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Excelus Learning Solutions Private Limited

18 Other financial liabilities

Particulars	31 March 2024	31 March 2023
Other financial liabilities at amortised cost		
Amount payable to related parties (refer note 29.02 (ii))	396.22	382.91
Accrued salaries and benefits	89.41	87.84
	485.62	**470.75**

19 Other current liabilities

Particulars	31 March 2024	31 March 2023
Balances payable to government authorities	87.76	73.07
	87.76	**73.07**

20 Current provisions

Particulars	31 March 2024	31 March 2023
Provision for employee benefits		
Provision for gratuity (refer note 30)	3.67	6.37
Provision for compensated absences (refer note 30)	1.81	2.85
Other provisions	125.02	184.12
	130.50	**193.34**

21 Current tax liabilities

Particulars	31 March 2024	31 March 2023
Provision for tax (net of advance tax)	2.77	-
	2.77	**-**

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22 Revenue from operations

Particulars	31 March 2024	31 March 2023
Sale of services		
Training services	1,077.61	1,334.43
Total sale of services	**1,077.61**	**1,334.43**

23 Other income

Particulars	31 March 2024	31 March 2023
Interest income		
- on fixed deposits designated as amortized cost	0.49	49.48
- on income taxes	-	1.26
Other non operating income		
- Gain on sale/disposal of property, plant and equipment (net)	-	0.05
- Miscellaneous income	1.36	16.34
	1.85	**67.13**

24 Employee benefits expense

Particulars	31 March 2024	31 March 2023
Salaries, wages, bonus and other allowances	505.63	588.93
Contribution to provident and other funds	27.63	35.02
Expenses related to Gratuity (Refer Note 30)	(0.56)	7.15
Staff welfare expenses	29.87	102.54
	562.57	**733.64**

25 Finance costs

Particulars	31 March 2024	31 March 2023
Interest on Borrowings	67.37	115.48
Other finance cost - Borrowing cost	-	5.65
	67.37	**121.13**

26 Depreciation and amortisation expense

Particulars	31 March 2024	31 March 2023
Depreciation of property, plant and equipment (refer note 3)	1.12	83.80
	1.12	**83.80**

27 Other expenses

Particulars	31 March 2024	31 March 2023
Sub-contractor charges	0.53	-
Recruitment and training expenses	94.07	55.92
Rent	65.72	611.21
Power and Fuel	4.69	19.11
Repairs & maintenance		
- buildings	38.56	137.43
- plant and machinery	2.60	3.78
- others	-	0.14
Legal and professional fees	1.50	14.82
Audit fees	3.00	5.75
Rates and taxes	4.60	-
Printing and stationery	11.83	24.65
Stores and tools consumed	0.24	-
Travelling and conveyance	22.32	22.99
Communication expenses	1.36	3.36
Impairment loss on financial assets	-	181.78
Equipment hire charges	6.16	1.20
Database access charges	-	44.77
Insurance	8.94	-
Bank charges	0.43	0.42
Business promotion and advertisement expenses	1.99	2.16
Miscellaneous expenses	6.32	0.25
	274.86	**1,129.74**

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*Note : The following is the break-up of Auditors remuneration

		31 March 2024	31 March 2023
(a)	**As auditor:**		
	Statutory audit	5.25	5.75
	Reimbursement of expenses	0.21	0.00
	Total	**5.46**	**5.75**

(b) **Exceptional items**

	31 March 2024	31 March 2023
Impairment loss on unbilled revenue	(2,422.03)	-
	(2,422.03)	**-**

Note: During the year ended March 31, 2024, the Company recorded additional expected credit loss allowances amounting to INR 2,422.03 Lakhs relating to certain government projects pursuant to a decision to discontinue these projects

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6.03 Ageing Schedule

(i) Trade Receivables

Trade receivable ageing schedule as on 31 March 2024:

(Amounts in INR Lakhs)

Particulars	Outstanding for the following periods from due date of payment/ date of							
	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	51.74	126.03	99.47	3.45				280.69
- Significant increase in credit	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

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							
	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	(77.30)	(113.05)	172.64	45.58	2.54	-	2,420.90
- Significant increase in credit	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

17.02 (ii) Trade Payables

Trade payable ageing schedule as on 31 March 2024:

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	-	-	-	-	44.72	44.72
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-

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	-	(8.68)	(6.42)	(2.81)	18.67	0.76
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-

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28 Earnings per share

Particulars	31 March 2024	31 March 2023
Nominal value of equity shares (Rs.10 per share)	1,00,000	1,00,000
Net loss after tax for the purpose of earnings per share	(2,713.12)	(633.39)
Weighted average number of shares used in computing basic earnings per shar	10,000	10,000
Basic earnings per share (INR)	**(0.27)**	**(0.07)**
Weighted average number of shares used in computing diluted earnings per sh	12,185	12,185
Diluted earnings per share (INR)	**(0.22)**	**(0.05)**

Computation of weighted average number of shares *(Amount in numbers)*

Particulars	31 March 2024	31 March 2023
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**

29 Related party disclosures

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods are:

29.01 Names of related parties and description of relationship as identified and certified by the Company:

Holding Company
Quess Corp Limited

Entity having significant influence
Fairfax Financial Holdings Limited
Fairbridge Capital (Mauritius) Limited (w.e.f 6 December 2019)
FFHL Group Limited
Fairfax (Barbados) International Corp.
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")

Fellow Subsidiaries
Brainhunter Systems Ltd.
Mindwire Systems Limited
MFX Infotech Private Limited (Merged with Quess Corp Limited w.e.f 1 December 2023)
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 (Under liquidation effective 2nd September 2020)
Conneqt Business Solutions Limited (Merged with Quess Corp Limited w.e.f 1 December 2023)
Vedang Cellular Services Private Limited

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Excelus Learning Solutions 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
Qdigi Services Limited (formerly known as: HCL Computing Products Limited)
Simpliance Technologies Private Limited (till 6 October 2022)
Greenpiece Landscapes India Private Limited (Merged with Quess Corp Limited w.e.f 1 December 2023)
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 (Liquidated from 20 March 2024)
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
QUESSGTS CANADA HOLDINGS INC.
Digitide Solutions Limited
Bluspring Enterprises Limited
Agency Pekerjaan Quess Recruit Sdn. Bhd. (W.e.f 1 July 2023)
Quess Recruit, Inc (W.e.f 1 January 2024)

Associates of the Holding Company
Quess Recruit, Inc (till 31 December 2023)
Agency Pekerjaan Quess Recruit Sdn. Bhd.(till 30 June 2023)

Entity having common directors
Heptagon Technologies Private Limited
Terrier Security Services (India) Private Limited
Vedang Cellular Services Private Limited
Monster.com SG Pte Limited
Quess Corp Vietnam Limited Liability Company
Comtelink SDN. BHD
Quess Corp Lanka (Private) Limited
Quessglobal (Malaysia) Sdn. Bhd
Monster.com HK Limited
Quess International Services Private Limited
Agensi Pekerjaan Monster Malaysia Sdn Bhd
Agency Pekerjaan Quess Recruit Sdn. Bhd.
Quess (Philippines) Corp
Quesscorp Singapore Pte Ltd (formerly Comtel Solutions Pte. Ltd.), Singapore
Quess Selection & Services Pte Ltd (formerly ComtelPro Pte. Limited)
Stellarslog Technovation Private Limited
Quesscorp Holding Pte Ltd
Himmer Industrial Services (M) SDN. BHD.

Entities in which key managerial personnel have significant influence
Quess Foundation

Key Management Personnel (KMP)
Lohit Bhatia - Director
Vijay Sivaram - Director

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Excelus Learning Solutions Private Limited

29.02 Details of transactions with related party in the ordinary course of business for the year ended:

(Amount in INR Lakhs)

	Name of related party	Nature of Relationship	31 March 2024	31 March 2023
(i)	Trade Receivables			
	Quess Corp Limited	Holding Company	43.65	1.03
(ii)	Trade Payables			
	Quess Corp Limited	Holding Company	396.22	382.91
(iii)	Loan Outstanding			
	Quess Loan		925.89	1,230.15
	Loan received	Holding Company	180.00	574.33
	Loan repaid	Holding Company	(544.87)	(425.00)
	Finance cost	Holding Company	67.37	115.48
(iv)	Corporate Guarantee			
	Quess Corp Limited			
	Corporate Guarantee has been provided by Quess Corp towards NSDC Loan (Refer Note 14.02)			

Terms and conditions of transactions with related parties

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.

30 Employee benefits

A Contribution to Defined Contribution Plan

	31 March 2024	31 March 2023
Indian Gratuity Plan	15.26	21.02
	15.26	**21.02**

B Defined benefit plans

Gratuity payable to employees

Actuarial assumptions	31 March 2024	31 March 2023
Discount rate (per annum)	7.15%	7.20%
Rate of increase in Salary	7%	7%
Expected average remaining working lives of employees (years)	2.80	2.81
Attrition rate	30%	30%

Changes in the present value of defined benefit obligation	31 March 2024	31 March 2023
Present value of obligation at the beginning of the year	21.02	33.67
Interest cost	1.52	1.87
Past service cost	-	-
Current service cost	4.17	5.28
Curtailments	-	-
Settlements	-	-
Benefits paid	(6.25)	(9.32)
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	0.04	(1.19)
Actuarial (gains) / losses arising from experience adjustments	(5.23)	(9.30)
Present value of obligation at the end of the year*	**15.26**	**21.02**

*Included in provision for employee benefits (Refer note 15 & 20)

Expense recognized in statement of profit or loss	31 March 2024	31 March 2023
Current service cost	4.17	5.28
Interest cost	1.52	1.87
Past service cost	-	-
Interest income	-	-
Net gratuity cost	**5.68**	**7.15**

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Excelus Learning Solutions Private Limited

Remeasurement of the net defined benefit liability	5.20	10.49
Remeasurement of the net defined benefit asset	-	-
	5.20	**10.49**
Assets and liabilities recognized in the Balance Sheet:		
Present value of obligation as at the end of the year	**(15.26)**	**(21.02)**
Fair value of plan assets	-	-
Net asset / (liability) recognized in Balance Sheet*	**(15.26)**	**(21.02)**
Current Portion	**3.67**	**6.37**
Non- Current Portion	**11.59**	**14.65**

*Included in provision for employee benefits (Refer note 15 & 20)

31 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.

32 The Company has incurred a net loss of Rs. 2,707.92 Lakhs during the year ended March 31, 2024 (March 31, 2023: Rs. 2,616.96) and has accumulated losses amounting to Rs. 5,287.76 lakhs (March 31, 2023: Rs. 2,579.84) as on that date which has fully eroded the net worth of the Company as at March 31, 2024. The Company's current liabilities has exceeded its current assets by Rs. 1,321.68 lakhs as at March 31, 2024 . The said conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the Company has obtained a letter of financial support from its Holding Company that confirms support to the Company for a period of at least the next twelve months to enable it to continue as a going concern and meet its financial obligations as and when they fall due. In view of the same the management of the Company considers that the going concern assumption in the preparation of the financial statements of the Company for the year ended March 31, 2024 is appropriate. Accordingly, the financial statements for the year ended March 31, 2024 have been prepared on a going concern basis.

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33 Taxes

A Amount recognized in profit or loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax:		
In respect of the current period	-	-
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	464.63	(33.36)
Income tax expense reported in the Statement of Profit and Loss	**464.63**	**(33.36)**

B Income tax recognized in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Remeasurement of the net defined benefit liability/ asset		
Before tax	5.20	10.49
Tax (expense)/ benefit	-	(2.64)
Net of tax	**5.20**	**7.85**

C Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Rate	Amount	Rate	Amount
Profit before tax		(2,248.49)		(666.75)
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	-20.66%	464.63	4.61%	(33.36)
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	**-20.66%**	**464.63**	**5.00%**	**(33.36)**
Excess provisions relating to earlier years	-	-	-	-
Income tax credit/(expense) reported in the Statement of	**-20.66%**	**464.63**	**5.00%**	**(33.36)**

D The following tables provides the details of income tax assets and income tax liabilities as of 31 March 2024 and 31 March 2023

Current tax liabilities (net)*

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income tax assets	-	7.38
Income tax liabilities	2.77	-
Net income tax liabilities at the end of the year	(2.77)	7.38

*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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E Deferred tax assets, net

Particulars	31 March 2024	31 March 2023
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax assets:		
Impairment loss allowance on financial assets	-	147.60
Provision on employee benefits- Gratuity	-	5.29
Provision on employee benefits- Compensated absences	-	1.64
Business loss current year and carried forward	-	153.88
Deferred tax on fixed assets	-	156.22
Deferred tax assets	-	464.63
Deferred tax liabilities:	-	-
Net deferred tax assets	-	464.63

F Recognized deferred tax assets and liabilities

Movement of deferred tax assets / liabilities presented in the balance sheet

For the year ended 31 March 2024	Opening balance	Additions through business combinations	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax assets:					
Impairment loss allowance on financial	147.60	-	(115.98)	-	31.62
Provision for employee benefits	5.29	-	(2.57)	-	2.72
Provision on employee benefits- Compe	1.64	-	(2.86)	-	(1.22)
Business loss current year and carried f	153.88		-		153.88
Fixed assets	156.22	-	(163.02)	-	(6.80)
Deferred tax others			-		
Others	-	-	(180.21)	-	(180.21)
	464.63	-	(464.63)	-	0.00
Deferred tax liabilities:	-	-	-	-	-
Net deferred tax assets	464.63	-	(464.63)	-	0.00
Deferred income tax liabilities:					
Deferred income tax liabilities	-	-	-	-	-
Deferred tax assets/(liabilities)	464.63	-	(464.63)	-	0.00

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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	101.84	-	45.76	-	147.60
Provision for employee benefits	5.59	-	(0.30)	-	5.29
Provision on employee benefits- Compe	2.18	-	(0.54)	-	1.64
Present valuation of financial instrumer	0.07	-	(0.07)	-	(0.00)
Business loss current year and carried f	156.53		-		156.53
80JJAA	10.16	-	(10.16)	-	0.00
Fixed assets	157.53	-	(1.32)	-	156.21
Others	-	-	(2.64)	-	(2.64)
	433.91	-	**30.72**	-	**464.63**
Deferred tax liabilities:	-	-	-	-	-
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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Excelus Learning Solutions Private Limited

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	-
	-		-		-

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 2024 and 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 2024

(Amount in INR Lakhs)

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	925.89	925.89	-	-	-
Trade payables	44.72	-	-	-	44.72
Other financial liabilities	485.62	485.62		-	-

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 debentures	-	-	-	-	-
Unsecured bank loans	-	-	-	-	-
Trade payables	0.76	(8.68)	(6.42)	15.86	-
Other financial liabilities	470.75	654.89	-	-	-

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.





iv) **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 The borrowings includes loans from related parties 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 Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings	925.89	1,230.15
Fixed rate borrowings	-	-
Total borrowings	**925.89**	**1,230.15**

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 2024				
Variable rate borrowings	9.26	(9.26)	6.85	(6.85)
31 March 2023				
Variable rate borrowings	12.30	(12.30)	9.10	(9.10)

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Excelus Learning Solutions Private Limited

34 Financial instruments - fair value and risk management

Financial instruments by category

Particulars	Note	31 March 2024			31 March 2023	
		FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI
Financial Assets:						
Loans	8	0.96	-	-	4.19	-
Trade receivables	6	228.95	-	-	30.41	-
Cash and cash equivalents including other bank balances	7	73.85	-	-	80.31	-
Unbilled revenue	6	51.74	-	-	2,390.49	-
Other financial assets	4 & 9	68.71	-	-	439.75	-
Total financial assets		**424.21**	**-**	**-**	**2,945.15**	**-**
Financial Liabilities:						
Borrowings other than lease liabilities*	16	925.89	-	-	1,230.15	-
Trade payables	17	44.72	-	-	0.76	-
Other financial liabilities	18	485.62	-	-	470.75	-
Total financial liabilities		**1,456.23**	**-**	**-**	**1,701.66**	**-**

*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) 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 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 2024

(Amount in INR Lakhs)

Particulars	Note	Carrying amount	Fair value		
		31 March 2024	Level 1	Level 2	Level 3
Financial assets not measured at fair value (measured at amortized cost)					
Loans	8	0.96	-	-	-
Trade receivables	6	228.95	-	-	-
Cash and cash equivalents including other bank balances	7	73.85	-	-	-
Unbilled revenue	6	51.74	-	-	-
Other financial assets	4 & 9	68.71	-	-	-
Total financial assets		**424.21**	**-**	**-**	**-**

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Excelus Learning Solutions Private Limited

Financial liabilities not measured at fair value (measured at amortized cost)					
Borrowings other than above		-	-	-	-
Loan from related party - Quess Corp Limited	16	925.89	-	-	-
Trade payables	17	44.72	-	-	-
Other financial liabilities*	18	485.62	-	-	-
Total financial liabilities		**1,456.23**	**-**	**-**	**-**

*Current maturities of long-term borrowings forms part of other financial liabilities

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	8	4.19	-	-	-
Trade receivables	6	30.41	-	-	-
Cash and cash equivalents including other bank balances	7	80.31	-	-	-
Other financial assets	4 & 9	439.75	-	-	-
Unbilled revenue	6	2,390.49	-	-	-
Total financial assets		**2,945.15**	**-**	**-**	**-**
Financial liabilities not measured at fair value (measured at amortized cost)					
Loan from related party - Quess Corp Limited	16	1,230.15	-	-	-
Trade payables	17	0.76	-	-	-
Other financial liabilities*	18	470.75	-	-	-
Total financial liabilities		**1,701.66**	**-**	**-**	**-**

*Current maturities of long-term borrowings forms part of other financial liabilities

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) **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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35 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 2024 and 31 March 2023 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 2024

(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	126.03	4.29%	5.41	No	120.62
Past due 1-90 days	114.71	6.74%	8.43	No	106.28
Past due 91-180 days	16.77	13.32%	0.81	No	15.96
Past due 181-270 days	14.67	18.55%	(2.37)	No	17.04
Above 270 days	54.32	100.00%	85.26	No	(30.94)
	326.49		**97.54**		**228.95**

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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 2024
(Amounts in INR Lakhs,unless otherwise stated)

36 Ratios

Ratios	Numerator	Denominator	Ratio 23-24	Numerator	Denominator	Ratio 22-23	%variance	Reason for variance (greater than 25%)
Current ratio	355.58	1,677.26	21%	2,547.35	1,968.07	129%	108%	Major Borrowings -Quess Corp & Some part of the loan has been repaid due to which Year on Year there is decrease.
Debt-equity ratio	925.89	(1,261.76)	-73%	1,230.15	1,446.17	85%	158%	During the year, Debt has been reduced as some part of the loan has been repaid. But there is a loss reported during the year due to closing PMKK centers.
Debt service coverage ratio	(2,639.43)	925.89	-285%	(420.66)	1,230.15	-34%	251%	Debt is with the parent company.
Return on equity ratio	(2,707.92)	(1,261.76)	215%	(625.54)	1,446.17	-43%	-258%	Loss for the period is more after considering the provision for all the Unbilled Revenue cases having more risk.
Inventory turnover ratio	-	-	-	-	-	-	-	Company does not hold inventory , hence not applicable
Trade receivables turnover ratio	1,077.61	1,350.80	80%	1,334.43	3,096.03	43%	-37%	Receivable has been reduced after taking necessary provisions.
Trade payables turnover ratio	333.96	22.74	1469%	1,047.02	3.54	29562%	28093%	Company is paying off of its debts with the available funds
Net capital turnover ratio	1,077.61	2,550.78	42%	1,334.43	187.85	710%	668%	There is a increase in turnover and decrease in average capital.
Net profit ratio	(2,707.92)	1,077.61	-251%	(625.54)	1,334.43	-47%	204%	Comparatively there is an increase in loss .
Return on capital employed	(2,181.12)	(335.87)	649%	(551.27)	2,676.32	-21%	-670%	Comparatively there is an increase in loss when compared to previous year.
Return on investment	(2,707.92)	(1,261.76)	215%	(625.54)	1,446.17	-43%	-258%	Comparatively there is an increase 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 (fixed asset- forex gain loss-Expenditure on CSR-Bad debt/Deposits written off) divided by average trade payables
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
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





37 Title deeds of Immovable Properties not held in name of the Company

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 3 to the financial statements, are held in the name of the company.

38 Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

39 Wilful Defaulter

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

40 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,

41 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.

42 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.

43 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.

44 Utilisation of Borrowed funds and share premium:

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 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(s) (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.

45 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 (and 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.

46 Corporate Social Responsibility

Provision of Section 135 of the Act is not Applicable to the Company as the Company's net worth is is below Rs. 1,000 crore and net profit is less than Rs. 5 crore during immediately preceding financial.

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.

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Excelus Learning Solutions Private Limited

48 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 March 2024	31 March 2023
Total Equity	(i)	(1,261.76)	1,446.17
Borrowings		925.89	1,230.15
Less: cash and cash equivalents		(73.85)	(80.31)
Total debt	(ii)	**852.04**	**1,149.84**
Overall financing	(iii) = (i) + (ii)	(409.72)	2,596.01
Gearing ratio	(ii)/ (iii)	-208%	44%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024, 31 March 2023.

49 Contingent liabilities and contingent assets

Contingent assets are neither recorded nor disclosed in the financial statements.

50 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. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

51 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

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: 08 May 2024

M S K A & 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: 08 May 2024

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 08 May 2024

Excelus Learning Solutions Private Limited

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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 accompanying Ind AS financial statements of **M/s. Quess International Services Private Limited** ("the Company"), which comprises the Balance sheet as at 31st March 2024, 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 Indian accounting standards generally accepted in India, of the state of affairs of the Company as at 31st March 2024 and its loss and its 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.



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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 financial position, financial performance 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 3 of the companies (Accounting standards) Rules, 2021. 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

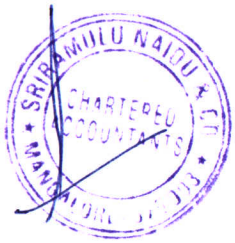
Auditor's Responsibilities for the Audit of the financial statements.

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.



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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 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.

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575003

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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, 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 Indian Accounting Standards specified under Section 133 of the Act read with Rule 3 of the companies (Accounting Standards) Rules, 2021.

e) On the basis of the written representations received from the directors as on 31 March 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 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 2024 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 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:

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- 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 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:

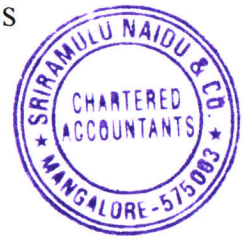
- whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") Or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(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 (d)(i) and (d)(ii) 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 the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

for **Sriramulu Naidu & Co.**
Chartered Accountants
Firm's registration number: 008975S



CA. Sriramulu Naidu
Partner
Membership number: 018244

Place: Mangalore
Date : 08-May-2024
UDIN: 24018244BKATGF9936

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CHARTERED ACCOUNTANTS

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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 2024, 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.

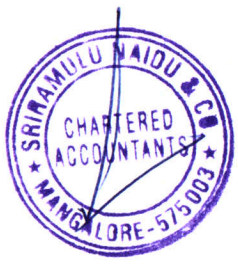
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified at the reasonable 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 has 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 explanation given to us, physical verification of inventories has been conducted at reasonable intervals by the management and no material discrepancies were noticed during the year.



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(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 Rupees five crores in aggregate from banks and / or financial institutions on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, the quarterly returns / statements filed by the Company with such banks and/ or financial institutions are in agreement with the books of accounts 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 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 any guarantee or security as specified under Section 186 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iv) of the order is not applicable.

(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.



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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.)

(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 neither not taken any loan during the year nor no outstanding of loan at the end of the year. Accordingly, clause 3(ix)(a), 3(ix)(b), 3(ix)(c), 3(ix)(d), 3(ix)(e), 3(ix)(f) of the Order is 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.

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575003

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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) (a) In our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) 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 incurred cash losses of Rs.7.73 Million in the financial year and the Rs. Nil in the immediately preceding financial year.

(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



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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.

(xx) According to the information and explanations given to us, the Company is required to constitute CSR Committee under section 135 of the Companies Act, 2013 and complied with the provisions of the section 135 of the companies Act, 2013

(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 : 08-May-2024
UDIN: 24018244BKATGF9936

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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 2024 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.

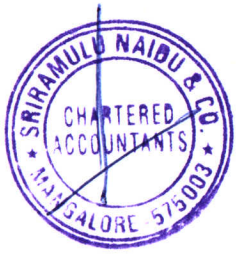
Auditors' Responsibility

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.



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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 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.

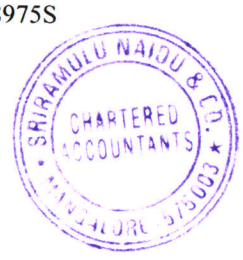
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 2024, 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. Srirámulu Naidu
Partner
Membership number: 018244

Place: Mangalore
Date : 08-May-2024
UDIN: 24018244BKATGF9936

Quess International Services Private Limited
(formerly known as Golden Star Facilities and Services Private Limited)
Sky No 32/4, Sky Walk Avenue, Khata No 299, Roopena Agrahara Village, Begur Hobali, Bommanahalli, Bangalore - 560068
CIN : U93000KA2008PTC133410

Balance sheet as at March 31, 2024
(Amounts in the financial statements are presented in Millions, except equity shares data and otherwise stated)

Amount in Millions

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	5.70	10.86
Right-of-Use Assets	3	3.11	5.75
Financial assets			
Other financial assets	4	3.93	3.80
Deferred tax assets (net)	5	15.15	24.33
Income tax assets (net)	5	17.29	5.59
Total non-current assets		45.18	50.33
Current assets			
Inventories	6	1.14	1.14
Financial assets			
(i) Trade receivables	7	272.94	401.19
(ii) Cash and cash equivalents	8	118.03	2.52
(iii) Loans	9	-	-
(iv) Other financial assets	10	0.15	0.15
Other current assets	11	10.11	16.95
Total current assets		**402.37**	**421.95**
Total Assets		**447.55**	**472.28**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	10.00	10.00
Other equity	14	312.33	317.78
Total equity		**322.33**	**327.78**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	15	2.88	3.44
Provisions	15.1	13.64	2.35
Total non-current liabilities		**16.52**	**5.79**
Current liabilities			
Financial liabilities			
(i) Borrowings	16	-	(68.64)
(ia) Lease Liabilities	15	0.25	2.15
(ii) Trade and payables	17	47.20	47.37
(iii) Other financial liabilities	18	43.84	97.10
Other current liabilities	19	16.21	30.31
Provisions	19.1	1.20	30.42
Total current liabilities		**108.70**	**138.91**
Total Liabilities		**125.22**	**144.50**
Total Equity and Liabilities		**447.55**	**472.28**

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

Place: Mangaluru
Date: 8-May-2024
UDIN: 24018244BKATCF9936

for and on behalf of Board of Directors of
Quess International Services Private Limited

Madhu Damodaran	**Vijay Sivaram**
Director	Director
DIN: 00424780	DIN: 07990452
Place: Bengaluru	Place: Bengaluru

Quess International Services Private Limited
(formerly known as Golden Star Facilities and Services Private Limited)
Sky No 32/4, Sky Walk Avenue, Khata No 299, Roopena Agrahara Village, Begur Hobali, Bommanahalli, Bangalore - 560068
CIN : U93000KA2008PTC133410

Statement of Profit and Loss for the period ended 31st March 2024
(Amounts in the financial statements are presented in Millions, except equity shares data and otherwise stated)

Amount in Millions

Particulars	Note	For the year ended	
		31 March 2024	31 March 2023
Income			
Revenue from operations	20	875.18	2,050.16
Other income	21	6.32	5.27
Total Income		**881.50**	**2,055.43**
Expenses			
Cost of materials, stores and spare parts consumed	22	40.88	85.02
Employee benefits expenses	23	767.88	1,698.51
Finance costs	24	0.43	6.17
Depreciation and amortization expenses	25	8.75	9.73
Other expenses	26	72.01	225.89
Total expenses		**889.94**	**2,025.32**
Profit before tax		**(8.44)**	**30.11**
Tax expense			
Current tax	5	-	12.21
Income tax for earlier years	5	-	1.15
Deferred tax	5	6.12	(3.83)
Total tax expenses		**6.12**	**9.53**
Profit for the year		**(14.56)**	**20.58**
Other comprehensive income/Loss			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset		(12.17)	6.05
Income tax relating to items that will not be reclassed to profit or loss		3.06	(1.52)
Other comprehensive (income)/ Loss for the year, net of tax		**(9.11)**	**4.53**
Total comprehensive income for the period		**(5.45)**	**16.05**
Earnings per equity share (face value of Rs 10 each)			
Basic	31	(14.56)	20.58
Diluted	31	(14.56)	20.58

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

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575003

CA.Sriramulu Naidu
Partner
Membership No : 018244

Place: Mangaluru
Date: 8-May-2024
UDIN: 24018244BKAICF9936

for and on behalf of Board of Directors of
Quess International Services Private Limited

Madhu Damodaran
Director
DIN: 00424780

Place: Bengaluru

Vijay Sivaram
Director
DIN: 07990452

Place: Bengaluru

Amount in Millions

4 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits	3.93	3.80
Bank deposits (due to mature after 12 months from the reporting date)	-	-
	3.93	**3.80**

5 Taxes

A Amount recognized in profit or loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current income tax:		
In respect of the current period	-	12.21
Tax relating to earlier years	-	1.15
Origination and reversal of temporary differences	6.12	(3.83)
Income tax expense reported in the Statement of profit and loss	**6.12**	**9.53**

B Income tax recognized in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Remeasurement of the net defined benefit liability/ asset		
Before tax	(12.17)	6.05
Tax expense/(benefit)	3.06	(1.52)
Net of tax	**(9.11)**	**4.53**

C Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
Profit before tax		(8.44)		30.11
Tax using the Company's domestic tax rate	25.17%		25.17%	7.58
Effect of:				
Difference in enacted tax rate	0.00%	-	0.00%	-
Non-deductible expenses	-3.38%	0.29	0.92%	0.28
80JJA Tax incentives	0.00%	-	0.00%	-
Others	0.00%	-	1.72%	0.52
Effective tax rate	**21.79%**	**0.29**	**27.82%**	**8.38**
Add: Provisions relating to earlier years	**0.00%**	-	**3.83%**	1.15
Income tax expense reported in the Statement of profit and loss	**0%**	-	**32%**	**9.53**

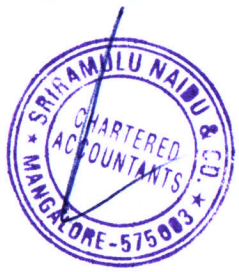
D The following table provides the details of income tax assets and income tax liabilities as of 31 March 2024 and 31 March 2023

Non-current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets	17.29	5.59
Income tax liabilities	-	-
Net income tax asset at the end of the	**17.29**	**5.59**

E Deferred tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset:		
Provision on employee benefits- Gratuity	0.67	8.25
Impairment loss allowance on financial assets	5.93	7.33
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax laws	8.49	8.73
Defered Tax - Leases 116	0.07	0.02
Net deferred tax assets	**15.15**	**24.33**



The movement of deferred tax aggregating to Rs. (6.12) Million for the year ended 31 March 2024 (PY 31 March 2023: Rs 5.35 Million comprises of Rs. 3.05 Million (31 March 2023: Rs. 3.83 Million) charged to Statment of profit and loss and Rs. 3.06 Million {31 March 2023: Rs (1.52) Million} charged to other comprehensive income.

F Recognized deferred tax assets and

Movement of deferred tax assets / liabilities presented in the balance sheet

For the year ended 31 Mar 24	Opening balance	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax assets on:				
Provision for employee benefits	8.25	(4.51)	3.06	0.67
Impairment loss allowance on financial	7.32	(1.41)	-	5.92
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax laws	8.73	(0.25)	-	8.49
Leases IndAs 116	0.02	0.05	-	0.07
Others	0.00	-	-	0.00
Gross deferred tax assets	**24.32**	**(6.12)**	**3.06**	**15.15**
Net deferred tax assets	**24.32**	**(6.12)**	**3.06**	**15.15**

(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	-	-	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**

6 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
Valued at lower of cost and net realizable value		
Raw material and consumables	1.14	1.14
	1.14	**1.14**

7 Trade receivables

(i) Trade Receivables - Billed

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured		
Undisputed Trade Receivables		
Considered good*	201.06	273.70
Less: Allowance for expected credit loss (considered good)	(1.84)	(1.84)
Credit impaired	18.59	23.89
Less: Allowance for expected credit loss (considered doubtful)	(18.59)	(23.89)
	199.22	**271.86**
Disputed Trade Receivables		
Considered good*	-	-
Credit impaired	5.34	11.10
Less: Allowance for expected credit loss (considered doubtful)	(5.34)	(11.10)
Net trade receivables	**199.22**	**271.86**

All trade receivables are current.

(ii) Trade receivables - unbilled

Particulars	As at 31 March 2024	As at 31 March 2023
Unbilled revenue	76.83	132.73
Less: Provision for impairment of unbilled revenue	3.11	3.40
	73.72	**129.33**
Total trade receivables (Billed and unbilled)	**272.94**	**401.19**

Of the above, trade receivables from related parties are as below:

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables from related parties	47.14	0.06
Net trade receivables	**47.14**	**0.06**

The Company's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in note 28



8 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents		
Balances with banks		
In current accounts	118.03	2.52
In deposit accounts (with orginal maturity of less than 3 months)	-	-
Cash and cash equivalents in the statement of cash flow	**118.03**	**2.52**

9 Loans

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Advances to employees	-	-
	-	-

10 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits	0.15	0.15
	0.15	**0.15**

11 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Advances other than capital advances		
Other advances	7.31	11.58
Prepaid expenses	2.79	5.37
	10.11	**16.95**

12 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorized		
10,00,000 (31 March 2023: 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 2023: 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

Particulars	As at 31 March 2024		As at 31 March 2023	
	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.

13.3 Shares held by holding company

Particulars	As at 31 March 2024		As at 31 March 2023	
	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	0.00	1	0.00
	10,00,000	**10.00**	**10,00,000**	**10.00**

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575003

13.4 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% Held	Number of shares	% Held
Equity shares				
Equity shares of par value Rs 10 each				
Quess Corp Limited	9,99,999	99.99%	9,99,999	99.99%
	9,99,999	**99.99%**	**9,99,999**	**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.

13.5 Details of shareholding of promoters:

Promoter name	As at 31 March 2024		As at 31 March 2023		
	Number of shares	% held	Number of shares	% held	% change during the year
Quess Corp Limited	9,99,999	99.99%	9,99,999	99.99%	-
Ajit Isaac (Nominee of Quess Corp	1.00	0.01%	1	0.01%	-
	10,00,000	**100.00%**	**10,00,000**	**100.00%**	-

14 Other Equity *

Particulars	As at 31 March 2024	As at 31 March 2023
Retained earnings	304.86	319.42
Other reserves	3.25	3.25
Other comprehensive income	4.24	(4.87)
	312.33	**317.78**

* 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

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liability (refer note 34 (ii))	2.88	3.44
	2.88	**3.44**

15.1 Non-current provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefit		
Provision for gratuity (refer note 35)	13.64	2.35
	13.64	**2.35**

16 Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Loans from bank repayable on demand		
Cash credit and overdraft facilities (refer note 16.1)	-	(68.64)
	-	**(68.64)**

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 Million (31 March 2023 Rs 340 Million) with HDFC Bank at interest rate of various facilities from 7.60% p.a. 9.55% p.a. against primary security 25% on stock book debts , Other current assets, Cash Margin. 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

Particulars	As at 31 March 2024	As at 31 March 2023
Undisputed dues		
Trade payables to related parties (refer note 33 (iii))		(0.00)
Other trade payables	20.02	15.64
	20.02	**15.64**

All trade payables are current.

ii) Trade payables - unbilled dues

Particulars	As at 31 March 2024	As at 31 March 2023
Undisputed dues		
Total outstanding to related parties	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	27.19	31.73
	27.19	**31.73**
Total trade payable (billed and Unbilled)	**47.20**	**47.37**

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2024:

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	21.87	10.65	1.43	0.04	-	**33.98**
Disputed						
- Micro enterprises and small enterprises						
'- Others						
Intercompany AP balance						
- Terrier Security Services (India) Private	-	-	-	-	-	-
- Allsec Technologies Limited		0.01				
- Quess Corp Ltd	5.32	7.90	-	-	-	**13.22**

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	-	-	-	-	-	-
- Quess Corp Ltd	-	-	-	-	-	-
	-		-	-	-	-

18 Other current financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Amount payable to related parties	6.69	3.27
Capital creditors	0.16	-
Other payables		
Accrued salaries and benefits	36.98	93.83
	43.84	**97.10**

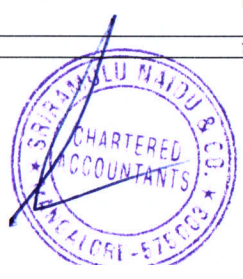
The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 28

19 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Balances payable to government authorities	16.21	30.31
	16.21	**30.31**

19.1 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for gratuity (refer note 35)	1.20	30.42
	1.20	**30.42**



20 Revenue from operations

Amount in Millions

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Facility management services	875.18	2,050.16
	875.18	**2,050.16**

21 Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income under the effective interest method on:		
Deposits with Banks	-	-
Interest income on present valuation of financial instruments	0.13	0.11
Interest on tax refunds due	0.19	5.08
Profit on sale of property, plant and equipment and intangible assets	-	0.08
Miscellaneous income	0.42	-
Liability no longer required written back	5.58	-
	6.32	**5.27**

22 Cost of material and stores and spare parts consumed

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory at the beginning of the year	1.14	1.36
Add: purchases during the year	40.88	84.81
Less: Inventory at the end of the year	1.14	1.14
Cost of materials, stores and spare parts consumed	**40.88**	**85.02**

23 Employee benefits expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and wages	671.23	1,487.91
Contribution to provident and other funds	87.68	194.30
Expenses related to post-employment defined benefit plan	4.18	4.28
Staff welfare expenses	4.80	12.02
	767.88	**1,698.51**

24 Finance costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense on financial liabilites measured at amortised cost	0.43	6.17
	0.43	**6.17**

25 Depreciation expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 3)	8.75	9.73
	8.75	**9.73**



26 Other expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Sub-contractor charges	26.82	66.28
Recruitment and training expenses	0.80	0.04
Rent (refer note 34)	1.24	1.62
Power and fuel	0.58	0.54
- plant and machinery	0.80	2.03
- others	1.36	2.34
Legal and professional fees (refer note 26.1)	3.82	9.68
Rates and taxes	0.04	6.27
Printing and stationery	0.50	0.71
Stores and tools consumed	21.09	109.40
Travelling and conveyance	0.85	1.92
Communication expenses	1.17	1.62
Insurance	1.41	1.21
Bad debts written off	7.35	1.94
Bank charges	0.74	0.46
Impairment loss/ reversal allowance on financial assets, net [refer note 28(i)]	-	17.65
Business promotion and advertisement expenses	-	0.20
CSR Expenses	1.13	1.11
Miscellaneous expenses	2.31	0.87
	72.01	**225.89**

26.1 Payment to auditors (net of goods and services tax included in legal and professional fees) -

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
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:

Particulars	For the year ende 31 March 2024	For the year ended 31 March 2023
a) Gross amount required to be spent by the Company during the year	1.13	1.11
b) Amount spent during the year		
i) Construction or acquisition of any asset	-	-
ii) On purpose other than i) above	1.13	1.11
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,	1.13	1.11
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	-	-



Quess International Services Private Limited
(formerly known as Golden Star Facilities and Services Private Limited)
Sky No 32/4, Sky Walk Avenue, Khata No 299, Roopena Agrahara Village, Begur Hobali, Bommanahalli, Bangalore - 560068
CIN : U93000KA2008PTC133410

Cash flow statement for the year ended March 31, 2024
(Amounts in the financial statements are presented in Millions, except equity shares data and otherwise stated)

Amount in Millions

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from operating activities		
Profit before tax	(8.44)	30.11
Adjustments for:		
Depreciation expense	8.75	9.73
Profit on sale of fixed assets, net	-	(0.08)
Bad debts written off	7.35	1.94
Impairment loss allowance on financial assets, net	-	17.65
Interest income	(0.19)	(5.08)
Finance costs	0.43	6.17
Operating cash flows before working capital changes	**7.90**	**60.44**
Working capital adjustments:		
Changes in:		
Inventories	-	0.22
Trade receivables and security deposits	120.90	16.69
Other current, non-current, unbilled revenue and financial assets	6.72	(0.48)
Trade payables and other financial liabilities	(70.00)	(56.47)
Other liabilities and provisions	(5.76)	(0.78)
Cash generated from operating activities	**59.76**	**19.62**
Income taxes paid, net of refund	(11.69)	54.39
Net cash (used in) / provided by operating activities (A)	**48.07**	**74.01**
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangibles	(0.95)	(15.08)
Proceeds from sale of fixed assets	-	0.08
Interest income on term deposits and others	0.19	5.08
Net cash / provided by investing activities (B)	**(0.76)**	**(9.92)**
Cash flows from financing activities		
Finance cost paid	(0.43)	(6.17)
Short-term borrowings, net of repayments	68.64	(55.62)
Net cash (used in) / provided by financing activities (C)	**68.21**	**(61.79)**
Net increase in cash and cash equivalents (A+B+C)	115.51	2.30
Cash and cash equivalents at the beginning of the year	2.52	0.22
Cash and cash equivalents at the end of the period (refer note 8)	**118.03**	**2.52**

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

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575003

CA Sriramulu Naidu
Partner
Membership No : 018244

Place: Mangaluru
Date: 8-May-2024
UDIN: 24018244BKATC,F9936

for and on behalf of Board of Directors of
Quess International Services Private Limited

Madhu Damodaran	**Vijay Sivaram**
Director	Director
DIN: 00424780	DIN: 07990452
Place: Bengaluru	Place: Bengaluru

Quess International Services Private Limited
Notes to the financial statements for the year ended 31 March 2024

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. The company is engaged in the business of providing Facility management 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, 2021 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 MANGALORE-575003

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.

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.

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575003

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:

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.

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.



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

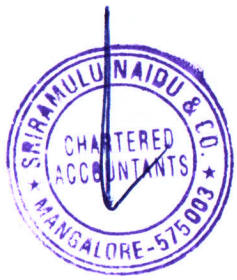
Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash 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.



Quess International Services Private Limited
Notes to the financial statements for the year ended 31 March 2024

3. Property, plant and equipment

(Amounts in the financial statements are presented in Millions, except equity shares data and otherwise stated)

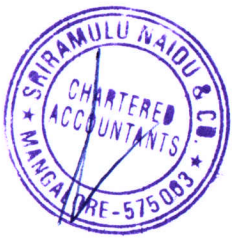
Amount in Millions

Particulars	Computer equipment	Plant & Machinery	Office equipment	Furniture & fixtures	Vehicles	Total
Gross carrying amount as at 1 April 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**
Additions during the year	-	0.95	-	-	-	0.95
Disposals for the year *	-	-	-	-	-	-
Balance as at 31 March 2024	**5.81**	**82.01**	**1.60**	**0.58**	**2.44**	**92.44**
Gross carrying amount as at 1 April 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**
Depreciation for the year	0.36	5.72	0.03	0.00	-	6.11
Accumulated depreciation on deletions	-	-	-	-	-	-
Balance as at 31 March 2024	**5.42**	**76.69**	**1.60**	**0.58**	**2.44**	**86.73**
Net carrying amount:						
As at 31 March 2024	**0.39**	**5.31**	**0.00**	**0.00**	**0.00**	**5.70**
As at 31 March 2023	**0.75**	**10.08**	**0.03**	**0.00**	**0.00**	**10.86**

There has been no impairment losses recognised during the year or previous year.

Right-of-Use Assets

Particulars	ROU Building	Total
Gross carrying amount as at 1 April 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**
Additions during the year		-
Disposals for the year *		-
Balance as at 31 March 2024	**22.36**	**22.36**
		-
Gross carrying amount as at 1 April 2023	**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**
Depreciation for the year	2.64	**2.64**
Accumulated depreciation on deletions		-
Balance as at 31 March 2024	**19.25**	**19.25**
Net carrying amount:		
As at 31 March 2024	**3.11**	**3.11**
As at 31 March 2023	**5.75**	**5.75**



Quess International Services Private Limited
Sky No 32/4, Sky Walk Avenue, Khata No 299, Roopena Agrahara Village, Begur Hobali, Bommanahalli, Bangalore - 560068
CIN : U93000KA2008PTC133410

Statement of Changes in Equity for the year ended 31 March 2024
(Amounts in the financial statements are presented in Millions, except equity shares data and otherwise stated)

(A) Equity share capital

Amount in Millions

Particulars	Note	As at 31 March 2024	As at 31 March 2023
Opening balance	12	10.00	10.00
Changes in equity share capital	12	-	-
Closing balance		**10.00**	**10.00**

(B) Other equity

Amount in Millions

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 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**
Balance as of 31 March 2023		**319.40**	**3.25**	**(4.87)**	**317.78**
Add: Profit for the Period		(14.56)	-		(14.56)
Add: Fair value of financial guarantee received	14	-	-	-	-
Add: Other comprehensive income (net of tax)	14	-	-	9.11	9.11
Balance as of 31 March 2024		**304.84**	**3.25**	**4.24**	**312.33**

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

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575003

CA Sriramulu Naidu
Partner
Membership No : 018244

Place: Mangaluru
Date: 8-May-2024
UDIN:

for and on behalf of Board of Directors of
Quess International Services Private Limited

Madhu Damodaran	**Vijay Sivaram**
Director	Director
DIN: 00424780	DIN: 07990452
Place: Bengaluru	Place: Bengaluru

Trade receivable ageing schedule as on 31 March 2024:

(Amounts in the financial statements are presented in Millions, except equity shares data and otherwise stated)

Amount in Millions

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	73.72	79.21	62.60	10.67	-	-	-	226.20
- Significant increase in credit risk	-	-		-	-	-	-	-
- Credit impaired	3.11	-	-	10.67	3.28	0.38	5.76	23.20
		-	-					
Disputed trade receivables		-	-	-	-	-	-	
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-				5.34	5.34
	-	-	-	-	-	-	-	-
Intercompany AR balance	-	-	-	-	-	-	-	-
- Quess Corp Ltd	-	1.01	45.44	0.28	-	-	-	46.74
- Credit impaired	-	-	-	0.28	0.05	0.00		0.34

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

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575003

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 2024 and 31 March 2023 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.

Particulars	Carrying value	Fair Value		
	31 March 2024	Level 1	Level 2	Level 3
Financial assets measured at amortised cost				
Non current financials assets	3.93	-	-	-
Loans	-	-	-	-
Trade receivables	272.94	-	-	-
Cash and cash equivalents	118.03	-	-	-
Total financial assets	**398.02**	-	-	-
Financial liabilities measured at amortised cost				
Lease Liability	3.13		-	
Loans and borrowings	-	-	-	-
Trade payables	47.20	-	-	-
Other current financial liabilities	43.84	-	-	-
Total financial liabilities	**94.18**	-	-	-

	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	**407.51**	-	-	-
Financial liabilities measured at amortised cost				
Lease Liability	5.59		-	
Loans and borrowings	(68.64)	-	-	-
Trade payables	47.37	-	-	-
Other current financial liabilities	97.10	-	-	-
Total financial liabilities	**81.43**	-	-	-

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.

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575003

Amount in Millions

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 2024 and 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 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.



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.

Particulars	As at 31 March 2024	As at 31 March 2023
Balance as at the beginning of the year	29.13	11.48
Impairment loss recognized	(8.69)	17.65
Balance as at the end of the year	**20.44**	**29.13**

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 Million (31 March 2023 Rs 340 Million) with HDFC Bank at interest rate of various facilities from 7.60% p.a. 9.55% p.a. against primary security 25% on stock book debts , Other current assets, Cash Margin. 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 2024 and 31 March 2023. The amounts are gross and undiscounted contractual cash flows and includes contractual interest payments and excludes netting arrangements:

As at 31 March 2024

Particulars	Contractual cash flow				
	Carrying Amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	-	-	-	-	
Trade payables	47.20	47.20	-	-	
Other financial liabilities	43.84	43.84	-	-	

As at 31 March 2023

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	-	-	

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.

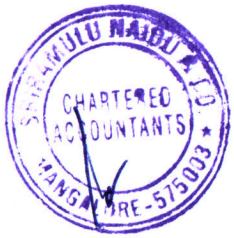
(ii) Interest rate risk

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 borrowing comprises of cash credit facilities & working capital loan which carries fixed rate of interest and unsecured loan from holding company Quess 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:

Particulars	As at 31 March 2024	As at 31 March 2023
Fixed rate borrowings	-	(68.64)
Total borrowings	**-**	**(68.64)**



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:

Particulars	As at 31 March 2024	As at 31 March 2023
Total External liabilities	-	(68.64)
Less: Cash and cash equivalent	118.03	2.52
Adjusted net debt (total borrowings net of cash and cash equivalent)	**(118.03)**	**(71.16)**
Total equity	322.33	327.78
Net debt (Total external liabilities) to equity ratio	**(0.37)**	**(0.22)**

30 Contingent liabilities and commitment (to the extent not provided for)

Amount in Millions

Particulars	As at 31 March 2024	As at 31 March 2023
Bank guarantees issued against performance of contract	23.82	23.82
Income Tax erroneous demand for AY 18-19*	11.74	11.74
Income-tax demand - PF - for AY 2014-15**	2.45	2.45
	35.56	**35.56**

* 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. 1.174 erroneously. The company has filed rectification request before A.O and filed Appeal before CIT(A).

** Tax Demand for AY 2014-15 is pending before the CIT Appeals (Disallowance of PF & ESI)

31 Earnings per share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Nominal value of equity shares (Rs per share)	10	10
Net profit after tax for the purpose of earnings per share	(14.56)	20.58
Weighted average number of shares used in computing basic earnings per share	10,00,000	10,00,000
Basic earnings per share (Rs)	**(14.56)**	**20.58**
Weighted average number of shares used in computing diluted earnings per share	10,00,000	10,00,000
Diluted earnings per share (Rs)	**(14.56)**	**20.58**

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
- Entities having significant influence	Fairfax Financial Holdings Limited Fairbridge Capital (Mauritius) Limited (w.e.f. 6th Dec, 2019) FFHL Group Ltd. Fairfax (Barbados) International Corp.
- Fellow Subsidiaries	MFX Infotech Private Limited (Merged with Quess Corp Limited w.e.f 1 December 2023) 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 Vedang Cellular Services Private Limited Billion Careers 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 Simpliance Technologies Private Limited (till 06 October 2022) Quesscorp Management Consultancies Quesscorp Manpower Supply Services LLC Quess Services Limited (liquidated w.e.f 20 March 2024) 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 02 September 2020) Stellarslog Technovation Private Limited Heptagon Technologies Private Limited (w.e.f 1 March 2022) Quess Corp NA LLC (w.e.f 17 May 2022) Quess Recruit, Inc. (w.e.f. 1 January 2024) Agency Pekerjaan Quess Recruit SDN. BHD (w.e.f. 1 July 2023) Digitide Solutions Limited (w.e.f. 10th February 2024) Bluspring Enterprises Limited (w.e.f. 11th February 2024) Quess Corp NA LLC



Name of related parties and description of relationship (continued):

- 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	Heptagon Technologies Private Limited Terrier Security Services (India) Private Limited Vedang Cellular Services Private Limited Excelus Learning Solutions Private Limited Stellarslog Technovation Private Limited Quessglobal (Malaysia) Sdn. Bhd. Monster.com.SG PTE Limited Monster.com HK Limited Agency Pekerjaan Quess Recruit SDN. BHD Agensi Pekerjaan Monster Malaysia Sdn. Bhd Quess Corp Lanka (Private) Limited Himmer Industrial Services (M) Sdn. Bhd. Quess Corp Vietnam Limited Liability Company Comtelink Sdn. Bhd. Quess Selection & Services Pte Limited Trimax Smart Infraprojects Private Limited
Entity controlled by promoters and promoter group	Careworks foundation Iris Realty LLP Isaac Healthcare Services LLP Fairbridge Capital Private Limited Thomas Cook (India) Limited Net Resources Investments Private Limited HWIC Asia Fund Class A Shares Isaac Enterprises LLP
Key executive management personnel	
Madhu Damodaran	Director
Vijay Sivaram	Director

(ii) Related party transactions during the year

Particulars		For the year ending	
		31 March 2024	31 March 2023
- Revenue from operations	Quess Corp Limited	66.32	1.15
	Terrier Security Services (India) Private Limited	0.05	-
- Other expenses	Terrier Security Services (India) Private Limited	5.66	33.43
	Hepatagon Technologies Private Limited	-	1.24
	Quess Corp Limited	19.54	9.73
	Careworks foundation	1.13	
-	Allsec Technologies	0.01	0.02

(iii) Balance receivable from and payable to related parties as at the balance sheet date:

Particulars		As at 31 March 2024	As at 31 March 2023
- Trade payables	Terrier Security Services (India) Private Limited	-	0.47
	Quess Corp Limited	7.90	(0.04)
			-
- Other payables	Quess Corp Limited	5.32	3.27
	Allsec Technologies	0.01	-
			-
- Trade receivables (gross of loss allowance)	Quess Corp Limited	47.08	0.06
	Terrier Security Services (India) Private Limited	0.06	
- Provision for expenses	Terrier Security Services (India) Private Limited	-	4.73
	Heptagon Technologies Private Limited	-	0.20
	Quess Corp Limited	-	0.90

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 rental payable(Minimum lease payments) under these leases are as follows.

Particulars	For the year ended	
	31 March 2024	31 March 2023
Total rental expense relating to operating lease	1.24	1.62
Rent	4.12	4.24
Less: Leases - IndAs 116	(2.88)	(2.51)
Less: Rent Concession IndAs	-	(0.12)
Rent cost to Profit and Loss Statement	1.24	1.62

ii) Lease liability

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liability	0.25	2.15
Non-current lease liability	2.88	3.44
Total	**3.13**	**5.59**

The following is the movement in lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Operating lease recognised on adoption of Ind AS 116	5.59	0.30
Reclassification on adoption of Ind AS 116 (refer note 23.6) - Fin lease obligation		
Add: Additions	-	7.52
combination		
Less: Deletion		
Add: Finance cost accrued during the period	0.43	0.58
Less: Payment of lease obligation	(2.88)	(2.81)
Translation loss / (gain)		
Carrying amount	**3.13**	**5.59**

Amount recognised in PL

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense (included in finance cost)	0.43	0.58
Expenses relating to short-term lease (included in other expenses)	(2.88)	(2.81)
Rent Concession IndAs	-	(0.12)
assets that are not included above	-	-
	(2.46)	**(2.35)**

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2024 on an undiscounted basis.

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	0.25	2.15
One to five years	-	-
More than five years	-	-
	0.25	**2.15**

SRIRAMULU NAIDU & CO. CHARTERED ACCOUNTANTS MANGALORE-575003

35 Assets and liabilities relating to employee benefits

Particulars	As at 31 March 2024	As at 31 March 2023
Net defined benefit liability, gratuity plan	14.84	32.77
Total employee benefit liability	**14.84**	**32.77**
Non-current	13.64	2.35
Current	-	30.42

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 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 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:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	35.99	30.22
Current service cost	3.02	3.62
Interest cost	1.40	0.78
Benefit settled	(9.17)	(4.68)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	(17.97)	6.45
- Changes in financial assumptions	0.87	(0.41)
- Changes in Demographic assumptions	4.24	
Obligation at end of the year	**18.36**	**35.99**
Reconciliation of present value of plan assets		
Plan assets at beginning of the year, at fair value	3.23	2.73
Interest income on plan assets	0.24	0.13
Re-measurement- actuarial gain/(loss)	(0.70)	(0.01)
Return on plan assets recognised in other comprehensive income		-
Contributions	0.76	4.76
Benefits settled		(4.39)
Plan assets at end of year, at fair value	**3.52**	**3.23**
Net defined benefit liability	**14.84**	**32.77**

C (i) Expense recognised in profit or loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	3.02	3.62
Interest cost	1.40	0.78
Interest income	(0.24)	(0.13)
Net gratuity cost	**4.18**	**4.28**

(ii) Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial (gains) /losses on defined benefit obligation	(12.87)	6.04
Return on plan assets excluding interest income	0.70	0.01
	(12.17)	**6.05**

D Defined benefit obligation - Actuarial Assumptions

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Discount rate	7.29%	7.16%
Future salary growth	6.00%	1.00%
Attrition rate	34.00%	90.00%



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.

Particulars	As at 31 March 2024	As at 31 March 2023
Receivables, which are included in 'Trade and other receivables'	199.22	271.86
Contract assets	73.72	129.33

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 2024

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the beginning	129.33	179.60
Add : Revenue recognized during the period	875.18	2,050.16
Less : Invoiced during the period	930.79	2,100.43
Less : Impairment / (reversal) during the period	-	-
Add : Translation gain/(Loss)	-	-
Balance at the end	**73.72**	**129.33**

(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).

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. However, the Company does not have any amounts payable to such enterprises as at 31 March 2024 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

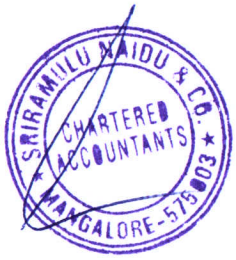
Particulars	As at 31 March 2024	As at 31 March 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year;The amount of interest paid by the Group in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amounts of the payment made to the supplier beyond the appointed day during 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 purposes of disallowance as a deductible expenditure under the MSMED Act, 2006		-



Quess International Services Private Limited
Notes to the financial statements for the year ended 31 March 2024

Note 38: Ratio Analysis and its elements

Particulars	Numerator	Denominator	For the year ended 31 March, 2024	For the year ended 31 March, 2023	% Change	Reasons for Variance
Key ratios						
(a) Current Ratio	Current Assets	Current Liabilities	3.70	3.04	21.71%	
(b) Debt-Equity Ratio	Total Debt - sum of short-term & long-term borrowings	Shareholders' Equity	0.01	(0.19)	-105.26%	Due to reclassification of Cash credit and cash balance in the current year. We have a positive variation.
(c) Debt Service Coverage Ratio	Earnings available for debt service (Net profit after taxes +Depreciation+ Non-Operating expenses)	Debt Service (Interest and lease payments + Principal Repayments)	(0.80)	3.48	-122.99%	Due to decrease in the revenue, the profits also been reduced resulting in negative debt service ratio.
(d) Return on Equity Ratio	Net profit after tax-Preference Dividend	Average Shareholder's equity	-0.04%	0.06%	-166.67%	Due to decrease in the revenue, the profits also been reduced resulting in negative return on equity.
(e) Inventory turnover Ratio	Cost of material consumed	Average Inventory	35.72	67.90	-47.39%	During the Current FY, as materials/consumables are delivered at respective client locations instead of delivering at store and distribute there after. Hence, Average inventory has been reduced.
(f) Trade Receivables turnover Ratio	Revenue from operations	Average Accounts Receivables	3.21	4.89	-34.36%	Due to decrease in collections, the Trade receivable turnover has been reduced.
(g) Trade payables turnover Ratio	Purchases	Average Trade Payables	0.89	1.79	-50.28%	As the Trade Payables and Provisions are less in Previous FY thought the expenses are more as compared to Current FY, the ratio is high.
(h) Net capital turnover Ratio	Revenue from operations	Working Capital (Current assets - Current liabilities	3.03	8.36	-63.76%	Due to recovery of receivables is more in Previous FY, the Current Assets are at low maintaining low Net Working Capital as compared to Current FY
(i) Return on Capital employed	Earnings Before Interest and tax	Total Assets-Current Liabilities-Current Investments-Cash & Cash Equivalents	-0.02%	0.14%	-114.29%	Due to reduction of Revenue, the return on capital employed is negative.



39. Previous year figures

Previous year figures have been regrouped/reclassified, where necessary, to conform to this year classification.

40. Other Statutory Disclosures as per Companies Act, 2013

i. The company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami

ii. The Company does not have any transactions with companies struck off.

iii. The company did not have material foreseeable loss on long term contracts including derivatives contracts;

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

v. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company. Or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party. Or
- provide any guarantee, security or the like from or 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 subclause
(d) (i) and (d) (ii) contain any material mis-statement.

vi. No divided declared or paid during the year by the Company. Hence compliance with section 123 of the Companies Act, 2013 are not applicable.

vii. 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 the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

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

Place: Mangaluru
Date: 8-May-2024
UDIN: 24018244BKATCF9936

for and on behalf of the Board of Directors of
Quess International Services Private Limited

Madhu Damodaran	**Vijay Sivaram**
Director	Director
DIN: 00424780	DIN: 07990452
Place: Bengaluru	Place: Bengaluru

MSKA & Associates
Chartered Accountants

1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Telangana State, Hyderabad 500072, INDIA

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, 2024, 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 material accounting policy information and other explanatory information (hereinafter referred to as the "financial statements").

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, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, 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 of the 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 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 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 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 31,2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31,2024 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. Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording the audit trail (edit log) facility except that no audit trail feature was enabled for certain relevant transactions at the application level, while we were not able to test whether the audit trail feature was enabled at the database level of the software which was maintained by a third party vendor. Further, the audit trail facility which has been enabled, as explained above, has been operated throughout the year for relevant transactions recorded in the accounting software at the application level, whereas we are unable to verify whether the audit trail facility has been operated throughout the year for relevant transactions recorded in the accounting software at the database level.

Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with, post enablement of the audit trail facility.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

3. In our opinion, according to information, explanations given to us, the provisions of Section 197 read with Schedule V of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 24205226BKEAIG7703

M S K A & ASSOCIATES ★ Hyderabad ★ Chartered Accountants

Place: Hyderabad.
Date: 8 May 2024

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 and Board of Directors.

- Conclude on the appropriateness of management and Board of 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 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: 24205226BKEAIG7703
Date: 08 May 2024
Place: Hyderabad

M S K A & ASSOCIATES Hyderabad Chartered Accountants

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, 2024

[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 provisions stated under clause 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) during the year. Accordingly, the provisions stated under clause 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 under clause 3(i)(e) of the Order are not applicable to the Company.

ii. **(a)** The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.

(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. Based on the records examined by us in the normal course of audit of the financial statements, quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of accounts of the Company.

iii. According to the information explanation provided to us, the Company has not made any investments in, or 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 stated under clause 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013, are applicable and accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the

meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.

vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 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/services of the Company. Accordingly, the provisions stated under clause 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

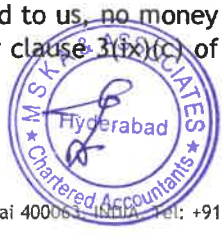
viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.

ix.

(a) Loans amounting to Rs. 1972.93 Lakhs are repayable on demand and terms and conditions for repayment of interest thereon have not been stipulated. According to the information and explanations given to us and the records of the Company examined by us, such loans and interest thereon have not been demanded for repayment during the relevant financial year. The Company has not defaulted in repayment of other 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 and explanations provided to us, no money was raised by way of term loans. Accordingly, the provision stated under clause 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) The 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.

(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. 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. Accordingly, the provisions stated under clause 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. Accordingly, the provisions stated under clause 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 or on the Company has been noticed or reported during the year in the course of our audit.

(b) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(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 under clause 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 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the financial statements as required by applicable accounting standards. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Companies Act, 2013, the Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company. Accordingly, provisions started under clause 3(xiii) of the Order insofar as it relates to section 177 of the Companies Act, 2013, is not applicable to the Company.



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 the provisions of the Companies Act, 2013. Accordingly, reporting under clause 3(xiv) of the Order are not applicable to the Company.

xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is 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 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 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. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the provisions stated under clause 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, 2024 (Current year)	March 31, 2023 (Previous Year)
Cash losses (PAT + Depreciation + Impairment loss allowance on financial assets)	5528.59	6939.48

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 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, provisions of Section 135 of the Companies Act, 2013, are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

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: 24205226BKEAIG7703

M S K A & ASSOCIATES Hyderabad Chartered Accountants

Place: Hyderabad
Date: 8 May 2024

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) 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, 2024]

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 with reference to financial statements of Monster.com India Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company, including 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, 2024, 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").

Managements' and Board of Director's Responsibility 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 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.

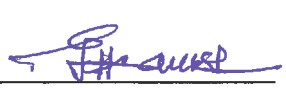
Meaning of Internal Financial Controls With reference to Financial Statements

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: **24205226BKEAIG7703**



Place: Hyderabad
Date: **8 May 2024**

Monster.com (India) Private Limited

(Amount in INR lakhs, unless stated otherwise)

Balance Sheet	Notes	As at Mar 31, 2024	As at Mar 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3 (a)	225.07	319.29
ROU - Buildings	3 (a)	3,369.59	3,499.72
Other intangible assets	3 (b)	215.11	376.38
Intangible assets under development	3 (b)	2,778.60	-
Financial assets			
(i) Investments	4	5,836.32	5,836.32
(ii) Other Financials Assets	5	263.33	141.85
Deferred tax assets (net)	6	1,134.27	1,134.27
Income tax assets (net)	7	1,180.73	1,506.65
Other non-current assets	8	89.75	131.57
Total non-current assets		**15,092.77**	**12,946.05**
Current assets			
Financial assets			
(ii) Trade receivables	9	5,825.50	4,237.36
(iii) Cash and cash equivalents	10	1,396.22	1,517.47
(iv) Bank balances other than cash and cash equivalents above	11	15.92	4,845.31
(v) Loans	12	1.80	2.23
(vi) Other financial assets	13	5.45	197.18
Other current assets	14	2,116.97	1,792.88
Total current assets		**9,361.86**	**12,592.44**
Total Assets		**24,454.63**	**25,538.49**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	251.09	251.09
Other equity	17	5,978.64	10,705.47
Total equity		**6,229.73**	**10,956.56**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	18	3,156.48	3,491.38
(ii) Compulsorily Convertible Debentures	16	3,749.60	1,000.00
Non-current provisions	19	575.90	490.04
Total non-current liabilities		**7,481.98**	**4,981.42**
Current liabilities			
Financial liabilities			
(i) Borrowings	20	1,972.93	-
(ii) Lease liabilities	18	772.26	379.20
(iii) Trade payables	21		
a) total outstanding dues of micro enterprises and small enterprises			
b) total outstanding dues of creditors other than micro enterprise and small enterprise		1,175.54	900.31
(iv) Other financial liabilities	22	323.80	522.31
Current provisions	19	12.77	21.38
Other current liabilities	23	6,485.62	7,777.31
Total current liabilities		**10,742.92**	**9,600.51**
Total liabilities		**18,224.90**	**14,581.93**
Total equity and liabilities		**24,454.63**	**25,538.49**

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: May 08, 2024

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, 2024	March 31, 2023
Income			
Revenue from operations	25	12,476.68	13,038.84
Other income	26	282.07	477.13
Total Income		**12,758.74**	**13,515.97**
Expenses			
Employee benefits expense	27	12,220.61	12,418.52
Marketing and business promotional expenses		2,594.65	3,715.84
Reseller Services purchase expenses		1,111.43	1,300.52
Finance costs	28	479.69	509.64
Depreciation and amortization expense	3 (a) & (b)	1,050.00	869.99
Other expenses	29	1,920.53	2,444.87
Total expenses		**19,376.91**	**21,259.37**
Profit/(Loss) before income tax		**-6,618.17**	**-7,743.41**
Tax expense			
Current tax		-	-
-Tax expense of foreign branches	6	-	-87.63
Deferred tax	6	-	-
Total tax expenses		**-**	**-87.63**
Profit/(Loss) for the year		**-6,618.17**	**-7,831.03**
Other comprehensive income/ (expense)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/ asset		45.81	28.18
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		**45.81**	**28.18**
Total comprehensive income for the year		**-6,572.36**	**-7,802.86**
Earnings/(Loss) per equity share (face value of Rs. 2 each)			
Basic earnings /(loss) per share (in INR)	37	(2,194)	(2,596)
Diluted earnings /(loss) per share (in INR)	37	(1,824)	(2,158)

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

MSKA & ASSOCIATES Hyderabad Chartered Accountants

Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad, INDIA
Date: May 08, 2024

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, 2024

(A) Share capital

(Amount in INR lakhs, unless stated otherwise)

Particulars	Note	As at Mar 31, 2024	As at Mar 31, 2023
(i) Equity share capital			
Opening balance	15.1	6.03	6.03
Changes in equity share capital	15.1	-	-
Closing balance		**6.03**	**6.03**
(ii) Compulsory convertible preference shares			
Opening balance	15.1	245.06	157.10
Changes during the period	15.1	-	87.96
Closing balance		**245.06**	**245.06**

(B) Compulsorily Convertible Debentures

(Amount in INR lakhs, unless stated otherwise)

Particulars	Note	As at Mar 31, 2024	As at Mar 31, 2023
(i) Convertible Debentures			
Opening balance	16	1,000.00	1,000.00
Changes during the period	16.1	2,749.60	-
Closing balance		**3,749.60**	**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 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: Recognition of share-based payments		-	-	2,415.64	-		2,415.64
Add: Security premium received during the period	17	3,411.79	-	-	-	-	3,411.79
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**
Balance as of 1 April 2023		**18,679.52**	**-11,244.93**	**2,859.52**	**29.09**	**382.20**	**10,705.40**
Add: Profit/(loss) for the year		-	-6,618.17	-	-	-	-6,618.17
Add: Security premium received during the period	17	-	-		-	-	-
Add: Recognition of share-based payments*	17	-	-	1,845.60	-		1,845.60
Less: Security premium repaid during the period		-	-	-	-	-	-
Add: Other comprehensive income (net of tax)		-	-	-	-	45.81	45.81
Balance as of 31 March 2024		**18,679.52**	**-17,863.10**	**4,705.12**	**29.09**	**428.02**	**5,978.64**

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: May 08, 2024

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 March 31, 2024	For the year ended March 31, 2023
Cash flows from operating activities		
Profit/(Loss) before tax	**-6,618.17**	**-7,743.41**
Adjustments for:		
Depreciation and amortisation expenses	1,050.00	869.99
Foreign Exchange loss/(gain) (net)	-63.54	105.42
Impairment loss allowance on financial assets (net)	39.58	21.57
Interest income	-125.10	-253.85
Impact of amortisation of financial asset	-20.54	-14.08
Finance Cost	443.59	435.71
Other adjustments	-31.92	-105.07
Stock options expenses recognised in PL	1,685.22	2,415.64
Impact of remeasurement of defined benefits obligation to OCI	45.81	28.18
Operating cash flows before working capital changes	-3,595.09	-4,239.90
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Trade and other receivables	-1,602.26	-1,666.25
Current loans & Other current assets	-323.65	-337.66
Non-current loans & other non-current assets	-27.21	128.75
Adjustments for increase/(decrease) in operating liabilities:		
Non-current provisions	85.86	111.48
Changes in loans, other financial liabilities and other liabilities		
Trade payables	432.12	365.05
Other current liabilities	-1,490.20	963.84
Current provisions	-8.61	4.11
Cash generated from operating activities	-6,529.03	-4,670.58
Income taxes paid (net)	325.92	-5.84
Net cash provided by/ (used in) operating activities (A)	-6,203.11	-4,676.42
Cash flows from investing activities		
Acquisition of property, plant and equipment	-2,834.11	-320.84
Investments in mutual fund units		
Investment into subsidiaries	-	-
Proceeds from sale of investment in Mutual Fund Units	31.92	4,374.63
Interest received	316.83	62.89
Net cash used in investing activities (B)	-2,485.35	4,116.67
Cash flows from financing activities		
Proceeds from Subscription to Share Capital	-	87.96
Proceeds from Security Premium	-	3,411.79
Proceeds from CCD's	2,749.60	1,000.00
Short term borrowings repaid	-	-400.00
Proceeeds from short term borrowings	1,972.93	
Payment for Leases	-924.64	-600.47
Interest paid	-77.09	-91.40
Net cash provided by financing activities (C)	3,720.79	3,407.88
Net increase in cash and bank balances (A+B+C)	**-4,967.67**	**2,848.13**
Cash and bank balances at the beginning of the year	6,362.71	3,496.40
Cash and cash equivalents acquired on amalgamation		
Effects of exchange differences on translation of foreign currency cash and cash equivalents	17.10	18.18
Cash and bank balances at the end of the year (refer note 10 & 11)	**1,412.14**	**6,362.71**

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

M S K A & ASSOCIATES ★ Hyderabad ★ Chartered Accountants ★

Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad, INDIA
Date: May 08, 2024

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

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 Material accounting policies

Material 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
Head Sets	1
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.

Contract Balances

Contract assets

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Company performs by rendering 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. Trade receivables represents the Company's right to an amount of consideration that is unconditional.

Contract Liability

A contract liability is the obligation to rendering services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company rendering 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.

Trade Receivable

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).



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

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.

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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-

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.

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(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 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid as per credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

2.18 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.

2.19 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.



2 (A) Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

2 (A) (1) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end 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 described 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 that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 45.

(b) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company have taxable temporary differences and tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets further in CY on the tax losses carried forward. Refer Note 6.

(c) Defined benefit plans (gratuity benefits and compensated absences)

The cost of the defined benefit plans such as gratuity and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 44.

(d) Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation 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. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. At 31 March 2024, the carrying amount of intangible asset under development was Rs. 2778.60 Lakhs.

(e) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. During the year, the Company recognised an impairment loss on trade receivables (refer note 31).

2 (B) 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 01 April 2023.



2 (C) Standards that became effective during the year

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from 01 April 2022 :

(i) Onerous Contracts- Cost of Fulfilling a Contract - Amendment to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. 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.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company.

(ii) Reference to the Conceptual Framework - Amendment to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company.

(iii) Property, Plant and Equipment: Proceeds Before Intended Use- Amendment to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised 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 amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company.

(iv) Ind AS 101: First Time Adoption of Indian Accounting Standards- Subsidiary as a first time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022 but do not apply to the Company as it was first time adopter in an earlier year.

(v) Ind AS 109 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liability

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.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022 but do not apply to the Company as it was first time adopter in an earlier year.

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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, 2022	**9.82**	**6.27**	**0.04**	**2,552.65**	**125.47**	**794.21**	**3,488.46**
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**	**5,324.23**
Additions during the year	-	-	-	616.32	5.13	42.81	664.26
Disposals for the year	-	-	-	-	-	-	-
Balance as at March 31, 2024	**36.34**	**6.81**	**0.04**	**4,702.28**	**149.90**	**1,093.12**	**5,988.49**
Accumulated depreciation*							
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**
Depreciation for the year	2.62	0.06	-	746.44	9.12	130.21	888.45
Accumulated depreciation on deletio	-	-	-	-	-	-	-
Balance as at March 31, 2024	**14.95**	**6.31**	**-**	**1,332.69**	**127.53**	**912.36**	**2,393.84**
Net carrying amount							
As at March 31, 2024	**21.39**	**0.51**	**0.04**	**3,369.59**	**22.38**	**180.75**	**3,594.66**
As at March 31, 2023	**24.16**	**0.57**	**0.04**	**3,499.72**	**26.37**	**268.15**	**3,819.01**

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, 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**	**-**
Additions during the year	-	-	-	-	2,778.60
Disposals/Transfer for the year	-	-	-	-	-
Balance as at March 31, 2024	**841.45**	**99.77**	**18.39**	**959.61**	**2,778.60**
Accumulated depreciation					
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**	**-**
Depreciation for the year	157.86	-	3.68	161.54	-
Accumulated depreciation on deletio	-	-	-	-	-
Balance as at March 31, 2024	**640.06**	**99.77**	**4.95**	**744.77**	**-**
Net carrying amount					
As at March 31, 2024	**201.40**	**-**	**13.44**	**215.11**	**2,778.60**
As at March 31, 2023	**359.26**	**-**	**17.12**	**376.38**	**-**

* 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 intangibles assets under development. Refer note 3.4 (a) for Ageing Schedule.

(Amount in INR lakhs, unless stated otherwise)

Particulars	Opening Balance	Expenditure during the year	Capitalized during the year	Impairment	Written off	Closing Balance
As at March 31, 2024	-	2,778.60	-	-	-	2,778.60
As at March 31, 2023	-	-	-	-	-	-

Intangible assets under development includes Foundit 2.0 Project which will be capitalised in FY'25.



(a) Ageing Schedule

As at March 31, 2024 (Amount in INR lakhs, unless stated otherwise)

Intangible asset under development	Amount in Intangible Asset under development for a				Total
	Less than 1 year	1-2 years	2-3years	More than 3 years	
Projects in progress	2,778.60	-	-	-	2,778.60
Projects temporarily suspended	-	-	-	-	-
Total	2,778.60	-	-	-	2,778.60

As at March 31, 2023 (Amount in INR lakhs, unless stated otherwise)

Intangible asset under development	Amount in Intangible Asset under development for a				Total
	Less than 1 year	1-2 years	2-3years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

There are no projects as Intangible assets under development as at 31 March 2024 and 31 March 2023, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

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.

3.6 The Company depreciated the low value asstes for one year.

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4. Investments

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
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. Other Financials Assets

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Unsecured, considered good		
Security deposits	263.33	141.85
Loans to employees	-	-
	263.33	**141.85**
	-	-

6. Taxes

A Amount recognised in profit or loss

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended Mar 31, 2024	Mar 31, 2023
Current tax:		
In respect of the current year	-	-
Excess provision related to prior years	-	-
-Tax expense of foreign branches	-	-87.63
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**

B Income tax recognised in other comprehensive income

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended Mar 31, 2024	Mar 31, 2023
Remeasurement of the net defined benefit liability/ asset		
Before tax	45.81	28.18
Tax (expense)/ benefit	-	-
Net of tax	**45.81**	**28.18**

C Reconciliation of effective tax rate

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended Mar 31, 2024	Mar 31, 2023
Profit before tax	-6,618.17	-7,743.41
Carry forward/(set-off) of losses for the year	6,618.17	7,743.41
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**



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, 2024	As at Mar 31, 2023
Income tax assets (net)	1,180.73	1,506.65
Income tax liabilities (net)	-	-
Net income tax asset at the end of the year	**1,180.73**	**1,506.65**

E Deferred tax assets, net

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset:		
Impairment loss allowance on financial assets	35.81	33.52
Provision for employee benefits	293.97	132.97
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	593.95	150.16
Others	-0.00	-0.00
Carried forward business losses	210.53	817.62
Deferred tax liabilities:		
Excess of depreciation provided for in the books over the depreciation allowed under the Income tax	-	-
Net deferred tax assets	**1,134.27**	**1,134.27**

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 2024	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	33.52	2.30	-	35.81
Provision for employee benefits	132.97	161.00	-	293.97
Provision for items allowed on payment basis in Tax	-	-	-	-
Difference of Depreciation provided for in the books	150.16	-607.09	-	-456.93
Carried forward business losses	817.63	443.79	-	1,261.41
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 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 Income tax laws	-	-	-	-
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	-	-	-	-
Difference of Depreciation provided for in the books	91.60	58.56	-	150.16
Carried forward business losses	922.20	-104.58	-	817.63
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**

7. Income tax assets (net)

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Income Tax Receivable	1,180.73	1,506.65
Minimum alternate tax credit entitlement	-	-
	1,180.73	**1,506.65**

8. Other non current assets

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Prepaid expenses	89.75	131.57
	89.75	**131.57**

9. Trade and other receivables

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Unsecured		
Considered good	4,177.59	2,592.69
Considered doubtful	137.75	128.91
	4,315.33	**2,721.61**
Less: Allowance for bad and doubtful debts (refer note 31)	-137.75	-128.91
Unsecured (net)	**4,177.59**	**2,592.69**
Receivable from related parties	1,494.47	1,351.14
Other Receivables	153.86	293.52
	1,648.34	**1,644.66**
Net trade receivables	**5,825.50**	**4,237.36**

For terms and conditions of trade receivables owing from related parties (Refer note 39).

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'24

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	2,894.15	1,417.93	-10.73	29.85	0.25	-	4,331.45
- Significant increase in credit risk	13.27	103.20	20.86	0.42	-	-	137.75
- Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables (Gross)							
- Considered good	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (note 31)	-	-	-	-	-	-	-137.75
Intercompany AR balance						-	
Monster.com.sg Pte Ltd	-	131.04	461.46	337.99	-	-	930.50
Monster.com HK Ltd.	-	0.73	8.32	-	-	-	9.05
Agensi Pekerjaan Monster Malaysia Sdn Bhd	-	72.75	255.01	165.90	-	-	493.66
Quess Corp Limited	23.84	9.63	6.23	21.39	-	-	61.08
Qdigi Services Limited	-	-	-	-	-	-	-
Conneqt Business Solutions Limited	-	-	-	0.18	-	-	0.18

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	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (note 31)	-	-	-	-	-	-	-128.91
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

10. Cash and cash equivalents

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Cash and cash equivalents		
Cash on hand	-	-
Balances with banks		
In current accounts	1,318.83	1,350.08
In EEFC Accounts	77.40	167.39
In deposit accounts (with original maturity of less than 3 months)	-	-
Cash and cash equivalents	**1,396.22**	**1,517.47**
Bank overdraft used for cash management purpose	-	-
Cash and cash equivalents in the statement of cash flow	**1,396.22**	**1,517.47**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods.



11. Bank balances other than cash and cash equivalents above

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
In deposit accounts (due to mature within 12 months from the reporting date)	15.92	4,845.31
	15.92	**4,845.31**

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.

12. Current loans

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Unsecured, considered good		
Advance given to employees	1.80	2.23
	1.80	**2.23**

13. Other current financial assets

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Interest accrued but not due	5.45	197.18
	5.45	**197.18**

14. Other current assets

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Prepaid expenses	882.28	708.51
Advances to creditors	11.41	10.45
Capital advances	53.38	28.06
Balances with government authorities (GST/VAT receivable)	1,169.91	1,045.86
	2,116.97	**1,792.88**

15. Share capital

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Authorised		
a. Equity share capital		
17,50,000 (March 31, 2023: 17,50,000 equity shares of INR. 2 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, 2023 : 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, 2023: 3,01,600 equity shares of INR. 2 each) equity shares of par value of INR 2 each, fully paid up	6.03	6.03
12,253 (March 31, 2023: 12,253) Compulsorily Convertible Preference Shares par value of INR 2,000 each, fully paid up	245.06	245.06
	251.09	**251.09**

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15.1. Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at Mar 31, 2024		As at Mar 31, 2023	
	Number of shares	Amount in INR lakhs	Number of shares	Amount in INR lakhs
a. Equity shares				
At the commencement of the year	3,01,600	6.03	60,320	1.21
Increase in shares on account of subdivision (Refer Note 15.2)	-	-	2,41,280	4.83
Shares issued during the year				
a) Conversion of debentures	-	-	-	-
b) Issue of equity shares under right issue (refer note no. 15.2)	-	-	-	-
At the end of the year	**3,01,600**	**6.03**	**3,01,600**	**6.03**
b. Compulsory convertible preference shares				
At the commencement of the year	12,253	245.06	7,855	157.10
Shares issued during the year	-	-	4,398	87.96
Shares redeemed during the year	-	-	-	-
At the end of the year	**12,253**	**245.06**	**12,253**	**245.06**

15.2. 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.

No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

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.

As per records of the Company, including its register of shareholder/members and other declarations received from shareholder regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares."

15.3. Shares held by holding company

Particulars	As at Mar 31, 2024		As at Mar 31, 2023	
	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, 2023: par value INR 2 each)				
- Quess Corp Limited	3,01,570	6.03	3,01,570	6.03
	3,01,570	**6.03**	**3,01,570**	**6.03**



15.4. Details of shareholders holding more than 5% shares in the Company

Particulars	As at Mar 31, 2024		As at Mar 31, 2023	
	Number of shares	% held	Number of shares	% held
Equity shares				
Equity shares of par value INR 2 each (March 31, 2023: par value INR 2 each)				
- Quess Corp Limited	3,01,570	99.99%	3,01,570	99.99%
	3,01,570	**99.990%**	**3,01,570**	**99.990%**

15.5. Details of shareholders holding of Compulsory convertiable preference shares

Particulars	As at Mar 31, 2024		As at Mar 31, 2023	
	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%	7,854	64.10%
- Meridian Investments	4,399	35.90%	4,399	35.90%
	12,253	**100.00%**	**12,253**	**100.00%**

16. Compulsorily Convertible Debentures

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Issued		
Convertible Debentures		
4687 (March 31, 2023: 1250) 12% Convertible Debentures of par value of INR 80000 each, fully paid up.	3,749.60	1,000.00
	3,749.60	**1,000.00**

16.1. Reconciliation of number of compulsorily convertible debentures outstanding at the beginning and at the end of the year

Particulars	As at Mar 31, 2024		As at Mar 31, 2023	
	Number of shares	Amount in INR lakhs	Number of shares	Amount in INR lakhs
Convertible Debentures				
At the commencement of the year	1,250	1,000.00	1,250	1,000.00
Instruments issued during the year	3,437	2,749.60	-	-
Instruments converted during the year	-	-	-	-
Instruments redeemed during the year	-	-	-	-
At the end of the year	**4,687.00**	**3,749.60**	**1,250.00**	**1,000.00**

16.2. 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'24 and shall be convertible to CCPS of the Company.

17. Other equity*

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Securities premium account (refer note 17.1)	18,679.53	18,679.53
Capital redemption reserve account (refer note 17.2)	29.09	29.09
Retained earnings	-17,863.04	-11,244.88
Other comprehensive income (refer note 17.3)	428.02	382.21
Stock Options Outstanding account	4,705.12	2,859.52
	5,978.64	**10,705.47**

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17.1. 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 17.1).

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 17.1).

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)).

17.2. 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.

17.3. Other comprehensive income

Remeasurement of the net defined benefit liability/(asset) comprises actuarial gain and losses and return on plan assets (excluding interest income).

17.4. 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.45 for further details of the Monster ESOP Plan 2021.

* For detailed movement of reserves refer Statement of changes in Equity.

17.4. Dividend

The Company has not declared any dividend during the current year.

18. Lease Liabilities

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Non-current lease liability	3,156.48	3,491.38
	3,156.48	**3,491.38**
Current lease liability	772.26	379.20
	772.26	**379.20**

19. Provisions

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Non-current provisions		
Provision for gratuity (Refer Note No.44) (Unfunded)	535.27	410.64
Provision for compensated absences (Unfunded & Vested) (Refer Note No.44)	40.62	38.23
Provision for compensated absences (Unfunded & Unvested) (Refer Note No.44)	-	41.17
	575.90	**490.04**
Current provisions		
Provision for gratuity (Refer Note No.44) (Unfunded)	11.55	9.61
Provision for compensated absences (Unfunded & Vested) (Refer Note No.44)	1.22	1.30
Provision for compensated absences (Unfunded & Unvested) (Refer Note No.44)	-	10.47
	12.77	**21.38**

20. Current borrowings

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Secured		
Working capital loan from bank repayable on demand	1,972.93	-
	1,972.93	-

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.



21. Trade payables

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Dues to micro, small and medium enterprise (Refer Note No. 40)	63.52	43.40
Trade payables to related parties	486.67	223.28
Other trade payables	625.36	633.63
	1,175.54	**900.31**

Trade Payable ageing Schedule

As at Mar 31, 2024	Outstanding period from due date of payments				
	<1 year	1-2 years	2-3 years	> 3 years	Total
1) MSME	63.52	-	-	-	63.52
2) Other	625.36	-	-	-	625.36
3) Disputed Dues-MSME	-	-	-	-	-
4) Disputed Dues-Others	-	-	-	-	-
5) Intercompany AP balance	-	-	-	-	-
Monster.com HK Ltd	3.56	-	-	-	3.56
Quess Corp Limited	251.87	218.81			470.68
Allsec Technologies Limited	1.03	-	-	-	1.03
Quesscorp Manpower Supply Servcies LLC	2.15				2.15
Connect Business Solutions Limited	8.25	-	-	-	8.25
Terrier Security Services (India) Private Ltd	1.00				1.00

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

22. Other current financial liabilities

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Employee Payables	323.80	522.31
	323.80	**522.31**

23. Other current liabilities

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Balances payable to government authorities	359.67	253.28
Advance received from customers	4.36	36.98
Unearned Revenue *	3,567.75	4,597.54
Accrued Salaries	977.84	765.57
Provision for expenses	1,576.01	2,123.94
	6,485.62	**7,777.30**

* 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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24. Revenue from Contracts with customers

(i) Disaggregation of revenue

Revenue disaggregation as per segment and geography has been included in segment information (Refer note 43).

(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, 2024	As at Mar 31, 2023
Receivables, which are included in 'Trade and other receivables'	4,177.16	2,592.97
Contract assets	-	-
Contract liabilities	3,567.75	4,597.54

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-24	31-Mar-23
Balance at the beginning of the year	4,597.5	4,460.78
Add: Billing made during the period (including Distribution Services)	11,448.5	13,204.81
Less: Revenue recognized during the period	-12,476.7	-13,038.84
Less: Contracts suspended due to uncertainity in ultimate collection	-1.58	-29.21
Closing Balance	3,567.75	4,597.54

25. Revenue from operations

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended 31-Mar-24	31-Mar-23
- Income from Recruitment and Distribution Services	11,802.81	11,300.55
- Income from BPO Operations	452.86	1,654.16
- Income from Internet Advertisement Fee [IAF]	221.01	84.13
	12,476.68	**13,038.84**

26. Other income

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended 31-Mar-24	31-Mar-23
Interest income under the effective interest method on:		
Interest income on fixed deposits	125.10	253.85
Interest income on present valuation of financial instruments	20.54	14.08
Interest on tax refunds	103.06	32.17
Income from sublet of office premises to subsidaries	-	20.46
Liabilities no longer required written back	-	0.30
Miscellaneous income	1.44	51.50
Net gain on financial assets/ liabilities-FVTPL	31.92	104.77
Profit on sale of property, plant and equipment	-	-
	282.07	**477.13**

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27. Employee benefit expenses

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Salaries and wages	10,088.35	9,554.63
Contribution to provident and other funds	190.63	164.26
Expenses related to defined benefit plans (gratuity) (refer note 44)	182.74	147.06
Expenses related to compensated absences (refer note 44)	5.82	17.50
Staff welfare expenses	67.85	119.43
Expense on employee stock option scheme	1,685.22	2,415.64
	12,220.61	**12,418.52**

28. Finance costs

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Bank Charges	10.77	10.98
Interest on short term loans	**77.09**	91.40
Interest expense on leases	**366.50**	344.31
Bank & Gateway charges	25.34	62.95
	479.69	**509.64**

29. Other expenses

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Rent	56.13	31.75
Power and fuel	39.36	72.34
Repairs & maintenance	-	-
- buildings	38.83	65.21
- plant and machinery	433.92	478.48
- others	0.04	6.36
Legal and professional fees	80.54	202.15
Remuneration to Auditors	17.50	17.50
Royalty and technical fee	-	-
Rates and taxes	23.13	7.34
Printing and stationery	25.70	11.03
Travelling and conveyance	177.57	193.92
Communication expenses	699.87	1,003.53
Impairment loss allowance on trade receivables (net)	39.58	21.57
Insurance	-1.18	0.05
Login expenses	256.71	245.85
Loss on sale of fixed assets, net	-	-
Foreign exchange loss, net	18.18	81.72
Donations	1.00	-
Miscellaneous expenses	13.67	6.07
	1,920.53	**2,444.87**

29.1. Remuneration to auditors

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Statutory audit fees	15.50	15.50
Tax audit fees	2.00	2.00
Others Services	-	-
	17.50	**17.50**

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30. 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, 2024	Level 1	Level 2	Level 3
Financial assets measured at amortised cost				
Loans	265.13	-	-	-
Investments	5,836.32			
Trade receivables	5,825.50	-	-	-
Cash and cash equivalents including other bank balances	1,412.14	-	-	-
Other financial assets	5.45	-	-	-
Financial assets measured at fair value				
Investment in mutual funds	-	-	-	-
Total financial assets	**13,344.54**	-	-	-
Financial liabilities measured at amortised cost				
Borrowings	1,972.93	-	-	-
Trade payables	1,175.54	-	-	-
Other financial liabilities	8,002.14	-	-	-
Total financial liabilities	**11,150.61**	-	-	-

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	4,392.89	-	-	-
Total financial liabilities	**5,293.19**	-	-	-

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.

31. 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, 2024 and Mar 31, 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 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, 2024	March 31, 2023
Provision under Expected Credit Loss method using Credit Loss Rate percentage (A)	114.58	8.22
Provision as per management estimate	137.75	128.91
Actual Provision (Higher of A or B)	137.75	128.91



As at March 31, 2024

(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	3,585.16	0.00%	0.00	No	3,585.16
Past due 1–90 days	506.35	5.08%	25.71	No	480.64
Past due 91–180 days	90.62	8.98%	8.14	No	82.48
Past due 181–270 days	52.42	19.66%	10.31	No	42.11
Past due 271 - 360 days	15.00	31.00%	4.65	No	10.35
Above 360 days	65.78	100.00%	65.78	No	-
	4,315.33		**114.58**		**4,200.75**

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**

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, 2024	As at March 31, 2023
Balance as at the beginning of the year	128.91	36.56
Impairment loss allowances recognised	39.58	21.57
Bad Debt Written off	-30.75	70.79
Balance as at the end of the year	**137.75**	**128.91**

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 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, 2024 and March 31, 2023. 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, 2024					
Borrowings	1,972.93	1,972.93	-	-	-
Trade payables	1,175.54	956.74	218.81	-	-
Other financial liabilities	5,399.95	1,428.51	1,051.94	1,778.85	1,140.65
As at March 31, 2023					
Borrowings	-	-	-	-	-
Trade payables	900.31	877.65	22.65	-	-
Other financial liabilities	5,823.05	2,641.43	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, 2024		As at March 31, 2023	
		Foreign currency	Amount	Foreign currency	Amount
Trade receivables	SGD	15.07	930.50	12.00	741.82
	PHP	123.66	183.31	142.38	215.42
	USD	6.29	524.54	8.67	712.79
	HKD	0.85	9.05	-	-
	SAR	-	-	-	-
	AED	-	-	-	-
	GBP	-	-	0.05	5.29
	MYR	28.01	493.66	26.85	499.97
Trade payables	SGD	0.83	51.27	-	-
	PHP	-	-	-	-
	USD	8.16	680.80	1.41	115.94
	MYR	-	-	-	-
	HKD	-	-	-	-
	SAR	-	-	-	-
	AED	0.13	3.03	0.27	5.95
	EUR	-	-	-	-
	GBP	-	-	-	-

The following significant exchange rates have been applied

Currency	Year end spot rate	
	March 31, 2024	March 31, 2023
SGD/INR	61.74	61.79
PHP/INR	1.48	1.51
USD/INR	83.41	82.17
MYR/INR	17.62	18.62
HKD/INR	10.66	10.47
SAR/INR	22.24	21.89
AED/INR	22.71	22.37
GBP/INR	105.03	101.65

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Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign currencies against INR at March 31, 2024 and March 31, 2023 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, 2024				
SGD(4%)	35.17	-35.17	35.17	-35.17
PHP(5%)	9.17	-9.17	9.17	-9.17
USD(5%)	-7.81	7.81	-7.81	7.81
MYR(3%)	14.81	-14.81	14.81	-14.81
HKD(5%)	0.45	-0.45	0.45	-0.45
GBP(5%)	-	-	-	-
AED(5%)	-0.15	0.15	-0.15	0.15
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%)	-	-	-	-
AED(5%)	-0.30	0.30	-0.30	0.30

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 2024	31 March 2023
Variable rate borrowings	1,972.93	-
Fixed rate borrowings	-	-
Total borrowings	**1,972.93**	**-**

(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, 2024				
Variable rate borrowings	19.73	-19.73	19.73	-19.73
March 31, 2023				
Variable rate borrowings	-	-	-	-

32. 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.



33. Capital commitments

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
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	-	-

34. Contingent liabilities and commitment (to the extent not provided for)

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
a) Customer case pending against the company	-	-
b) Claims against the Company not acknowledged as debt	-	-
c) Income tax assessment	-	-

35. Earnings in foreign currency (Receipt Basis)

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	Mar 31, 2024	Mar 31, 2023
Receipts from Operations	3,489.46	3,577.31

36. Expenditure in foreign currency (Invoice Basis)

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	Mar 31, 2024	Mar 31, 2023
Business promotion expenses	729.29	261.80
Reseller Services purchase expenses	1,028.22	1,286.64
Internet Infrastructure Services	47.41	35.35
Other Operating expenses	300.19	0.27
Expenses incurred by Foreign Branches	303.49	637.45

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37. Earnings per share

(Amount in INR lakhs except number of shares and per share data)

Particulars	For the year ended	
	Mar 31, 2024	Mar 31, 2023
Nominal value of equity shares (INR 2 per share, March 31,2023: INR 2 per share)	2	2
Net Loss after tax for the purpose of earnings per share (INR in lakhs)	-6,618.17	-7,831.03
Weighted average number of shares used in computing basic earnings per share	3,01,600	3,01,600
Basic earnings per share (INR)	**-2,194.35**	**-2,596.50**
Weighted average number of shares used in computing diluted earnings per share	3,62,865	3,62,865
Diluted earnings per share (INR)	**-1,823.87**	**-2,158.12**

Computation of weighted average number of shares

Particulars	For the year ended	
	Mar 31, 2024	Mar 31, 2023
Number of equity shares outstanding at beginning of the year (post share split*)	2,50,000	2,50,000
Add: number of equity shares issued during the year	-	-
Number of equity shares outstanding at closing of the year	2,50,000	2,50,000
Add: Dilutable number of convertible preference shares issued during the year	-	-
Diluted Number of equity shares outstanding at closing of the year	**2,50,000**	**2,50,000**
Weighted average number of shares outstanding at the end of the year for computing basic earnings per share	3,01,600	3,01,600
Weighted average number of shares outstanding at the end of the year for computing diluted earnings per share	3,62,865	3,62,865

*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.

38. Lease liability

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Current lease liability	772.26	379.20
Non-current lease liability	3,156.48	3,491.38
Total	**3,928.74**	**3,870.58**

Movement in lease liabilities:

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Operating lease recognised on adoption of Ind AS 116	3,870.58	2,256.49
Add: Additions	616.32	2,097.95
Less: Deletion	-	-227.71
Add: Finance cost accrued during the period	366.50	344.31
Less: Payment of lease obligation	-924.64	-600.47
Carrying amount as at 31 March 2024	**3,928.74**	**3,870.58**

Amount recognised in Profit & Loss Account

(Amount in INR

Particulars	For the year ended	
	Mar 31, 2024	Mar 31, 2023
Interest expense (included in finance cost)	366.5	344.31
Expenses relating to short-term lease (included in other expenses)	28.40	24.40
Expenses relating to lease of low value assets that are not included above	-	-
	394.89	368.72

Details of the contractual maturities of lease liabilities at undiscounted basis:

(Amount in INR lakhs, unless stated otherwise)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Less than one year	1,104.72	816.01
One to five years	2,830.79	2,988.65
More than five years	1,140.65	1,496.08



39. 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 (Merged with Quess Corp Ltd w.e.f 1 December 2023), 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 (Merged with Quess Corp Ltd w.e.f 1 December 2023), India Vedang Cellular Services Private Limited, India Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited), Indi 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 Bluspring Enterprises Limited (w.e.f 11 February 2024), India Simpliance Technologies Private Limited (till 20 October 2022), India Qdigi Services Limited (till 31 March 2024), India Greenpiece Landscapes India Private Limited (Merged with Quess Corp Ltd w.e.f 1 December 2023), India Quesscorp Management Consultancies (formerly known as Styracorp Management Services), India Quesscorp Manpower Supply Services LLC [formerly known as SM S Manpower Supply Services (LLC)], UAE All sec Technologies Limited, India Allsectech Inc., USA Allsectech Manila Inc., Philippines Quess Services Limited (till 20 March 2024), 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), India Stellarslog Technovation Private Limited (w.e.f 7 April 2022), India Quess Recruit, Inc. (w.e.f 1 January 2024) Agency Pekerjaan Quess Recruit Sdn. Bhd. (w.e.f 1 July 2023), Malaysia Quess GTS Canada Holdings Inc. (w.e.f 5 October 2023), Canada Digitide Solutions Limited (w.e.f 10 February 2024), India
- Associates of Holding Company	Quess Recruit, Inc., Philippines (till 31 December 2023) Agency Pekerjaan Quess Recruit SDN. BHD., Malaysia (till 30 June 2023)
- Joint Venture of Holding Company	Himmer Industrial Services (M) Sdn. Bhd., Malaysia (till 4 March 2024)

Key executive management personnel

Mr. Chandra Sekhar Reddy Garisa - Director & CEO (wef Dec 22, 2021)

Monster.com India Pvt. Ltd. BENGALURU

(ii) Related party transactions during the year

(Amount in INR lakhs, unless stated otherwise)

Particulars		For the year ended Mar 31, 2024	For the year ended Mar 31, 2023
Sale of Recruitment Solutions & IAF Services	Quess Corp Limited	44.54	55.45
	Conneqt Business Solutions Limited	3.01	60.85
	Allsec Technologies Limited	2.50	-
Income from BPO operations			
(a) Telecalling services [#1]	Monster.com SG Pte. Ltd.	345.71	503.46
	Agensi Pekerjaan Monster Malaysia Sdn Bhd	107.15	76.69
[#1] Telecalling service is remunerated at cost plus 15% markup			
(b) Consultancy & Management support services	Monster.com SG Pte. Ltd.	-	736.60
	Agensi Pekerjaan Monster Malaysia Sdn Bhd	-	337.41
	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
	Excelus Learning Solutions Private Limited	-	-
Receipts from Distribution of access rights (net)	Monster.com SG Pte. Ltd.	134.77	541.48
	Agensi Pekerjaan Monster Malaysia Sdn Bhd	92.99	155.15
	Monster.com HK Ltd.	7.04	47.12
Purchase of Services	Quess Corp Limited	62.19	595.97
	Conneqt Business Solution Limited	42.55	59.22
	Terrier Security Services (India) Private Ltd	10.28	16.29
	Allsec Technologies Limited	2.67	3.73
	Quesscorp Manpower Supply Servcies LLC	-	-
	Heptagon Technologies Private Limited	-	6.70
Payment for Distribution of access rights (net)	Monster.com SG Pte. Ltd.	-	-
	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 Mar 31, 2024	As at Mar 31, 2023
Trade receivables (net)	Monster.com SG Pte. Ltd.	930.50	738.78
	Agensi Pekerjaan Monster Malaysia Sdn Bhd	493.66	499.97
	Monster.com HK Ltd.	9.05	-
	Quess Corp Limited	61.08	37.26
	Connect Business Solutions Limited	0.18	74.72
	Quesscorp Manpower Supply Servcies LLC	-	-
	Qdigi Services Limited	-	0.41
Trade payables (net)	Monster.com HK Ltd.	3.56	2.36
	Quess Corp Limited	472.06	218.62
	Allsec Technologies Limited	1.03	0.19
	Quesscorp Manpower Supply Servcies LLC	2.15	2.11
	Connect Business Solutions Limited	8.25	-
	Terrier Security Services (India) Private Ltd	1.00	-
Investment from Holding Company	Quess Corp Limited	3,749.60	1,000.00



(iv) Compensation of key managerial personnel

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended	
	Mar 31, 2024	Mar 31, 2023
Chandra Sekhar Reddy Garisa (wef Jan 17, 2022)	301.28	282.68
	301.28	**282.68**

*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.

40. 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.

41. 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.

42. 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.



43. 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, 2024			As at March 31, 2023		
	Recruitment Solutions & IAF Services	BPO Services	Total	Recruitment Solutions & IAF Services	BPO Services	Total
Segment revenue	12,023.82	452.86	12,476.68	11,384.68	1,654.16	13,038.84
Segment cost	18,965.62	393.79	19,359.41	19,761.02	1,480.85	21,241.87
Segment result	**-6,941.80**	**59.07**	**-6,882.73**	**-8,376.35**	**173.31**	**-8,203.04**
Other income			282.07			477.13
Unallocated corporate expenses			17.50			17.50
Profit before taxation	**-6,941.80**	**59.07**	**-6,618.17**	**-8,376.35**	**173.31**	**-7,743.41**
Taxation (Expense)/ Benefit	-	-	-	-	-	-87.63
Profit after taxation	**-6,941.80**	**59.07**	**-6,618.17**	**-8,376.35**	**173.31**	**-7,831.03**
Segment asset	19,632.75	1,424.16	21,056.90	20,218.34	1,238.75	21,457.09
Segment liabilities	23,865.96	-	23,865.96	25,027.07	-	25,027.07
Capital expenditure	47.94	-	47.94	320.84	-	320.84

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, 2024	For the year ended March 31, 2023
India	11,666.92	12,098.86
Middle East	622.03	215.26
Philippines	187.73	724.71
Total	**12,476.68**	**13,038.84**

C Major customer

None of the customers of the Company has revenue which is more than 10 % of the Company's total revenue



44. 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, 2024	As at Mar 31, 2023
Net defined benefit liability, gratuity plan	546.82	420.25
Net defined benefit liability, Compensated absences (Vested)	41.85	39.53
Net defined benefit liability, Compensated absences (Unvested)	-	51.64
Total employee benefit liability	**588.67**	**511.42**
Current	12.77	21.38
Non-current	575.90	490.04
	588.67	**511.42**

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, 2024			As at Mar 31, 2023		
	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	39.53	51.64	420.25	38.54	38.51	318.79
Current service cost	2.87	(51.64)	151.44	2.97	29.99	124.87
Interest cost	2.94	-	31.31	2.68	2.68	22.19
Past service cost	-	-	-	-	-	-
Benefits settled	(1.38)	-	(10.37)	(3.37)	-	(17.42)
Actuarial (gains)/ losses recognised in other comprehensive income						
- Changes in experience adjustments	(3.17)	-	(60.63)	0.87	(15.73)	(0.90)
- Changes in demographic assumptions	-	-	-	0.10	(0.06)	(3.38)
- Changes in financial assumptions	1.04	-	14.82	(2.25)	(3.75)	(23.90)
Obligation at the end of the year	**41.85**	-	**546.82**	**39.53**	**51.64**	**420.25**

(Amount in INR lakhs, unless stated otherwise)

Particulars	For the year ended Mar 31, 2024			Mar 31, 2023		
	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	2.87	-51.64	151.44	2.97	29.99	124.87
Interest cost	2.94	-	31.31	2.68	2.68	22.19
Past service cost	-	-	-	-	-	-
Actuarial (gains) /losses on defined benefit obligation	-	-		-1.29	-19.54	
Net Cost	**5.82**	- **51.64**	**182.74**	**4.36**	**13.13**	**147.06**
(ii) Remeasurement recognised in other comprehensive income						
Actuarial (gains) /losses on defined benefit obligation		-	-45.81			-28.18
	-	-	**-45.81**	-	-	**-28.18**



Particulars	For the year ended					
	Mar 31, 2024			Mar 31, 2023		
	Leave Encashment (Vested)	Leave Encashment (Unvested)	Gratuity	Leave Encashment (Vested)	Leave Encashment (Unvested)	Gratuity
C Defined benefit obligation - Benefits paid						
Actual Benefit Payments	1.38	-	10.37	3.37	-	17.42
D Defined benefit obligation - Actuarial Assumptions						
Discount rate	##########	##########	##########	6.96%	6.96%	6.96%
Future salary growth	##########	##########	##########	8.00%	8.00%	8.00%
E Defined benefit obligation - bifurcation into current & non current						
Current	1.22	-	11.55	1.30	10.47	9.61
Non-current	40.62	-	535.27	38.23	41.17	410.64

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, 2024		As at Mar 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	-35.91	39.17	-31.49	34.38
Future salary growth (0.5% movement)	32.67	-31.30	29.29	-27.68

45. 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 75400 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 2024, 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, 2024	As at Mar 31, 2023
Weighted average share price at grant date (INR)	20,450.00	20,450.00
Exercise price (INR)	2.00	2.00
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)	20,450.00	20,450.00

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, 2024		As at Mar 31, 2023	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance as at the beginning of the year	50,240	20,450	42,840	20,450
Add: Granted during the year	11,306	20,450	11,125	20,450
Less: Exercised during the year	-	-	-	-
Less: Lapsed/forfeited during the year	4,730	20,450	3,725	20,450
Balance as at the end of the year	56,816	20,450	50,240	20,450

The options outstanding as at 31 March 2024 have an exercise price of INR 2 (31 March 2023: 2) and a weighted average remaining contractual life of 1.875 years (31 March 2022: 2.875).

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).

The weighted average share price at the date of exercise for share options exercised during the year ended 31 March 2022 is INR 79576 (31 March 2021: Nil).

46. The Company has incurred cash losses (i.e PAT + Depreciation + Provision for Bad & Doubtful debts) in the current financial year INR 5528.60 Lakh (March 2023 : INR 6,939.48 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.

47. Previous year figures have been regrouped wherever necessary to correspond to current year classification.



Monster.com India Pvt Limited

Notes to the financial statements for the year ended March 31, 2024
(Amount in INR lakhs, unless otherwise stated)

48. Ratios

S No.	Ratio	Formula (N/D)	Mar 31, 2024		Mar 31, 2023		Ratio as on		Variation	Reason (If variation is more than 25%)
			N	D	N	D	Mar 31, 2024	Mar 31, 2023		
(a)	Current Ratio	Current Assets / Current Liabilities	9,361.86	10,742.92	12,592.44	9,600.51	0.87	1.31	-34%	Due to investments in mutual funds & bank deposits.
(b)	Debt-Equity Ratio	Debt / Equity	1,972.93	6,229.73	-	10,956.56	0.32	0.00	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 in PY and taking 1972.93 L in CY.
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service	-5,124.59	6,345.26	-6,525.33	4,306.29	-0.81	-1.52	-47%	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	-6,618.17	6,229.73	-7,831.03	10,956.56	-1.06	-0.71	49%	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	12,476.68	5,031.43	13,038.84	3,441.74	2.48	3.79	-35%	Variance is on account of CY Sales/billings
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	5,648.55	1,037.93	8,664.46	711.17	5.44	12.18	-55%	Variance is on account of Increase in credit purchases and average of TP in CY 23-24.
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	12,476.68	-1,381.06	13,038.84	2,991.93	-9.03	4.36	-307%	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	-6,618.17	12,476.68	-7,831.03	13,038.84	-0.53	-0.60	-12%	The variation is on account of Losses in CY.
(j)	Return on Capital Employed	EBIT / Capital Employed	-6,174.58	13,711.71	-7,307.69	15,937.98	-0.45	-0.46	-2%	Variance is on account of Losses in CY
(k)	Return on Investment	Net Profit / Net Investment	-6,618.17	6,229.73	-7,831.03	10,956.56	-1.06	-0.71	49%	The variation is on account of Losses in CY.



49. 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.

50. 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.

51. Assets Pledged as Security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	Notes	31-Mar-24	31-Mar-23
Current assets			
(i) Investments	9	-	-
(ii) Trade receivables	9	5,825.50	4,237.36
(iii) Cash and cash equivalents	10	1,396.22	1,517.47
(iv) Bank balances other than cash and cash equivalents above	11	15.92	4,845.31
(v) Loans	12	1.80	2.23
(vi) Other financial assets	13	5.45	197.18
Other current assets	14	2,116.97	1,792.88
Total Current assets pledged as security		**9,361.85**	**12,592.44**
Non-Current assets			
Furniture, fittings and equipment acquired under finance lea	3 (a)	225.07	319.29
Total Non-Current assets pledged as security		**225.07**	**319.29**
Total Assets pledged as security		**9,586.92**	**12,911.73**

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.

52. 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.

53. 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,

54. Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

55. 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

56. Corporate Social Responsibility

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. However, given our current financial circumstances, where we are incurring losses, there is no requirement for us to fulfill the CSR spending obligation in

57. Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.



58. 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.

59. Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or

60. 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: May 08, 2024

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

INDEPENDENT AUDITOR'S REPORT

To the Members of TRIMAX SMART INFRAPROJECTS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Trimax Smart Infraprojects Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 Notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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, 2017, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit, total comprehensive income, its cash flows and the change in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 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 audit opinion on the financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.2(iii) of the financial statements, which indicates uncertainty as regards to extension of Smart City Ahmedabad Development Limited ('SCADL') contract and negative net worth as at balance sheet date. 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, 2024. Accordingly, there is 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

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Emphasis of Matter

We draw attention to note 35 (B) (c) of financial statement, during the previous period, efforts were made to obtain confirmation from SCADL and the same was not received during the current year. As on 31st March 2024, the management have comprehensively reviewed the overall receivable INR 4304.44 lakh (previous year INR 4278.73 lakh) and accordingly allowance for excepted credit loss of INR 3705.91 lakh (previous year 3690.91 lakh) is maintained against the same. An amount of INR 1588.50 (previous year 3008.04 lakh) has received from SCADL during the year.

Our opinion is 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 Director's Report including Annexures thereof 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 Responsibilities 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 total comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2017 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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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 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 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 system in place and the operating effectiveness of such controls.

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

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

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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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements.

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 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 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 Cash Flow and the Statement of Change in Equity 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 read with the Companies (Indian Accounting Standards) Rules, 2017, as amended.

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e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of sub-section (2) of Section 164 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 control, refer to our separate report in "Annexure B". 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 the requirements of sub-section (16) of Section 197 of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.

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 position;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The company has not entered into any derivative contracts during the year; and

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entity ("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 to or on behalf of the Ultimate Beneficiaries.

(b) The Management has represented that, to the best of its knowledge and belief, no funds (which are either material either individually or in 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,

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

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

v. The Company has not declared and paid dividend during the year.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For DMKH & CO.,
Chartered Accountants
Firm Registration No.: 116886W

Manish Bhansali
Partner
M. No. 403687
UDIN: 24403687BKBHDP3920
Place: Gandhinagar
Date: 06/05/2024

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) (a) (A) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any property, plant and equipment's and accordingly, reporting under paragraph 3 (i) (a) (A) of the Order is not applicable.

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any intangible assets and accordingly, reporting under paragraph 3 (i) (a) (B) 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 does not purchased/acquired any property, plant and equipment during the year and accordingly, reporting under paragraph 3(i) (b, c & d) of the order are 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, no proceedings have been initiated during the period or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) (a) The Company does not have inventories and accordingly, reporting under paragraph 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, at any point of time of the year, the Company has not 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 or granted any loans or advances in the nature of loans, secured or unsecured, to any parties covered in the register mentioned under section 189 of the Act. Accordingly, reporting under paragraph 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(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 granted any loans, investments made or provided guarantees under section 185 and 186 of the Companies Act, 2013.

(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 or amounts which are deemed to be deposits from the public within the meaning of Section 73 to Section 76 of the Act and the Rules framed there under to the extent notified.

(vi) To the best of our knowledge and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under section 148(1) of the Companies Act, 2013. Accordingly, clause 3(vi) of the Order is not applicable to the Company.

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(vii) (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 generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, income tax, goods and service tax, cess and other material statutory dues applicable to it.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, service tax, goods and service tax, cess and other material statutory dues which were outstanding, at the period end, 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 sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, duty of excise, value added tax, and cess which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) (a) As the Company has not made any default in repayment of loans or other borrowings from any lender as at the balance sheet date.

(b) According to the information and explanations given to us and the records of the Company examined by us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not availed term loan during the year. Accordingly, reporting under paragraph 3 (ix) (c) is not applicable to the Company.

(d) According to the information and explanations given to us and the records of the Company examined by us, and on an overall examination of the Financial Statements of the Company, the Company has not obtained short-term loans during the year. Accordingly, reporting under paragraph 3 (ix) (d) is not applicable to the Company.

(e) According to the information and explanations given to us and the records of the Company examined by us, 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 subsidiaries, associates or joint venture as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) The Company does not have any subsidiary, associate or joint venture during the year as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the period. Accordingly, the reporting under clause 3 (x) (a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period. Accordingly, reporting under paragraph 3 (x) (b) of the Order is not applicable to the Company.

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(xi) (a) To the best of our knowledge, no material fraud by the Company or 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) According to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the period by the Company.

(xii) As the Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and the records of the Company examined by us, 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 Indian accounting standards.

(xiv) (a) According to the information and explanations given to us and the records of the Company examined by us, provisions of internal audit are not applicable to the Company.

(b) The Company did not have an internal audit system during the period. Accordingly, the reporting under clause 3 (xiv) (b) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with Directors or persons connected with him. Accordingly, reporting under paragraph 3 (xv) of the Order is not applicable.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3 (xvi) (a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the period. Accordingly, the reporting under clause 3 (xvi) (b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3 (xvi) (c) of the Order is not applicable to the Company.

(d) According to the information by management, The Group has no CIC which are part of the group. Accordingly, the provision of clause 3(xvi) (d) of the order are not applicable.

(xvii) According to the information and explanations given to us and the records of the Company examined by us, the Company has incurred no cash losses in the financial year and cash losses amounting Rs. 17.92 Lakhs incurred in the immediately preceding financial year.

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(xviii) There has been no resignation of the statutory auditors during the period and accordingly, reporting under clause (xvii) is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios (Also refer Notes to the Financial Statements), 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 period 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 period 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 the records of the Company examined by us, provisions under sub-section (5) of Section 135 of the Companies Act, 2013 is not applicable to the Company. The Reporting under clause 3(xx)(a) and clause 3(xx)(b) of Order is not applicable in respect of audit of financial statement for the period. Accordingly, no comments in respect of the said clauses have been included in this report.

For DMKH & CO.,
Chartered Accountants
Firm Registration No.: 116886W

Manish Bhansali
Partner
M. No.403687
UDIN: 24403687BKBHDP3920
Place: Gandhinagar
Date: 06/05/2024

DMKH & CO. FRN 116886W CHARTERED ACCOUNTANT

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 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 Trimax Smart Infraprojects Private Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, and 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 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 ICAI.

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

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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.

For DMKH & CO.,
Chartered Accountants
Firm Registration No.: 116886W

Manish Bhansali
Partner
M. No.403687
UDIN: 24403687BKBHDP3920
Place: Gandhinagar
Date: 06/05/2024

Trimax Smart Infraprojects Private Limited

BALANCE SHEET AS AT 31ST MARCH 2024

(Amount in lakhs)

Balance Sheet	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Current Assets			
Financial assets			
(i) Trade receivables	3	715.20	679.91
(ii) Cash and cash equivalents	4	3.19	36.89
(iii) Bank balance other than Cash and cash equivalents	5	41.30	2,458.32
(iv) Other current financial assets	6	0.99	81.63
Current tax assets (net)	7	131.09	121.54
Other current assets	8	99.47	105.14
Total current assets		**991.24**	**3,483.44**
Total Assets		**991.24**	**3,483.44**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	9	1.00	1.00
Other equity instrument	10	8,730.00	9,130.00
Other equity	11	(8,360.10)	(8,738.02)
Total equity		**370.90**	**392.98**
Liabilities			
Current liabilities			
Financial liabilities			
(i) Current Borrowings	12	-	2,749.43
(ii) Trade payables	13	467.01	239.23
(iii) Other current financial liabilities	14	48.41	31.87
Current Provisions	15	68.27	68.18
Other current liabilities	16	36.65	1.75
Total current liabilities		**620.34**	**3,090.46**
Total Liabilities		**620.34**	**3,090.46**
Total Equity and Liabilites		**991.24**	**3,483.44**
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 D M K H & CO
Chartered Accountants
Firm's Registration No:116886W

Manish Bhansali
Partner
Membership No: 403687

Place: Gandhinagar
Date: 06th May 2024

DMKH & CO. FRN 116886W CHARTERED ACCOUNTANT

for and on behalf of Board of Directors of
Trimax Smart Infraprojects Private Limited

Madhu Damodaran
Director
DIN: 00424780

Place: Bengaluru
Date: 06th May 2024

Guruprasad Srinivasan
Director
DIN: 07596207

Place: Bengaluru
Date: 06th May 2024

Trimax Smart Infra Project Private Limited

Trimax Smart Infraprojects Private Limited

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2024

(Amount in lakhs)

Statement of profit and loss	Note	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	17	1,392.55	819.26
Other income	18	114.27	144.07
Total Income		**1,506.82**	**963.32**
Expenses			
Cost of materials and services	19	848.61	594.16
Employee benefits expense	20	138.62	149.46
Finance costs	21	150.28	197.06
Other expenses	22	(8.63)	(2.96)
Total expenses		**1,128.88**	**937.72**
Profit/(loss) before tax		**377.94**	**25.60**
Tax expense			
Current tax		-	-
Deferred tax		-	-
Profit/(loss) for the period		**377.94**	**25.60**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans	23	(0.01)	0.07
Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive income for the period		**(0.01)**	**0.07**
Total comprehensive income for the period		**377.93**	**25.67**
Earnings per equity share (face value of Rs 10 each)	29		
Basic (Rs.)		3,779.39	256.02
Diluted (Rs.)		482.88	31.45

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

for D M K H & CO
Chartered Accountants
Firm's Registration No:116886W

Manish Bhansali
Partner
Membership No: 403687

Place: Gandhinagar
Date: 06th May 2024

for and on behalf of Board of Directors of
Trimax Smart Infraprojects Private Limited

Madhu Damodaran
Director
DIN: 00424780

Place: Bengaluru
Date: 06th May 2024

Guruprasad Srinivasan
Director
DIN: 07596207

Place: Bengaluru
Date: 06th May 2024

Trimax Smart Infraprojects Private Limited

Statement of Cash flow Statement for the year ended 31 March 2024

(Amount in lakhs)

Statement of Cash Flows	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities		
Profit before tax	377.94	25.60
Adjustments for:		
Loss allowance on financial assets, net	15.00	(93.46)
Finance costs	150.28	197.06
Provision for balances with government authorities	(50.00)	50.00
Finance income on fixed deposit	(111.96)	(106.99)
Interest income on refund	(2.31)	-
Operating cash flows before working capital changes	**378.94**	**72.22**
Changes in Unbilled revenue and Trade receivables	(50.29)	2,037.34
Changes in other current assets	55.66	6.44
Changes in trade payables	227.78	(717.24)
Changes in other financial liabilities, other liabilities and provisions	51.52	(30.67)
Cash generated from operations	**663.61**	**1,368.09**
Income taxes paid, net of refund	(7.23)	(70.28)
Net cash (used in) / provided by operating activities (A)	**656.38**	**1,297.81**
Cash flows from investing activities		
Bank deposits (having original maturity of more than three months)	2,417.02	(65.32)
Interest income on term deposits	192.61	106.99
Net cash (used in) / provided by investing activities (B)	**2,609.63**	**41.67**
Cash flows from financing activities		
Proceeds from borrowings	(2,749.43)	139.07
Redemption of other equity instrument	(400.00)	(1,270.00)
Interest paid	(150.28)	(197.06)
Net cash (used in) / provided by financing activities (C)	**(3,299.70)**	**(1,328.00)**
Net increase in cash and cash equivalents (A+B+C)	(33.70)	11.49
Cash and cash equivalents at the beginning of the period	36.89	25.40
Cash and cash equivalents at the end of the period	**3.19**	**36.89**

Components of cash and cash equivalents

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash and cash equivalents		
Cash on hand	-	-
Balances with banks		
In current accounts	3.19	36.89
In deposit accounts (with original maturity of less than 3 months)	-	-
Cash and cash equivalents as per standalone statement of cash flows	**3.19**	**36.89**

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Trimax Smart Infra Project Private Limited

Trimax Smart Infraprojects Private Limited

Statement of Cash flow Statement for the year ended 31 March 2024

Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	**Borrowings**
Debt as at 1 April 2023	2,749.43
Cash flows	(2,749.43)
Other changes	-
Debt as at 31 March 2024	-

Particulars	**Borrowings**
Debt as at 1 April 2022	2,609.36
Cash flows	139.07
Other changes	1.00
Debt as at 31 March 2023	**2,749.43**

The accompanying notes form an integral part of the financial statements.
As per our report of even date attached

for D M K H & CO
Chartered Accountants
Firm's Registration No:116886W

Manish Bhansali
Partner
Membership No: 403687

Place: Gandhinagar
Date: 06th May 2024

DMKH & CO. FRN 116886W CHARTERED ACCOUNTANT

for and on behalf of Board of Directors of
Trimax Smart Infraprojects Private Limited

Madhu Damodaran
Director
DIN: 00424780

Place: Bengaluru
Date: 06th May 2024

Guruprasad Srinivasan
Director
DIN: 07596207

Place: Bengaluru
Date: 06th May 2024

Trimax Smart Infra Project Private Limited

Trimax Smart Infraprojects Private Limited
Statement of Changes in Equity for the year ended 31 March 2024

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 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)**

Particulars	Share Capital	OTHER EQUITY		Total Equity attributable to Equity holders of the Company
		Retained Earnings	Other Comprehensive Income	
Balance as of 01 April 2023	1.00	(8,738.08)	0.06	(8,737.02)
Add: Profit for the year	-	377.94	-	377.94
Add: Other comprehensive income (net of tax)	-	-	(0.01)	(0.01)
Balance as of 31 March 2024	**1.00**	**(8,360.14)**	**0.05**	**(8,359.10)**

The accompanying notes form an integral part of the financial statements.
As per our report of even date attached
for D M K H & CO
Chartered Accountants
Firm's Registration No:116886W

Manish Bhansali
Partner
Membership No: 403687

Place: Gandhinagar
Date: 06th May 2024

DMKH & CO. FRN 116886W CHARTERED ACCOUNTANT

for and on behalf of Board of Directors of
Trimax Smart Infraprojects Private Limited

Madhu Damodaran
Director
DIN: 00424780

Place: Bengaluru
Date: 06th May 2024

Guruprasad Srinivasan
Director
DIN: 07596207

Place: Bengaluru
Date: 06th May 2024

Trimax Smart Infra Project Private Limited

Trimax Smart Infraprojects Private Limited
Notes to the Financial Statements for the year ended 31 March 2024

1. Company overview

Trimax Smart Infraprojects Private Limited (CIN: U74999KA2017PTC135030) was incorporated on 14th July 2017 under the Companies Act, 2013 under at the registered address 3/3/2, Bellandur Gate, Sarjapur Main Road, Bangalore, Karnataka, India, 560103. 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. Material 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, 2017, as amended.

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 06/05/2024.

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 of 2-3 months period and as on March 31, 2024, O&M contract extended upto April 2024. 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, 2024. 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.

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Trimax Smart Infra Project Private Limited

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 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.

2.6 Revenue Recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method.
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).

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Trimax Smart Infra Project Private Limited

2.7 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)

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.

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Trimax Smart Infra Project Private Limited

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 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.

2.8 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.

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Trimax Smart Infra Projects Private Limited

(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.

2.9 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.

2.10 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.

2.11 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.

2.12 Recent Indian Accounting Standards (Ind AS)

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. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

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Trimax Smart Infra Project Private Limited

3 Trade receivables

i) Trade receivables - billed *(Amount in lakhs)*

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured		
Undisputed Trade receivables		
Considered good	598.53	587.82
Considered doubtful	3,705.91	3,690.91
Less: Allowance for expected credit loss (considered doubtful)*	(3,705.91)	(3,690.91)
	598.53	**587.82**
*refer note 26		
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	**598.53**	**587.82**

All trade receivables are current.

ii) Trade receivables - unbilled *(Amount in lakhs)*

Particulars	As at 31 March 2024	As at 31 March 2023
Unbilled revenue	116.67	92.10
Less: Provision for impairment of unbilled revenue	-	-
	116.67	**92.10**
Total of trade receivable	**715.20**	**679.91**

Trade receivable ageing schedule as on 31 March 2024: *(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	116.67	233.03	484.62	-	-	-	(119.11)	**715.20**
Significant increase in credit risk	-	-	-	15.00	90.28	967.25	2,633.37	**3,705.91**
Credit impaired	-	-	-	(15.00)	(90.28)	(967.25)	(2,633.37)	**(3,705.91)**
Disputed trade receivables								
Considered good	-	-	-	-	-	-	-	-
Considered doubtful	-	-	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-

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	-	-	-	-	-	-	-	-

4 Cash and cash equivalents

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents		
Balances with banks		
In current accounts	3.19	36.89
Cash and cash equivalent in the statement of cash flow	**3.19**	**36.89**

Includes INR 804 as at 31st March 2024 (INR. 804 for March 2023) held in Escrow Account (in the name of Trimax IT Infrastructure & Services Limited)., erstwhile JV partner.

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5 Bank balance other than Cash and cash equivalents

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Bank deposits (due to mature before 12 months from the reporting date)*	41.30	2,458.32
	41.30	**2,458.32**

*Fixed deposits to the tune of INR 41.3 lakhs (31 March 2023: 2,393 lakhs) are lien marked to bank guarentee.

6 Other financial assets

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due	0.99	81.63
	0.99	**81.63**

7 Current tax assets (net)

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets*	131.09	121.54
	131.09	**121.54**

*refer note 23

8 Other current assets

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	-	6.75
Balances with government authorities	99.47	148.39
Provision for balances with government authorities*	-	(50.00)
	99.47	**105.14**

*GST credit in excess of future expected liabilities has been provided thereof since the financials are provided in other than going concern in previous year and same is reversal in current year.

9 Share capital

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
10,000 (31 March 2023: 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 2023: 10,000) equity shares of par value of Rs 10	1.00	1.00
	1.00	**1.00**

9.1 Details of shareholding of promoters:

	As at 31 March 2024			As at 31 March 2023		
Promoter name	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%**	

9.2 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2024		As at 31 March 2023	
	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**

9.3 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.

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9.4 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	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.

9.5 Details of shareholding of holding company:

	As at 31 March 2024			As at 31 March 2023		
Holding company name	Number of shares	% held	% change during the year	Number of shares	% held	% change during the year
Quess Corp Limited	9,999	99.99%	0.00%	9,999	99.99%	0.00%

10 Other equity instrument

10.1 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 2024		As at 31 March 2023	
	No.	Amount	No.	Amount
Opening Balance	91,300	9,130	1,04,000	10,400
Converstion from CCDs to OCDs during the year*	-	-	-	-
Redeemed during the year**	4,000	400	12,700	1,270
(OCDs)	**87,300**	**8,730**	**91,300**	**9,130**

(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 2024		As at 31 March 2023	
	No.	Amount	No.	Amount
Quess Corp Limited, holding company	87,300	8,730	91,300	9,130

(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 2024		As at 31 March 2023	
	% of holding	No.	% of holding	No.
Quess Corp Limited, holding company	100	87,300	100	91,300

*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.

**During the board meeting held on 31st January 2024, the company has approved the redemption of 4,000 Optionally convertible debentures at its issue price of INR 10,000/- aggregating to INR 4,00,00,000.

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Notes to the financial statements for the year ended 31 March 2024

11 Other equity*

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Other comprehensive income	0.05	0.06
Retained earnings	(8,360.14)	(8,738.08)
	(8,360.10)	**(8,738.02)**

* For detailed movement of reserves refer Statement of changes in Equity

11.1 : Retained Earning : Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity shareholders

11.2 : Other Comprehensive Income: Re-measurement of the net defined benefit liability/ (asset) comprises actuarial gain and losses and return on plan assets (excluding interest income).

12 Current borrowings

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Loan from related parties, unsecured		
From related party (refer note 30)	-	2,749.43
	-	**2,749.43**

Unsecured loan from related party having interest rate equal to govt yeild bond rate, repayable on demand.

13 Trade payables

i) Trade payables - billed dues

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Undisputed dues		
Trade payables to related parties (refer note 30)	355.23	209.02
Other trade payables	0.15	0.52
Dues to micro, small and medium enterprises	-	-
	355.38	**209.54**
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	**355.38**	**209.54**

All trade payables are current.

ii) Trade payables - unbilled dues

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Undisputed dues		
Total outstanding dues of micro enterprises and small enterprises	0.50	2.50
Total outstanding to related parties	110.68	26.69
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	0.45	0.51
	111.63	**29.70**
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	**111.63**	**29.70**
Total billed and unbilled trade payable	**467.01**	**239.23**

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Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2024: *(Amount in lakhs)*

Particulars	Unbilled dues	Outstanding for the following periods from date of transaction: Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	0.50	-	-	-	-	**0.50**
- Others	111.13	355.38	-	-	-	**466.51**
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2023: *(Amount in lakhs)*

	Unbilled dues	Outstanding for the following periods from date of transaction: 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	-	-	-	-	-	-

*Includes Related Party Balances (refer note 30)

14 Other current financial liabilities

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Other Payables		
Accrued salaries and benefits	7.53	15.06
Amount payable to related parties	40.88	16.80
	48.41	**31.87**

*Includes Related Party Balances (refer note 30)

15 Current provisions

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Provision for gratuity	11.89	10.11
Provision for compensated absences	-	1.69
	11.89	**11.81**
Others		
Provision for warranty	56.37	56.37
	56.37	**56.37**
	68.27	**68.18**

15.1 The disclosures of provisions movement as required under the provisions of Ind AS 37 as follows

(Amount in lakhs)

Particulars	Provision for warranty Amount	Provision for Penalty Amount
Balance as at 1 April 2022	**56.37**	-
Provision recognized / (reversed)	-	-
Balance at the end of 31 March 2023	**56.37**	-
Provision recognized / (reversed)	-	-
Balance at the end of 31 March 2024	**56.37**	-

16 Other current liabilities

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Balances payable to government authorities	36.65	1.75
	36.65	**1.75**

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17 Revenue from operations

(Amount in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from execution of contracts for material and services	1,392.55	819.26
	1,392.55	**819.26**

(Refer note 25 for Revenue from Contracts with customers)

18 Other income

(Amount in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest on income tax refund	2.31	-
Interest income	111.96	106.99
Liabilities no longer payable	-	37.07
	114.27	**144.07**

19 Cost of materials

(Amount in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cost of materials and services	848.61	594.16
	848.61	**594.16**

20 Employee benefits expense

(Amount in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages	132.70	142.87
Contribution to provident and other funds	3.85	4.93
Expenses related to post-employment defined benefit plan	3.20	3.21
Expenses related to compensated absences	(1.69)	(2.02)
Staff welfare expenses	0.55	0.47
	138.62	**149.46**

21 Finance costs

(Amount in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest on borrowings	150.28	197.06
	150.28	**197.06**

*Includes Related Party Balances (refer note 30)

22 Other expenses

(Amount in lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Provision for balances with government authorities	(50.00)	50.00
Legal and professional fees	9.89	11.15
Loss allowance on financial assets	15.00	(93.46)
Bank charges	6.92	16.12
Miscellaneous expenses	3.10	4.90
Local Conveyance	6.44	8.31
Rates and taxes	0.02	0.02
	(8.63)	**(2.96)**

Payment to auditors

Statutory audit	0.50	4.00
	0.50	**4.00**

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23 Taxes

A. Amount recognised in profit and loss account

(Amount in lakhs)

Particulars	For the period ended 31 March 2024	For the period ended 31 March 2023
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

(Amount in lakhs)

Particulars	For the period ended 31 March 2024	For the period ended 31 March 2023
Remeasurement of the net defined benefit liability/ asset		
Before tax	(0.01)	0.07
Tax (expense)/ benefit	-	-
Net of tax	**(0.01)**	**0.07**

C. Reconciliation of effective tax rate

(Amount in lakhs)

Particulars	For the period ended 31 March 2024	For the period ended 31 March 2023
Profit/(loss) before tax	377.94	25.60
Tax using company's Domestic tax rate of March 2024 -25.17% (March 2023 25.17%)	95.13	6.44
Effect of:		
Non-deductible expenses	(8.07)	(10.78)
Deferred Tax	-	-
Deferred Tax Not recognised	(87.06)	4.34
Income tax expense reported in the Statement of profit and loss	**0.00**	**-**

D. The following table provides the details of income tax assets and income tax liabilities

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets	131.09	121.54
Net income tax asset/(liability) at the end of the period	**131.09**	**121.54**

E. Unrecognized deferred tax assets/ (liabilities)

As at 31st March 2024,unrecognised deferred tax assets amount to INR 1,531.45 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 2024	Amount in lakhs
Carried forward losses	
2025	-
2026	-
2027	-
2028	286.00
Thereafter	1,245.45

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24 Financial instruments - fair value and risk management

Financial instruments - by category

(Amount in lakhs)

Particulars	31 March 2024			31 March 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets:						
Trade receivables	-	-	715.20	-	-	679.91
Cash and cash equivalents including other bank balances	-	-	3.19	-	-	36.89
Other financial assets	-	-	0.99	-	-	81.63
Total financial assets	**-**	**-**	**719.38**	**-**	**-**	**798.44**
Financial Liabilities:						
Loans and borrowings	-	-	-	-	-	2,749.43
Trade payables	-	-	467.01	-	-	239.23
Other financial liabilities	-	-	48.41	-	-	31.87
Total financial liabilities	**-**	**-**	**515.42**	**-**	**-**	**3,020.52**

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 2024	Fair value		
		Level 1	Level 2	Level 3
Financial assets not measured at fair value				
Trade receivables	715.20	-	-	-
Cash and cash equivalents including other bank balances	3.19	-	-	-
Other financial assets	0.99	-	-	-
Total financial assets	**719.38**	**-**	**-**	**-**
Financial liabilities not measured at fair value				
Loans and borrowings	-	-	-	-
Trade payables	467.01	-	-	-
Other financial liabilities	48.41	-	-	-
Total financial liabilities	**515.42**	**-**	**-**	**-**

(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	81.63	-	-	-
Total financial assets	**798.44**	**-**	**-**	**-**
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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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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25 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 2024. 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 2024 *(Amount in lakhs)*

Particulars	Smartcity	Total
Revenues by Geography		
India	1,392.55	1,392.55
Total	**1,392.55**	**1,392.55**

(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 2024	As at 31 March 2023
Receivables, which are included in 'Trade and other receivables'	4,304.44	4,278.73
Contract assets (Unbilled revenue)	116.67	92.10

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 2024.

(Amount in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the beginning	92.10	114.16
Add : Revenue recognized during the period	1,392.55	819.26
Less : Invoiced during the period	1,367.98	841.32
Balance at the end	**116.67**	**92.10**

(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 2024, 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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26 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 3,705.91 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 2024	For the year ended 31 March 2023
Balance as at the beginning of the year	3,690.91	3,784.37
Impairment loss recognised/(reversed) under expected credit loss model	15.00	(93.46)
Less: Bad debts written off	-	-
Balance as at the end of the year	**3,705.91**	**3,690.91**

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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.

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 2024:

As at 31 March 2024

(Amount in lakhs)

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	-	-	-	-	-
Trade payables	467.01	467.01	-	-	-
Other financial liabilities	48.41	48.41	-	-	-

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	-	-	-

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 2024	As at 31 March 2023
Variable rate borrowings	-	2,749.43
Total borrowings	-	**2,749.43**

(b) Sensitivity

(Amount in lakhs)

Particulars	Profit and loss		Equity, net of tax	
	1% Increase	1% decrease	1% Increase	1% decrease
31 March 2024				
Variable rate borrowings	-	-	-	-

(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

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27 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 2024	As at 31 March 2023
Gross debt	-	2,749.43
Less: Cash and cash equivalents	(3.19)	(36.89)
Adjusted net debt	**(3.19)**	**2,712.54**
Total equity	370.90	392.98
Total equity	**370.90**	**392.98**
Net debt to equity ratio	**(0.01)**	**6.90**

28 Contingent liabilities and Capital commitment

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Contingent liabilities	-	-
Capital commitments	-	-
	-	-

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29 Earnings per share

(Amount in lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Nominal value of equity shares (Rs. Per share)	10	10
Net profit after tax for the purpose of earnings per share	378	26
Weighted average number of shares used in computing basic earnings per share	10,000	10,000
Basic earnings per share (Rs.)	3,779.39	256.02
Weighted average number of shares used in computing diluted earnings per share	78,268	81,396
Diluted earnings per share (Rs.)	482.88	31.45

30 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 (Merged with Quess Corp Limited w.e.f 1 December 2023) 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 (Merged with Quess Corp Limited w.e.f 1 December 2023) Vedang Cellular Services Private Limited Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Lim 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 (formerly known as Monster Malaysia Sdn Bhd) Qdigi Services Limited Greenpiece Landscapes India Private Limited (Merged with Quess Corp Limited w.e.f 1 December 2023) Simpliance Technologies Private Limited (till 20 October 2022) Quesscorp Management Consultancies Quesscorp Manpower Supply Services LLC Quess Services Limited (Liquidated from 20 March 2024) 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) Quess Recruit, Inc (W.e.f 1 January 2024) Digitide Solutions Limited (w.e.f 11 February 2024) Bluspring Enterprises Limited (w.e.f 11 February 2024) Agency Pekerjaan Quess Recruit Sdn. Bhd. (W.e.f 1 July 2023)
- Associates of Holding company	Quess Recruit, Inc (till 31 December 2023) Agency Pekerjaan Quess Recruit Sdn. Bhd.(till 30 June 2023) Stellarslog Technovation Private Limited (till 6 April 2022)
- 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

Key executive management personnel **Name**	**Designation**
Guruprasad Srinivasan	Director
Madhu Damodaran	Director

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(ii) Related party transactions during the period

(Amount in lakhs)

Particulars		31 March 2024	31 March 2023
Procurement of Material/Services			
Professional fees	Quess Corp Limited	848.61	594.16
Finance costs	Allsec Technologies Limited	-	0.10
Payment made by related parties on behalf of the Company	Quess Corp Limited	150.28	197.06
Repayment of Loans to related parties	Quess Corp Limited	24.08	25.64
Redemption of OCD	Quess Corp Limited	2,562.00	211.00
Loans taken from related parties	Quess Corp Limited	400.00	1,270.00
	Quess Corp Limited	62.00	154.00

(iii) Balance receivable from and payable to related parties as at the balance sheet date:

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
Quess Corp Limited	355.23	209.02
Allsec Technologies Limited	-	0.01
Borrowings		
Quess Corp Limited	-	2,749.43
Other payable		
Quess Corp Limited	40.88	16.80
Optionally Convertible Debentures		
Quess Corp Limited	8,730.00	9,130.00
Compulsorily Convertible debentures		
Quess Corp Limited	-	-

(iv) Compensation of key managerial personnel*

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
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.

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31 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 2024.

(Amount in lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Net defined benefit liability, gratuity plan	11.89	10.11
Liability for compensated absences	-	1.69
Total employee benefit liability	**11.89**	**11.81**
Current	11.89	11.81
Non-current (refer note 2.2 (iii))	-	-
	11.89	**11.81**

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.

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 2024	31 March 2023
Change in defined benefit obligation		
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	10.11	7.54
Additions through business combination	-	-
Current service cost	2.46	2.69
Interest cost	0.75	0.52
Past service cost	-	-
Benefit settled	-	-
Actuarial (gains)/ losses recognised in other comprehensive income	-	-
- Changes in experience adjustments	(0.16)	0.32
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	0.17	(0.39)
Obligation at the end of the year	**13.33**	**10.69**
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	1.44	0.58
Plan assets as at the end of the year	**1.44**	**0.58**
Net defined benefit liability	**(11.89)**	**(10.11)**

Expense recognised in profit or loss

(Amount in lakhs)

Particulars	For the period ended 31 March 2024	For the period ended 31 March 2023
Current service cost	2.46	2.69
Interest cost	0.75	0.52
Past service cost	-	-
Past service cost	-	-
Interest income	-	-
Net gratuity cost	**3.20**	**3.21**

Remeasurement recognised in other comprehensive income

(Amount in lakhs)

Particulars	For the period ended 31 March 2024	For the period ended 31 March 2023
Remeasurement of the net defined benefit liability	0.01	(0.07)
Remeasurement of the net defined benefit asset	-	-
	0.01	**(0.07)**

Defined benefit obligation - Actuarial Assumptions

Particulars	For the period ended 31 March 2024	For the period ended 31 March 2023
Discount rate	7.15%	7.35%
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 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	11.07	12.83	9.34	11.00
Future salary growth (1% movement)	12.80	11.08	10.98	9.34
Mortality rate (10% movement)	11.89	11.90	10.11	10.12
Attrition rate (50% movement)	11.45	12.60	9.52	10.97

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32 Ratios

Ratios	Numerator	Denominator	Ratio 23-24	Ratio 22-23
Current ratio	991	620	1.60:1	1.13:1
Debt-equity ratio	-	371	0.00:1	7.00:1
Debt service coverage ratio	528	150.28	3.51:1	1.13:1
Return on equity ratio	378	382	0.99:1	0.03:1
Inventory turnover ratio	849	594	0.00:1	0.00:1
Trade receivables turnover ratio	1,393	698	2.00:1	0.50:1
Trade payables turnover ratio	849	353	2.40:1	0.99:1
Net capital turnover ratio	1,393	371	3.75:1	2.08:1
Net profit ratio	378	1,393	0.27:1	0.03:1
Return on capital employed	528	372	1.42:1	0.07:1
Return on investment	378	371	1.02:1	0.07:1

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 2024	Ratio 23-24 (a/b)	31st March 2023	Ratio 22-23 (a/b)	% of change
Current ratio	Current Assets (a) / Current Liabilities(b)	991 620	1.60:1	3,483 3,090	1.13:1	42%

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 2024	Ratio 23-24 (a/b)	31st March 2023	Ratio 22-23 (a/b)	% of change
Debt-equity ratio	Total debt (a) / Total Equity(b)	- 371	0.00:1	2,749 393	7.00:1	-100%

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 2024	Ratio 23-24 (a/b)	31st March 2023	Ratio 22-23 (a/b)	% of change
Debt-equity ratio	EBITDA (a)/ Interest+ PrincipalRepayments(b)	528 150	3.51:1	223 197	1.13:1	-211%

* 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	378	26
Add: Non cash operating expenses and finance cost		
'- Depreciation and Amortization	-	-
'- Finance cost	150	197
Earnings available for debt services(EBITDA)	528	223

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.

D. Return on equity ratio : Net profit after tax divided by Equity

Ratio Name	Definition	31st March 2024	Ratio 23-24 (a/b)	31st March 2023	Ratio 22-23 (a/b)	% of change
Return on equity ratio	PAT (a) / Avg Equity(b)	378 382	0.99:1	26 1,015	0.03:1	-3824%

Reason for change more than 25%: The increase in ratio is due to reversal of provision for doubtful debt during last year

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E. Inventory turnover ratio : Cost of materials consumed divided by closing inventory

Ratio Name	Definition	31st March 2024	Ratio 23-24 (a/b)	31st March 2023	Ratio 22-23 (a/b)	% of change
Inventory turnover ratio	Cost of materials consumed (a)/Avg Inventory (b)	849 594	1.43:1	594 -	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 2024	Ratio 23-24 (a/b)	31st March 2023	Ratio 22-23 (a/b)	% of change
Trade Receivables turnover ratio	Credit sales (a) / Avg Trade receivables(b)	1,393 698	2.00:1	819 1,652	0.50:1	-303%

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 2024	Ratio 23-24 (a/b)	31st March 2023	Ratio 22-23 (a/b)	% of change
Trade payables turnover ratio	Cr purchases(a) / Avg Trade payables(b)	849 353	2.40:1	594 598	0.99:1	-142%

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 2024	Ratio 23-24 (a/b)	31st March 2023	Ratio 22-23 (a/b)	% of change
Net capital Turnover Ratio	Revenue from operations(a) / Net Working capital (b)	1,393 371	3.75:1	819 393	2.08:1	-80%

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 2024	Ratio 23-24 (a/b)	31st March 2023	Ratio 22-23 (a/b)	% of change
Net profit ratio	PAT(a) / Revenue from operations(b)	378 1,393	0.27:1	26 819	0.03:1	-768%

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 2024	Ratio 23-24 (a/b)	31st March 2023	Ratio 22-23 (a/b)	% of change
Return on Capital employed	EBIT (a) / Capital employed(b)	528 372	1.42:1	223 3,143	0.07:1	-1905%

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 2024	Ratio 23-24 (a/b)	31st March 2023	Ratio 22-23 (a/b)	% of change
Return on investment:	PAT (a) / Avg Equity(b)	378 371	1.02:1	26 393	0.07:1	-1464%

Reason for change more than 25%: The increase due to provision for doubtfule debt reversed during previous year and redemption of OCDs

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33 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

Particulars		*(Amount in lakhs)*
	31 March 2024	**31 March 2023**
Revenue from execution of contracts for material and services	1,392.55	819.26
b) Geographical information	**1,392.55**	**819.26**

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.

34 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.

Particulars		*(Amount in lakhs)*
	31 March 2024	**31 March 2023**
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.50	2.50
(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	**0.50**	**2.50**

35 Trimax IT Settlement and Exit from Joint venture

A. 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.

B. 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 financial year 2021-22.

c. While efforts were made to obtain confirmation of the same from SCADL, we have not received for same. An amount of INR 15,88.5 lakhs (FY 2022-23 - INR 30,08.04 lakhs) has been received from SCADL during the year. During the period, the management have comprehensively reviewed the overall receivables of INR 43,04.44 lakhs (As at 31st March 2023- INR 42,78.73 lakhs) and subsequent realisation of INR 511.44 lakhs upto 6th May 2024. Accordingly allowance for expected credit loss of INR 37,05.91 lakhs (As at 31st March 2023 - INR 36,90.91 lakhs) is maintained.

d. During the year we have given bank guarantee amount of INR 41.30 lakhs to SCADL as per agreement and the corresponding amount is lying in fixed deposit.

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36 Other Disclosures

(i) Based on the information available with the Company there is no transaction with struck off companies.

(ii) The company does not have any benami property , where any proceeding has been initiated or pending against the Company for holding any benami property.

(iii) The company has not been declared a wilful Defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

(iv) 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.

(v) 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.

(vi) The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 31st March 2024, there are no subsequent events to be recognized or reported that are not already disclosed.

(vii) 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.

(viii) There is no charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.

(ix) The company does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income.

(x) 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.

(xi) The company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

(xii) The company has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.

(xiii) The company has not been sanctioned working capital limit in the form of term loans and overdraft facilities.

(xiv) There is no immovable property in the books of the company whose title deed is not held in the name of the company.

37 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 D M K H & CO
Chartered Accountants
Firm's Registration No:116886W

Manish Bhansali
Partner
Membership No: 403687

Place: Gandhinagar
Date: 06th May 2024

DMKH & CO. FRN 116886W CHARTERED ACCOUNTANT

for and on behalf of Board of Directors of
Trimax Smart Infraprojects Private Limited

Madhu Damodaran
Director
DIN: 00424780

Place: Bengaluru
Date: 06th May 2024

Guruprasad Srinivasan
Director
DIN: 07596207

Place: Bengaluru
Date: 06th May 2024

Trimax Smart Infra Project Private Limited

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, 2024, 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 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, 2024, and its **Loss**, total comprehensive income, 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

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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.

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.

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- 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.

- 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.

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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.

(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 including other comprehensive income, 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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.

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(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;

(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). Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

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As Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.



Lokesh Kumar
Chartered Accountant
Membership No. 243276

UDIN: **24243276BKARFW3688**

Place: Bengaluru
Date: 30th April 2024.

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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.

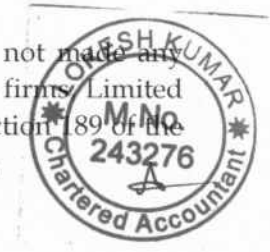
(d) The company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 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.



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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.

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 2024 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.

LOKESH KUMAR * M.No. 243276 * Chartered Accountant

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(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.

(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.

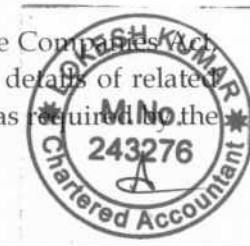
xi) (a)To the best of my knowledge and according to the information and explanations given to me, no fraud by the Company or no material frauds on the Company by its officers or employees has been noticed or reported during the year.

(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.



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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.

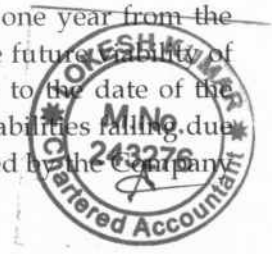
xvi) (a) In my opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(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 2023-24 is INR 99.76 Million and Cash loss in FY 2022-23 is INR. 101.65 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.



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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

UDIN: **24243276BKARFW3688**

Place: Bengaluru
Date: 30th April 2024.

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Billion Careers Private Limited
(A Subsidiary of Quess Corp Limited)
CIN:U74140KA2021PTC154916
Balance sheet as at 31 March 2024

(Amount in INR Million)

Particulars	Note	31 Mar 2024	31 Mar 2023
ASSETS			
Non-Current assets			
Property, Plant and Equipment	3	1.25	0.80
Intangibe Assets	3	64.09	12.97
Intangibe Assets under Development	4	-	34.17
Income Tax assets	5	1.61	-
Total Non-Current assets		**66.95**	**47.93**
Current assets			
Financial assets			
Trade receivables	6	46.67	40.75
Cash and cash equivalents	7	0.98	1.08
Other Current assets	8	18.17	7.45
Total Current assets		**65.82**	**49.28**
Total Assets		**132.77**	**97.22**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	60.10	60.10
Other equity	10	(235.15)	(120.09)
Total equity		**(175.05)**	**(59.99)**
Liabilities			
Non-Current liabilities			
Financial liabilities			
Borrowings		-	-
Deferred Tax liabilities	11	0.44	-
Non-Current Provisions	12	3.59	1.05
Total Non-Current liabilities		**4.03**	**1.05**
Current liabilities			
Financial liabilities			
Borrowings	13	192.65	122.35
Trade payables	14	22.45	2.20
Other current financial liabilities	15	68.37	25.77
Current Provisions	16	1.72	0.66
Other Current Liabilities	17	18.59	5.17
Total Current Liabilities		**303.78**	**156.16**
Total Liabilities		**307.81**	**157.21**
Total Equity and Liabilities		**132.77**	**97.22**
Company overview and significant accounting policies	1&2		

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

BILLION CAREERS PRIVATE LIMITED

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 24243276BKARFW3688

Place: Bengaluru
Date: 30th April 2024

Kundan Kumar Lal
Director
DIN: 06446995

Place: Bengaluru
Date: 30th April 2024

Kamal Pal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 30th April 2024

Billion Careers Private Limited
(A Subsidiary of Quess Corp Limited)
CIN:U74140KA2021PTC154916
Statement of Profit and Loss for the year ended 31 March 2024

(Amount in INR Million)

Particulars	Note	31 Mar 2024	31 Mar 2023
Income			
Revenue from operations	18	65.30	38.83
Other income	19	0.05	-
Total income		**65.35**	**38.83**
Expenses			
Employee benefit expenses	20	78.29	41.17
Finance costs	21	11.83	4.66
Depreciation and amortisation expenses	22	16.62	6.91
Other expenses	23	74.98	94.65
Total expenses		**181.72**	**147.39**
Loss before tax and exceptional items		**(116.37)**	**(108.56)**
Exceptional items		-	-
Profit/(Loss) befor tax		**(116.37)**	**(108.56)**
Tax expense			
Current tax		-	-
Income tax relating to earlier years		-	-
Deferred tax		-	-
Total tax expenses		-	-
Profit/(Loss) for the year		**(116.37)**	**(108.56)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		1.76	-
Deferred tax relating to items that will not be reclassified to profit or loss	11	(0.44)	-
Other comprehensive income / (loss), net of tax		**1.32**	-
Total comprehensive loss for the year		**(115.05)**	**(108.56)**
Earnings /(Loss) per equity share (face value of Rs 10 each)			
Basic	30	(19.36)	(18.06)
Diluted		(19.36)	(18.06)
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 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: 24243276BKARFW3688
Place: Bengaluru
Date: 30th April 2024

Kundan Kumar Lal
Director
DIN: 06446995
Place: Bengaluru
Date: 30th April 2024

Kamal Pal Hoda
Director
DIN: 09808793
Place: Bengaluru
Date: 30th April 2024

BILLION CAREERS PRIVATE LIMITED

Billion Careers Private Limited
(A Subsidiary of Quess Corp Limited)
CIN:U74140KA2021PTC154916
Statement of Changes in Equity for the year ended 31 March 2024

(A) Equity share capital

(Amount in INR Million)

Particulars	Note	31 March 2024	31 March 2023
Opening balance	9	60.10	60.10
Changes in equity share capital	9	-	-
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, 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)**
Balance as at April 1, 2023	**(10.89)**	**(109.20)**	**(120.09)**
Add: Profit / (Loss) for the year	-	(115.05)	(115.05)
Total comprehensive income/(loss)	(10.89)	(224.25)	(235.15)
Add: Premium received on issue of Equity Shares	-	-	-
Balance as at March 31, 2024	**(10.89)**	**(224.25)**	**(235.15)**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

LOKESH KUMAR M.No. 243276 Chartered Accountant

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 24243276BKARFW3688

Place: Bengaluru
Date: 30th April 2024

for and on behalf of Board of Directors of
Billion Careers Private Limited
CIN:U74140KA2021PTC154916

Kundan Kumar Lal
Director
DIN: 06446995

Place: Bengaluru
Date: 30th April 2024

Kamal Pal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 30th April 2024

BILLION CAREERS PRIVATE LIMITED

Billion Careers Private Limited
(A Subsidiary of Quess Corp Limited)
CIN:U74140KA2021PTC154916
Statement of Cash Flows for the year ended 31 March 2024

(Amount in INR Million)

Particulars	For the year ended	
	31 Mar 2024	31 Mar 2023
Cash flows from operating activities		
Profit / (Loss) after tax	(116.37)	(108.56)
Adjustments for:		
Tax Expense	-	-
Depreciation and amortisation	16.62	6.91
Interest income on term deposits	-	-
Interest on tax refunds due	-	-
Interest paid	-	4.66
Operating cash flows before working capital changes	**(99.76)**	**(96.99)**
Working Capital Changes		
(Increase) / decrease in Trade Receivables	(5.93)	(40.75)
(Increase) / decrease in Other Current Assets	(10.71)	(7.45)
(Increase) / decrease in Income Tax Assets	(1.61)	-
Increase / (Decrease) in Non-current Provisions	4.30	1.05
Increase / (Decrease) in Trade Payables	20.25	1.56
Increase / (decrease) in Other Current Financial Liabilities	42.60	0.65
Increase / (decrease) in Other Current Liabilities	14.47	28.45
Cash generated from /(used in) operations	**(36.39)**	**(113.48)**
Income taxes paid, net of refund	-	-
Net cash provided by/ (used in) operating activities (A)	**(36.39)**	**(113.48)**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles, net of sale proceeds	(34.02)	(12.83)
Net cash used in investing activities (B)	**(34.02)**	**(12.83)**
Cash flows from financing activities		
Proceeds from borrowings	-	-
Proceeds from issue of equity shares, net of issue expenses	-	-
Proceeds / (repayment) of short term borrowings, net	-	-
Loans from related parties, net of amounts repaid	70.30	122.35
Finance costs-Interest Payment	-	(4.66)
Net cash provided by financing activities (C)	**70.30**	**117.69**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(0.10)	(8.63)
Cash and cash equivalents at the beginning of the year	1.08	9.71
Cash and cash equivalents at the end of the year	**0.98**	**1.08**

As per our report of even date attached

LOKESH KUMAR M.No. 243276 Chartered Accountant

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 24243276BKARFW3688

Place: Bengaluru
Date: 30th April 2024

for and on behalf of Board of Directors of
Billion Careers Private Limited
CIN:U74140KA2021PTC154916

Kundan Kumar Lal
Director
DIN: 06446995

Place: Bengaluru
Date: 30th April 2024

Kamal Pal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 30th April 2024

BILLION CAREERS PRIVATE LIMITED

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 Millions ("INR Million"), 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.

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Chartered Accountant

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 2024
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.

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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 2024**
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

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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.

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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.



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(A Subsidiary of Quess Corp Limited)
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Notes to the Standalone financial statements for the year ended 31 March 2024

3 Property, Plant and Equipment and Intangible Assets

(Amount in INR Million)

Particulars	Tangible Assets				
	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 2022	-	-	**1.17**	-	**1.17**
Additions	-	-	-	**19.50**	19.50
Disposals	-	-	-	-	-
Balance as at 31 March 2023	-	-	**1.17**	**19.50**	**20.67**
Additions	-	0.11	0.91	33.00	34.02
Transfer In	-	-		34.17	34.17
As at 31 March 2024	-	**0.11**	**2.09**	**86.66**	**20.52**
Accumulated Depreciation as at 1 April 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**
Depreciation for the year	-	0.00	0.57	16.05	16.62
Disposal	-	-	-	-	-
Accumulated Depreciation as at 31 March 2024	-	**0.00**	**0.95**	**22.58**	**23.52**
Net Carrying Amount					
As at 31 March 2024	-	**0.11**	**1.14**	**64.09**	**65.34**
As at 31 March 2023	-	-	**0.80**	**12.97**	**13.76**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.
The Company has not revalued its Property, Plant & Equipment (Including Right-of Use Assets) and Intangible assets as at the Balance sheet date.
The Company dosen't have title deeds which are held other than in the company's name as at the balance sheet date.
The Company has no Capital Work in Progress and Intangible asset under development.
The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.



Billion Careers Private Limited
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4.Intangible assets under development

(Amount in INR Million)

Particulars	Intangible assets under development
Gross carrying amount	
Opening Gross carrying amount as at 01st April 2023	34.17
Additions	-
Transfer out:	(34.17)
Closing gross carrying amount as at 31 Mar 2024	-
As at 31 Mar 2023	**34.17**

Following is the ageing schedule as on 31 March 2024:

(Amount in INR Million)

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

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	-	-	-	-
Project 2	-	-	-	-



5 Income Tax Assets:

Particulars	31 Mar 2024	31 Mar 2023
Income tax assets		
TDS Receivables	1.61	-
	1.61	**-**

6 Trade receivables

i) Trade receivables - billed

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Unsecured		
Undisputed Trade receivables		
Considered good	27.94	15.65
Less: Allowance for expected credit loss	-	-
	27.94	**15.65**

ii) Trade receivables - unbilled

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Unbilled revenue	43.83	25.10
Less: Provision for impairment of unbilled revenue	(25.10)	-
	18.73	**25.10**

Trade receivable ageing schedule as on 31 March 2024:

(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	18.73	3.29	5.12	5.12	14.41	-	-	46.67
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

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	-	-	-	-	-	-	-	-

7 Cash and cash equivalents

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Cash and cash equivalents		
Cash in hand	-	-
Balances with banks	0.98	1.08
Cash and cash equivalent in the statement of cash flow	**0.98**	**1.08**

8 Other current assets

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Advances other than capital advances		
Other advances	0.76	-
Balances with Government auhorities	17.40	7.45
	18.17	**7.45**

9 Equity share capital

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Authorised		
70,00,000 (31 March 2023: 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 2023: 60,10,000) equity shares of par value of Rs 10 each, fully paid up	60.10	60.10
	60.10	**60.10**

9.1 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 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the commencement of the year	60,10,000	60.10	60,10,000	60.10
Changes during the year	-	-	-	-
At the end of the year	**60,10,000**	**60.10**	**60,10,000**	**60.10**

9.2 Details of shareholders holding more than 5% shares in the Company

(Amount in INR Million)

Particulars	As at 31 March 2024			As at 31 March 2023		
	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	100.00%	60,09,999	60.10	100.00%
Ajit Abraham ISAAC(Nominee of Quess Corp)	1	0.00	0.00%	1	0.00	0.00%
	60,10,000	**60.10**	**100.00%**	**60,10,000**	**60.10**	**100.00%**

9.3 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.

9.4 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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9.5 Details of shareholding of promoters:

Promoter name	31 March 2024			31 March 2023		
	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%

10 Other equity

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Retained earnings	(225.58)	(109.20)
Capital Reserve	(10.89)	(10.89)
Gratuity reserve	1.32	-
Total Other equity	**(235.15)**	**(120.09)**

10.1 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 2024	31 Mar 2023
Balance as at the beginning of the year	**(10.89)**	**(10.89)**
Add: Capital Reserve	-	-
Balance as at the end of the year	**(10.89)**	**(10.89)**

10.2 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 2024	31 Mar 2023
Balance as at the beginning of the year	**(109.20)**	**(0.64)**
Add: Profit /(Loss) for the year	(116.37)	(108.56)
Less: Dividends paid during the year	-	-
Balance as at the end of the year	**(225.58)**	**(109.20)**

11 Deferred Taxes

A) Amount recognised in profit or loss

(Amount in INR Million)

Income tax expense reported in the statement of profit and loss	-	-
B) Amounts recognised directly in equity		
Attributable to: Provision for Employee Benefits: Other Comprehensive Income	**(0.44)**	-

C) Deferred tax liability (net)

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Deferred tax assets/(liabilities) are attributable to the following:		
Provision for employee benefits	**0.44**	-
Property, plant and equipment and intangible assets	-	-
Others	-	-
Net deferred tax assets	**0.44**	-

D Recognised deferred tax assets and liabilities

Movement of deferred tax assets / liabilities presented in the balance sheet:

For the year ended 31 March 2024	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax Assets on:				
Property, plant and equipment and intangible assets	-	-	-	-
Provision for employee benefits	-	-	**0.44**	0.44
Others	-	-	-	-
	-	-	**0.44**	**0.44**

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	-	-	-	-
Provision for employee benefits	-	-	-	-
Others	-	-	-	-
	-	-	-	-

12 Non-current provisions

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Provision for employee benefits		
Provision for gratuity (refer note 28)	3.59	1.05
Total Non-current provisions	**3.59**	**1.05**

13 Current borrowings

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Unsecured		
Loan from related parties		
Loan from Directors	-	-
Loan from holding Co. - Quess Corp Limited*	192.65	122.35
Total Current borrowings	**192.65**	**122.35**

*The Company has availed a loan of INR 192.65 Million from Quess Corp Ltd. at the rate of 10 year Indian Government Bond Yield, which is payable on demand.

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14 Trade payables

i) Trade payables - billed dues

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Undiputed dues		
Total outstanding dues of micro enterprises and small enterprises (refer note 29)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	22.45	2.20
Total Trade Payables	**22.45**	**2.20**

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 25

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2024:

(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 29)	-	-	-	-	-	-
- Others	-	22.37	0.08	-	-	**22.45**

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 29)	-	-	-	-	-	-
- Others	-	2.20	-	-	-	**2.20**

15 Other current financial liabilities

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Accrued Expense	1.40	0.20
Salary Payables & Other Payables	26.99	2.95
Interest accrued on loan*	11.51	-
Advance received from Quess	28.47	22.62
Total Other current financial liabilities	**68.37**	**25.77**

The Company's exposure to currency and liquidity risk related to other current financial liabilities is disclosed in note 24

**The Company has availed a loan of INR 192.65 Million from Quess Corp Ltd. at the rate of 10 year Indian Government Bond Yield, which is repayable on demand. On which interest accrued is Rs. 11.51 Million.

16 Current provisions

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Provision for employee benefits		
Provision for compensated absences (refer note 28)	1.44	0.45
Provision for other employee benefits payable (refere note 28)	0.27	0.22
Total Current Provisons	**1.72**	**0.66**

17 Other current liabilities

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Duties & Taxes	16.73	2.41
Advance received from Customers	1.25	-
Other Current liabilities	0.60	2.76
Total Other current liabilities	**18.59**	**5.17**

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18 Revenue from operations

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Sale of services (refer note 31)	65.30	38.83
Total Revenue from operations	**65.30**	**38.83**

19 Other income

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Miscellaneous income	0.05	-
Total Other income	**0.05**	**-**

20 Employee benefits expense

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Salaries	74.56	38.20
Contribution to Provident and Other funds	1.48	0.64
Retirement Benefits	1.13	1.05
Expenses related to compensated absences	1.00	0.45
Staff welfare expenses	0.13	0.83
Total Employee benefit expenses	**78.29**	**41.17**

21 Finance costs

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Interest on Borrowings	11.83	4.66
Total Finance costs	**11.83**	**4.66**

22 Depreciation and amortisation expense

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Depreciation of property, plant and equipment and computer software (refer note 3)	16.62	6.91
Total Depreciation and amortisation expense	**16.62**	**6.91**

23 Other expenses

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Advertising & Business Promotion	10.97	54.72
Legal & Professional Fees	31.90	39.87
Bank charges	0.07	0.0010
Rates & Taxes	0.05	0.0024
Office rent	0.95	-
Impairment loss on financial assets	25.10	-
Communication Charges	3.23	-
Office Maintenance	1.66	-
Travel Expense	0.16	-
Software maintenance	0.85	-
Foreign exchange loss	0.01	-
Other Miscellaneous Expenses	0.02	0.0537
Total Other expenses	**74.98**	**94.65**

23.1 Payment to auditors (net of GST; included in legal and professional fees)

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Statutory audit fees	0.25	0.20
Limited Review and Group reporting(Q1 to Q3 of FY 2023-24)	0.13	0.10
Total Payment to auditors	0.38	0.30



24 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in INR Million)

Particulars	Note	31 March 2024		
		FVTPL	FVTOCI	Amortised Cost
Financial assets:				
Trade receivables	6	-	-	27.94
Cash and cash equivalents	7	-	-	0.98
Unbilled revenue	6	-	-	18.73
Total financial assets		-	-	**47.65**
Financial liabilities:				
Borrowings	13	-	-	192.65
Trade payables	14	-	-	22.45
Other current financial liabilities	15	-	-	68.37
Non-current borrowings		-	-	-
Total financial liabilities		-	-	**283.48**

(Amount in INR Million)

Particulars	Note	31 March 2023		
		FVTPL	FVTOCI	Amortised Cost
Financial assets:				
Trade receivables	6	-	-	15.65
Cash and cash equivalents	7	-	-	1.08
Unbilled revenue	6	-	-	25.10
Total financial assets		-	-	**41.83**
Financial liabilities:				
Borrowings	13	-	-	122.35
Trade payables	14	-	-	2.20
Other current financial liabilities	15	-	-	25.77
Non-current borrowings		-	-	-
Total financial liabilities		-	-	**150.32**

Accounting classification and fair value

The carrying value and fair value of financial instruments by categories as at 31 March 2024 and 31 March 2023 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 2024

(Amount in INR Million)

Particulars	Carrying value	Fair value		
Financial assets	**31 March 2024**	**Level 1**	**Level 2**	**Level 3**
Amortised cost				
Trade receivables	27.94	-	-	-
Unbilled revenue	18.73	-	-	-
Cash and cash equivalents	0.98	-	-	-
Total financial assets	**47.65**	-	-	-
Financial liabilities				
Amortised cost				
Borrowings	192.65	-	-	-
Trade payables	22.45	-	-	-
Other current financial liabilities	68.37	-	-	-
Non-current borrowings	-	-	-	-
Total financial liabilities	**283.48**	-	-	-

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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				
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 current financial liabilities	25.77	-	-	-
Non-current borrowings	-	-	-	-
Total financial liabilities	**150.32**	**-**	**-**	**-**

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.



25 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.

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.

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 availed a loan of INR 192.65 Million from Quess Corp Ltd. at the rate of 10 year Indian Government Bond Yield, which is repayable on demand.

As at 31 March 2024 *(Amount in INR Million)*

Particulars	Contractual cash flows			
	Carrying amount	Less than 1 year	1-2 years	2 years and above
Borrowings	192.65	192.65	-	-
Trade payables	22.45	22.45	-	-
Other financial liabilities	68.37	68.32	-	-

As at 31 March 2023

Particulars	Contractual cash flows			
	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	25.77	25.77	-	-



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 working capital loan taken from Quess Corp Ltd. The loan from Quess Corp Ltd. is at the rate of 10 year Indian Government Bond Yield.

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	31 March 2024	31 March 2023
Variable rate borrowings	192.65	122.35
Fixed rate borrowings	-	-
Total borrowings	**192.65**	**122.35**

26 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 2024	As at 31 March 2023
Gross debt	192.65	122.35
Less: Cash and cash equivalent	0.98	1.08
Adjusted net debt (borrowings net of cash and cash equivalent)	**191.67**	**121.27**
Total equity	(175.05)	(59.99)
Net debt (Total external liabilities) to equity ratio	**(1.09)**	**(2.02)**

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27 Capital Commitments and commitments

The company does not have any capital commitments and contingent liability as at 31 March 2024 and 31 March 2023.

28 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. 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 2024	As at 31 March 2023
Net defined benefit liability, gratuity plan	3.59	1.05
Liability for compensated absences	1.44	0.45
Provision for other employee benefits payable	0.27	0.22
Total employee benefit liability	**5.31**	**1.72**
Current	1.72	0.66
Non- Current	3.59	1.05
	5.31	**1.72**

For details about employee benefit expenses, refer note 20

B Reconciliation of net defined benefit liability/ asset

(Amount in INR Million)

Particulars	31 March 2024	31 March 2023
Change in defined benefit obligation		
Obligation at the beginning of the year	1.05	-
Current service cost	0.92	-
Interest cost	0.21	-
Actuarial (gains)/ losses recognised in other comprehensive income	(1.76)	-
- Transfer In/(out)	3.17	-
Obligation at end of the year	3.59	-

C i) Expense recognised in profit or loss

(Amount in INR Million)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Service cost	0.92	-
Net interest on net defined benefit liability/(asset)	0.21	-
Net gratuity cost	**1.13**	-

ii) Remeasurement recognised in other comprehensive income

Particulars	For the year ended	
	31 March 2024	31 March 2023
Remeasurement of the net defined benefit liability	-	-
Remeasurement of the net defined benefit asset	1.76	-
	1.76	-

D Defined benefit obligation - Actuarial Assumptions

Particulars	31 March 2024	31 March 2023
Discount rate	7.15%	
Salary increase	6.0%	
Attrition rate	10.0%	
Average duration of defined benefit obligation (in years)	8 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 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	3.32	3.90		
Future salary growth(1% movement)	3.90	3.32		
Attrition rate (50% movement)	3.58	3.54		
Mortality rate (10% movement)	3.60	3.59		

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Maturity profile of defined benefit obligation (Amount in INR Million)

Particulars	31 March 2024	31 March 2023
Within 1 year	0.31	
2-5 years	1.48	
6-10 years	1.82	
More than 10 years	3.71	

29 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 2024 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 2024	As at 31 March 2023
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.	-	-

30 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 2024	For the year ended 31 March 2023
Nominal value of equity shares	10	10
Net profit after tax for the purpose of earnings per share	(116.37)	(108.56)
Weighted average number of shares used in computing basic earnings per share	60,10,000	60,10,000
Basic earnings per share	**(19.36)**	**(18.06)**
Weighted average number of shares used in computing diluted earnings per share	60,10,000	60,10,000
Diluted earnings per share	**(19.36)**	**(18.06)**

Computation of weighted average number of shares

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Number of equity shares outstanding at beginning of the year	**60,10,000**	**60,10,000**
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 and diluted earnings per share	**60,10,000**	**60,10,000**

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31 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 2024	As at 31 March 2023
Receivables, which are included in 'Trade and other receivables'	27.94	15.65
Contract assets (Unbilled revenue)	18.73	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 2024 and 31 March 2023:

(Amount in INR Million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the beginning	25.10	-
Add : Revenue recognized during the period	65.30	38.83
Less : Invoiced during the period	(46.56)	(13.73)
Less: Impairment loss on financial assets	(25.10)	
Balance at the end	**18.73**	**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 2024, other than those meeting the exclusion criteria mentioned above, is Nil.

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32 Related party disclosures

(A) Name of related parties and description of relationship:

- Holding Company	Quess Corp Limited
- Entity having significant influence	Fairfax Financial Holdings Limited Fairbridge Capital (Mauritius) Limited (w.e.f 6 December 2019) FFHL Group Limited Fairfax (Barbados) International Corp. Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")
- Fellow Subsidiaries	MFX Infotech Private Limited (Merged with Quess Corp Limited w.e.f 1 December 2023) 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 Vedang Cellular Services Private Limited Quess International Services Private Limited (formerly known as 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 Simpliance Technologies Private Limited (till 06 October 2022) Quesscorp Management Consultancies Quesscorp Manpower Supply Services LLC Quess Services Limited (liquidated w.e.f 20 March 2024) 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 02 September 2020) Stellarslog Technovation Private Limited Heptagon Technologies Private Limited (w.e.f 1 March 2022) Quess Corp NA LLC (w.e.f 17 May 2022) Quess Recruit, Inc. (w.e.f. 1 January 2024) Agency Pekerjaan Quess Recruit SDN. BHD (w.e.f. 1 July 2023) Digitide Solutions Limited (w.e.f. 10th February 2024) Bluspring Enterprises Limited (w.e.f. 11th February 2024) Quess Corp NA LLC Quess GTS Canada Holdings Inc.(w.e.f. 11th February 2024)
- Associates of the holding company	Quess Recruit, Inc.(till 1 January 2024) Agency Pekerjaan Quess Recruit SDN. BHD (till 1 July 2023)
- Joint Venture of the holding company	Himmer Industrial Services (M) Sdn. Bhd.(Struck off w.e.f 4th March 2024)
- Entities having common directors	MONSTER.COM (INDIA) PRIVATE LIMITED MFX INFOTECH PRIVATE LIMITED (Merged with Quess Corp Limited w.e.f 1 December 2023) CONNEQT BUSINESS SOLUTIONS LIMITED (Merged with Quess Corp Limited w.e.f 1 December 2023) ALLSEC TECHNOLOGIES LIMITED GREENPIECE LANDSCAPES INDIA PRIVATE LIMITED (Merged with Quess Corp Limited w.e.f 1 December 2023) Quesscorp Holdings Pte. Ltd Quess Corp (USA) Inc. Digitide Solutions Limited (w.e.f. 10th February 2024) Bluspring Enterprises Limited (w.e.f. 11th February 2024) Brainhunter Systems Limited MFXchange Holdings, Inc. MFXchange US, Inc. Allsectech Manila Inc. Philippines Allsectech Inc. USA Monster.com.SG PTE Limited Monster.com HK Limited Agensi Pekerjaan Monster Malaysia Sdn. Bhd Live Sports365 Private Limited

(B) Key executive management personnel

Chandra Sekhar Reddy Garisa	Director
Kundan Kumar Lal	Director
Kamal Pal Hoda	Director

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(C) Transactions with related parties

(Amount in INR Million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Issue of equity shares		
- Quess Corp Limited	-	-
Securities premium on equity shares issued		
- Quess Corp Limited	-	-
Unsecured loan received from Related Parties		
- Quess Corp Limited (Holding Company)	72.30	117.90
- Directors	-	-
Unsecured loan repaid to Related Parties		
- Quess Corp Limited (Holding Company)	2.00	-
- Directors	-	-
Interest on unsecured loan received from holding company		
- Quess Corp Limited	11.83	4.45
Rendering of services to holding company		
- Quess Corp Limited	20.98	17.71
Other expenses		
- Quess Corp Limited	19.76	-
- Heptagon Technologies Private Limited	23.46	
Finance cost		
- Quess Corp Limited	11.83	4.45
Advance received from Quess		
- Quess Corp Limited	5.85	22.62
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 2024	For the year ended 31 March 2023
Unbilled revenue		
- Quess Corp Limited	18.73	17.71
Other Current Financial Liabilities		
- Quess Corp Limited	39.99	22.62
Borrowings		
- Quess Corp Limited	192.65	122.35
Trade Receivables		
- Quess Corp Limited	19.89	-
Trade Payables		
- Quess Corp Limited	19.59	-
- Heptagon Technologies Private Limited	1.81	
Unsecured loan payable		
Kundan Kumar Lal	-	-
Kamal Pal Hoda	-	-
	-	-
Accrued Expenses (Remuneration payable)		
Kundan Kumar Lal	-	-
Kamal Pal Hoda	-	-

33 Ratios

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	Variance	Reason for variance (greater than 25%)
Current ratio	Current assets	Current liabilities	0.2	0.3	-31.3%	Refer note 33.1
Debt-equity ratio	Total Debt	Shareholder's equity	(1.1)	(2.0)	-46.0%	Refer note 33.2
Debt service coverage ratio	Earnings available for debt service (EFDS)	Debt Service	(0.5)	(0.8)	-42.4%	Refer note 33.3
Return on equity ratio	Net profits after taxes	Average shareholder's equity	(1.0)	19.008	-105.2%	Refer note 33.4
Trade receivables turnover ratio	Revenue from operations	Average trade receivable	1.5	1.9	-21.6%	Refer note 33.5
Trade payables turnover ratio	Purchases and adjusted other expenses	Average trade payables	6.0	66.5	-91.0%	Refer note 33.6
Net capital turnover ratio	Revenue from operations	Average working capital	(0.4)	(0.8)	-51.1%	Refer note 33.7
Net profit/(Loss) ratio	Net profits after taxes	Revenue from operations	-176.2%	-279.6%	-37.0%	Refer note 33.8
Return on capital employed	Earning before interest and taxes	Capital employed	-593.8%	-166.6%	256.4%	Refer note 33.9

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33.1 Decrease in current ratio is on account of increase in short term borrowings to meet working capital requirements.
33.2 Decrease in debt-equity ratio is on account of increase in accumulated losses.
33.3 Decrease in Debt service coverage ratio is on account of increase in losses and increase in Borrowings.
33.4 Decrease in ROE is on account of increase in accumulated losses.
33.5 Decrease in Trade receivables turnover ratio is on account of increase in Revenue and increase in Receivables.
33.6 Decrease in Trade Payable Turnover ratio is on account of increase in Trade payables.
33.7 Decrease in Net Capital Turnover ratio is on account of increase in expenses in this year.
33.8 Decreasae in Net loss ratio is due to increase in Revenue.
33.9 Decrease in ROCE is n account of increase in accumulated losses.

34 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.

35 Foreign Exchange out flow & inflow:

(Amount in INR Million)

Particulars	**31-03-2024**	**31-03-2023**
Earnings in foreign exchange	0.598	-
Expenditure in foreign exchange	0.369	-

36 Capital Work In Progress
No such Capital Workin Progress exist in the companies books of accounts as at the reporting date.

37 Intangible Assets under Development
No such Intangible assets exist in the companies books of accounts as at the reporting date.(Refer Note No. 04)

38 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.

39 Wilful Defaulter
The company has been regular in repayment of loans to banks/financial institutions, hence the company is not a wilful defaulter.

40 Layers of Companies
The Company is a Subsidary of Quess Corp Limited

41 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.

42 Derivative Instruments and Other Un-hedged Foreign Currency Exposure
There are no derivative contracts oustanding at the close of the year.

43 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.

44 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.

45 Undisclosed Income
The Company doesn't have any undisclosed income which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year (Previous year) in the tax assessements under the Income tax act 1961 (such as search or survey or any other relevant provisions of the Income tax act, 1961.

46 Relationship with Struck off Companies under section 248 of the Companies act 2013
The Company doesn't have any transactions with companies struck off under 248 of the companies act 2013.

47 Registration of charges or satisfaction with Registrar of Companies
The Company doesn't have any charges or satisfaction with Register of Companies.

48 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
Billion Careers Private Limited
CIN:U74140KA2021PTC154916

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 24243276BKARFW3688

Place: Bengaluru
Date: 30th April 2024

Kundan Kumar Lal
Director
DIN: 06446995

Place: Bengaluru
Date: 30th April 2024

Kamal Pal Hoda
Director
DIN: 09808793

Place: Bengaluru
Date: 30th April 2024

MSKA & Associates
Chartered Accountants

1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Telangana State, Hyderabad 500072, INDIA

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, 2024, 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 material 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, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, profit including other 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 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 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 such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Board's Report has not been made available to us as at the date of this auditor's report. We have nothing to report in this regard.



Responsibilities of 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 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 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, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 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) **Under Rule 11(e)(i)**

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) **Under Rule 11(e)(ii)**

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) **Under Rule 11(e)(iii)**

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. Under Rule 11(f)

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 Companies Act 2013.

vi. Under Rule 11(g)

Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording the audit trail (edit log) facility except that no audit trail feature was enabled for certain relevant transactions at the application level, while we were not able to test whether the audit trail feature was enabled at the database level of the software which was maintained by a third party vendor. Further, the audit trail facility which has been enabled, as explained above, has been operated throughout the year for relevant transactions recorded in the accounting software at the application level, whereas we are unable to verify whether the audit trail facility has been operated throughout the year for relevant transactions recorded in the accounting software at the database level.

Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with, for the period for which the audit trail feature was enabled and operating.

3. In our opinion, according to information and explanations given to us, the remuneration paid by the Company to its directors is within the limits prescribed under Section 197 read with Schedule V 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: 24205226BKEAIB3020

M S K A & ASSOCIATES Hyderabad Chartered Accountants

Place: Hyderabad
Date: May 03, 2024

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: 24205226BKEAIB3020

MSKA & ASSOCIATES Hyderabad Chartered Accountants

Place: Hyderabad
Date: May 03, 2024

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, 2024.

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a) The Company has maintained proper records showing full particulars, including situation of Property, Plant and Equipment and relevant details of right-of-use assets except for quantitative details.

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 except that there is no asset tagging done in Fixed Asset Register.

(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) and 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 Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.

(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. Based on the records examined by us in the normal course of audit of the financial statements, quarterly returns filed with such Banks are in agreement with the books of accounts of 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. Accordingly the provisions stated under clause 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013, are applicable and accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.



v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.

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 services 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 during the year, 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 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 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 income 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 clause 3(viii) of the Order is not applicable to the Company.

ix.

(a) The Company does not have any loans or borrowings or interest thereon due to any lenders during the year. Accordingly, the provision stated under clause 3(ix)(a) to (c) and sub-clause (e) and (f)) of the Order is not applicable to the Company.

(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 and explanations provided to us, no money was raised by way of term loans. Accordingly, the provision stated in clause 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) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under clause 3(ix)(e) of the order is not applicable to the Company.

(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 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. Accordingly, the provisions stated under clause 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. Accordingly, the provisions stated under clause 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 or on the Company has been noticed or reported during the year in the course of our audit.

(b) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(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 clause 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 implemented an internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system as per the provisions of the Act.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, 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 any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is 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 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 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. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the provisions stated under clause 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. Accordingly, the provisions stated under clause 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 clause 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 (as disclosed in note 42 to the financial statements), 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 applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Companies Act, 2013 or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII to the Companies Act, 2013. 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: 24205226BKEAIB3020

MSKA & ASSOCIATES Hyderabad Chartered Accountants

Place: Hyderabad
Date: May 03, 2024

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, 2024]

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 with reference to financial statements of Vedang Cellular Services Private Limited ("the Company") as of March 31,2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

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, 2024, 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").

Managements and Board of Director's Responsibility 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 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: 24205226BKEAIB3020

M S K A & ASSOCIATES ★ Chartered Accountants ★ Hyderabad

Place: Hyderabad
Date: May 03, 2024

Vedang Cellular Services Private Limited
(A Subsidiary of Quess Corp Limited)
Balance Sheet as at 31 March 2024
(All amounts are in INR. Lakhs, except for share data and unless otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	273.37	182.51
Right of use assets	3	79.33	165.45
Intangible assets	4	352.95	240.53
Deferred tax assets (net)	5	150.37	122.58
Non current tax assets (net)	6	21.06	-
Total non-current assets		**877.08**	**711.08**
Current asset			
Financial assets			
(i) Trade receivables	7	9,068.54	6,373.01
(ii) Cash and cash equivalents	8	585.49	0.36
(iii) Bank balances other than cash and cash equivalents	9	79.48	30.30
(iv) Current loans	10	-	0.11
(v) Other financial assets	11	123.88	82.38
Other current assets	12	53.39	77.80
Total current assets		**9,910.78**	**6,563.95**
Total assets		**10,787.86**	**7,275.04**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	18.21	18.21
Other equity	14	5,222.27	3,508.76
Total equity		**5,240.48**	**3,526.97**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	36	55.95	85.01
Provisions	15	54.59	34.92
Total non-current liabilities		**110.54**	**119.94**
Current liabilities			
Financial liabilities			
(i) Borrowings	16	1.04	37.20
(ii) Lease liabilities	36	33.65	89.60
(iii) Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprise		396.28	-
- Total outstanding dues of creditor other than micro enterprises and small enterprise		1,544.03	949.25
(iv) Other financial liabilities	18	3,232.45	2,071.03
Current tax liabilities (net)	19	-	207.75
Provisions	20	77.56	66.41
Other current liabilities	21	151.83	206.89
Total current liabilities		**5,436.84**	**3,628.13**
Total liabilities		**5,547.38**	**3,748.07**
Total equity and liabilities		**10,787.86**	**7,275.04**
See accompanying notes to the financial statements	1 & 2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
for M S K A & Associates
Chartered Accountants
Firm registration number: 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad
Date: May 03, 2024

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 03, 2024

Vijay Sivaram
Director
DIN: 07990452

Place: Bangalore
Date: May 03, 2024

Vedang Cellular Services Private Limited
(A Subsidiary of Quess Corp Limited)
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts are in INR. Lakhs, except for share data and unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Revenue from operations	22	22,561.47	16,487.35
Other income	23	5.11	61.70
Total income		**22,566.58**	**16,549.05**
Expenses			
Direct service cost	24	9,401.90	6,566.20
Employee benefit expenses	25	8,731.05	6,480.79
Finance costs	26	62.17	95.89
Depreciation and amortisation expenses	27	333.41	272.87
Other expenses	28	1,403.66	1,156.22
Total expenses		**19,932.19**	**14,571.98**
Profit before tax		**2,634.39**	**1,977.07**
Income tax expense			
Current tax	29	(688.43)	(570.65)
Adjustments relating to earlier years		98.66	-
Deferred tax	29	27.78	11.92
Total income tax expenses		**(561.99)**	**(558.73)**
Profit for the year		**2,072.40**	**1,418.34**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit plans		(11.82)	(4.26)
Income tax effect on these items		2.98	-
Other comprehensive expense for the year, net of tax		**(8.84)**	**(4.26)**
Total comprehensive income for the year		**2,063.56**	**1,414.08**
Earnings per equity share (face value of Rs 10 each)			
Basic earnings per share (INR)	34	1,138.16	778.96
Diluted earnings per share (INR)	34	1,138.16	778.96
See accompanying notes to the financial statements	1 & 2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
for M S K A & Associates
Chartered Accountants
Firm registration number: 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad
Date: May 03, 2024

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 03, 2024

Vijay Sivaram
Director
DIN.07990452

Place: Bangalore
Date: May 03, 2024

Vedang Cellular Services Private Limited
(A Subsidiary of Quess Corp Limited)
Statement of cash flows for the year ended 31 March 2024
(All amounts are in INR. Lakhs, except for share data and unless otherwise stated)

Particulars	For the Year Ended 31 March 2024	For the Year Ended 31 March 2023
Cash flows from operating activities		
Profit before taxation	2,634.39	1,977.07
Adjustments for:		
Depreciation and amortisation expenses	333.41	272.87
Finance cost	62.17	95.89
Interest income	(2.12)	(1.82)
Deferred tax expenses	27.78	11.92
Income tax expense	(589.77)	(570.65)
Gratuity expense	(8.84)	(4.26)
Operating profit before working capital changes	2,457.02	1,781.02
Working capital changes:		
(Increase) / decrease in trade receivables	(2,695.53)	(3,522.57)
(Increase) / decrease in current loans	0.11	50.92
(Increase) / decrease in other current financial assets	(41.49)	(78.65)
(Increase) / decrease in other current assets	24.41	(4.54)
(Increase) / decrease in bank balance other than cash and cash equivalent	(49.18)	-
Increase / (decrease) in non current provisions	19.67	(1.89)
Increase / (decrease) in income tax asset	(21.06)	-
Increase / (decrease) in trade payables	991.06	576.43
Increase / (decrease) in other current financial liabilities	1,161.42	1,137.01
Increase / (decrease) in other current liabilities	(111.00)	144.49
Increase / (decrease) in deferred tax asset	(27.79)	(11.81)
Increase / (decrease) in other non- current financial liabilities	(29.06)	(30.06)
Increase / (decrease) in current provisions	11.15	10.93
Cash generated from operating activities	1,689.73	51.27
Income tax paid	(207.75)	800.65
Net cash flows from operating activities (A)	1,481.98	851.92
Cash flows from investing activities		
Purchase of property, plant and equipment	(450.56)	(380.19)
Asset addition ROU on building	-	(75.57)
Interest received on term deposits	2.12	1.82
Net cash flows used in investing activities (B)	(448.44)	(453.94)
Cash flows from financing activities		
Repayment from other current borrowings	(36.16)	(304.49)
Interest paid	(62.17)	(95.89)
Current borrowings, net of repayments	(350.05)	-
Net cash flows used in financing activities (C)	(448.38)	(400.39)
Net increase in cash and cash equivalents (A+B+C)	585.13	(2.40)
Cash and cash equivalents at the beginning of year	0.36	2.76
Cash and cash equivalents at the end of the year (refer note 8)	585.49	0.36
See accompanying notes to the financial statements	1&2	

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
for M S K A & Associates
Chartered Accountants
Firm registration number: 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad
Date: May 03, 2024

M S K A & ASSOCIATES ★ Hyderabad ★ Chartered Accountants

for and on behalf of the Board of Directors of
Vedang Cellular Services Private Limited
CIN: U32309MH2010PTC201638

VEDANG CELLULAR SERVICES PVT. LTD. ★ MUMBAI ★

Ashish Kapoor
Director
DIN No. 07596207

Place: Bangalore
Date: May 03, 2024

Vijay Sivaram
Director
DIN.07990452

Place: Bangalore
Date: May 03, 2024

Vedang Cellular Services Private Limited
(A Subsidiary of Quess Corp Limited)
Statement of changes in equity for the year ended 31 March 2024
(All amounts are in INR. Lakhs, except for share data and unless otherwise stated)

(A) Equity share capital

Particulars	Note	31 March 2024
Balance as at 1st April, 2023	13	18,20,830
Changes in equity share capital	13	-
Balance as at 31st March, 2024		**18,20,830**

Particulars	Note	31 March 2023
Balance as at 1st April, 2022	13	18,20,830
Changes in equity share capital	13	-
Balance as at 31st March, 2023		**18,20,830**

(B) Other equity

Particulars	Attributable to owners of the company					Total attributable to equity holders of the company
	Other equity					
	Reserves and surplus			Other comprehensive income		
	Retained earnings	Other reserve	Securities premium account	Foreign currency translation reserve	Remeasurement of the net defined benefit liability/ asset	
Balance as of 1 April 2023	**3,171.36**	**7.50**	**299.04**	**-**	**30.86**	**3,508.76**
Profit for the year	2,072.40	-	-	-	(11.82)	2,060.58
Other comprehensive income (net of tax)		-	-	-	2.98	2.98
Interim Dividend	(350.05)			-	-	(350.05)
Balance as of 31st March 2024	**4,893.71**	**7.50**	**299.04**	**-**	**22.02**	**5,222.27**

Particulars	Attributable to owners of the company					Total attributable to equity holders of the company
	Other equity					
	Reserves and surplus			Other comprehensive income		
	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
Profit for the year	1,418.34				(4.26)	1,414.08
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 M S K A & Associates
Chartered Accountants
Firm registration number: 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad
Date: May 03, 2024

for and on behalf of the Board of Directors of
Vedang Cellular Services Private Limited
CIN: U32309MH2010PTC201638

VEDANG CELLULAR SERVICES PVT. LTD. MUMBAI

Ashish Kapoor
Director
DIN No. 07596207

Place: Bangalore
Date: May 03, 2024

Vijay Sivaram
Director
DIN.07990452

Place: Bangalore
Date: May 03, 2024

M S K A & ASSOCIATES Hyderabad Chartered Accountants

3 Property, plant and equipment

Particulars	Furniture and fixtures	Plant and machinery	Computer equipment	Office equipment	Total property, plant and equipment	Right of use assets
Cost						
Balance as at 1st April 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
Balance as at 1st April 2023	30.25	562.20	572.87	33.65	1,198.97	389.74
Addition during the year	-	181.77	7.60	11.67	201.05	-
Balance as at 31st Mar 2024	30.25	743.98	580.47	45.32	1,400.02	389.74
Accumulated depreciation						
Balance as at 1st April 2023	29.10	341.41	544.90	1.41	916.81	142.09
Addition during the year	0.96	78.39	14.90	5.38	99.64	82.21
Balance as at 31st Mar 2024	30.06	419.81	559.80	6.78	1,016.45	224.29
Balance as at 1st April 2023	30.06	419.81	559.80	6.78	1,016.46	224.29
Depreciation for the year	0.08	89.79	9.01	11.33	110.20	86.12
Balance as at 31st Mar 2024	30.14	509.60	568.81	18.11	1,126.65	310.41
Net carrying amount						
As at 31st Mar 2024	0.11	234.38	11.66	27.21	273.37	79.33
As at 31st Mar 2023	0.19	142.39	12.57	26.87	182.51	165.45

4 Intangible assets

Particulars	Software
Cost	
Balance as at 31st Mar 2022	885.60
Addition during the year	237.64
Balance as at 31st Mar 2023	1,123.24
Balance as at 31st Mar 2023	1,123.24
Addition during the year	249.51
Balance as at 31st Mar 2024	1,372.75
Amortisation	
Balance as at 31st Mar 2022	791.68
Amortisation during the year	91.02
Balance as at 31st Mar 2023	882.70
Balance as at 31st Mar 2023	882.71
Amortisation during the year	137.09
Balance as at 31st Mar 2024	1,019.80
As at 31st Mar 2024	352.95
As at 31st Mar 2023	240.53

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.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

VEDANG CELLULAR SERVICES PVT. LTD. MUMBAI

5 Deferred tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset		
On impairment loss allowance on financial assets	22.39	9.74
On provision on employee benefits- compensated absences	2.00	2.01
On provision on employee benefits- gratuity	31.25	23.50
On property, plant and equipment	92.14	87.33
On ROU asset & lease liability	2.59	-
Net deferred tax assets (Refer note no 29)	150.37	122.58

6 Non current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets	531.09	-
Income tax liabilities	(510.03)	-
	21.06	-

7 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured		
Considered good	4,969.22	4,559.44
	4,969.22	4,559.44
Less: Allowance for expected credit loss	(45.28)	(38.72)
	-	-
Net trade receivables	4,923.94	4,520.72

All trade receivables are current.

Trade Receivable Unbilled

Particulars	As at 31 March 2024	As at 31 March 2023
Unbilled revenue	4,188.25	1,852.29
Less: Allowance for expected credit loss	(43.65)	-
	4,144.60	1,852.29
Total Trade Receivable	9,068.54	6,373.01

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

(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	4,188.25	3,070.48	1,848.58	41.82	8.33	-	-	9,157.46
- Having significant credit risk	-	-	-	-	-	-	-	-
- Credit impaired	43.65	-	14.66	22.29	8.33	-	-	88.93
Disputed trade receivables (Gross)								
- Considered good	-	-	-	-	-	-	-	-
- Having significant credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

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 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	-	-	-	-	-	-	-	-

M S K A & ASSOCIATES Hyderabad Chartered Accountants

VEDANG CELLULAR SERVICES PVT. LTD. MUMBAI

8 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents		
Cash on hand	0.06	0.01
Balances with banks:		
On current accounts	585.43	0.35

The Company has taken cash credit facilities having 8.75% linked to 12m 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.

9 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
In deposit accounts (due to mature within 12 months from the reporting date)	79.48	30.30
	79.48	**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 2024	As at 31 March 2023
Advances to employees	-	0.11
	-	**0.11**

* Loans granted to promoters, directors, KMPs and related parties is Nil during FY 23-24 (FY 22-23 - Nil)

11 Other current financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits	120.19	76.83
Interest accrued but not due	3.69	5.55

12 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	53.39	77.80
	53.39	**77.80**

13 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
250,000 (31 March 2023: 250,000) equity shares of par value of Rs 10	25.00	25.00
	25.00	**25.00**
Issued, subscribed and paid-up		
182,083 (31 March 2023: 182,083) equity shares of par value of Rs 10 each, fully paid up	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 2024	As at 31 March 2023
Equity shares		
Outstanding at the beginning of the year	1,82,083	1,82,083
Add: Issued during the year	-	-
Outstanding at the end of the year	**1,82,083**	**1,82,083**

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.

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VEDANG CELLULAR SERVICES PVT. LTD. MUMBAI

13.3 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% Holding	Number of share	% Holding
Equity shares				
Equity shares of par value Rs 10 each				
Quess corp limited	1,76,601	97%	1,68,367	92%
Ashish kapoor	5,482	3%	13,706	8%
	1,82,083	100%	1,82,073	100%

Note:

a) During the year 8,224 number of shares have been transferred from Ashish Kapoor to Quess corp limited

b) 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 Shares held by holding company

Particulars	As at 31 March 2024	As at 31 March 2023
Equity shares of par value Rs 10 each		
Quess corp limited	1,76,601	1,68,367

13.5 Details of shareholding of promoters:

Name of Promoter	31 March 2024			31 March 2023		
	Number of Shares	% of Total Shares	% Change during the year	Number of Shares	% of Total Shares	% Change during the year
Mr. Ashish Banarasilal Kapoor	5,482	3.00%	4.50%	13,706	7.50%	Nil

14 Other equity*

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium (refer note 14.1)	299.04	299.04
Other Reserves	7.50	7.50
Retained earnings	4,893.71	3,171.36
Other comprehensive income (refer note 14.2)	22.02	30.86
	5,222.27	3,508.76

* 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

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 2024	As at 31 March 2023
Provision for employee benefits		
Provision for gratuity (refer note 37)	52.66	33.00
Provision for compensated absences (refer note 37)	1.93	1.92

16 Current borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Loan repayable on demand from banks		
Cash credit and overdraft facilities (Refer note below)	1.04	37.20
	1.04	37.20

Information about the company's exposure to interest rate and liquidity risk is included in note 31.

16.1 Cash credit and overdraft facilities include YBL corporate credit card outstanding amounting to INR 1.04 Lakhs.

M S K A & ASSOCIATES Hyderabad Chartered Accountants
VEDANG CELLULAR SERVICES PVT. LTD. MUMBAI

17 Trade payables

Trade payables	As at 31 March 2024	As at 31 March 2023
- Total outstanding dues of micro enterprises and small enterprise	396.28	-
- Total outstanding dues of creditors other than micro enterprises and small enterprise	1,544.03	949.25
Total Trade Payable	1,940.31	949.25
Payable to related party	87.99	37.80

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 35(iv)

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2024: (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	-	396.28	-	-	-	396.28
- Others	2,420.42	1,453.75	0.89	-	-	3,875.06
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Intercompany AP balance	-	89.50	-	-	-	89.50
Quess Corp Ltd	-	87.99	-	-	-	87.99
Allsec Technologies Limited	-	-	-	-	-	-
Terrier Security Services (India) Private Limited	-	1.51	-	-	-	1.51

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 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
Allsec Technologies Limited	-	-	-	-	-	-
Terrier Security Services (India) Private Limited	-	-	-	-	-	-

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.

18 Other current financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current maturities of finance lease obligations		
Salary payable	812.03	655.30
Provision for expenses	2,420.42	1,415.73
	3,232.45	2,071.03

19 Current tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets	-	(461.57)
Income tax liabilities	-	669.31

20 Current provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Provision for gratuity (unfunded) (Refer note 37)	71.53	60.36
Provision for compensated absences (unfunded) (Refer note 37)	6.03	6.05
	77.56	66.41

21 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Balances payable to government authorities	151.83	206.89
	151.83	206.89

The Company's exposure to currency and liquidity risk related to other current liabilities is disclosed in note 30

M S K A & ASSOCIATES Hyderabad Chartered Accountants
VEDANG CELLULAR SERVICES PVT. LTD. MUMBAI

22 Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from contracts with customers		
Sale of services	22,561.47	16,487.35
	22,561.47	16,487.35
* Changes in unbilled revenue (unbilled revenue - net)		
Opening unbilled revenue	1,852.29	1,077.51
Closing unbilled revenue	4,188.26	1,852.29
	2,335.97	774.78

23 Other income

Particulars	31 March 2024	31 March 2023
Interest income:		
On fixed deposits	2.12	1.82
On interest income on security deposits	2.99	4.58
Refund on income tax	-	55.30
	5.11	61.70

24 Direct service cost

Particulars	31 March 2024	31 March 2023
Installation charges	7,294.13	5,384.73
Laptop hire charges	410.30	301.15
Travelling and conveyance	1,064.74	659.16
Vehicle hire charges	632.73	221.16
	9,401.90	6,566.20

25 Employee benefit expenses

Particulars	31 March 2024	31 March 2023
Salaries and wages	8,360.23	6,232.44
Contribution to provident and other funds	270.31	199.29
Gratuity and compensated absences expenses	24.56	21.09
Staff welfare expenses	75.95	27.97
	8,731.05	6,480.79

26 Finance costs

Particulars	31 March 2024	31 March 2023
Interest expense on lease liability	13.01	16.45
Interest on cash credit	49.17	79.44
	62.17	95.89

M S K A & ASSOCIATES Hyderabad Chartered Accountants

VEDANG CELLULAR SERVICES PVT. LTD. MUMBAI

27 Depreciation and amortisation expenses

Particulars	31 March 2024	31 March 2023
Depreciation of property, plant and equipment	196.32	181.84
Amortisation of intangible asset	137.09	91.02
	333.41	272.87

28 Other expenses

Particulars	31 March 2024	31 March 2023
Rent	160.32	92.78
Power and fuel	34.74	32.71
Housekeeping Charges	33.52	-
Repairs & maintenance:		
- buildings (Office Maintainance)	20.46	17.09
- plant and machinery	2.89	2.57
- Software & others	374.47	183.87
Legal and professional fees (refer note 28.1)	107.72	89.60
Rates and taxes	73.15	22.53
Printing and stationery	66.91	99.13
Consumables	321.23	502.77
Travelling and conveyance	47.62	-
Communication expenses	26.28	26.80
Impairment loss allowance on financial assets, net	50.11	23.25
Insurance	20.97	12.38
Bank charges	0.13	0.33
Business promotion and advertisement expenses	4.73	4.29
Foreign exchange loss, net	-	0.06
Expenditure on corporate social responsibility (Refer note 41)	14.00	-
Miscellaneous expenses	44.40	46.06
	1,403.66	1,156.22

28.1 Payment to auditors (net of goods and service tax included in legal and professional fees)

Particulars	31 March 2024	31 March 2023
Audit fees:		
Statutory audit fees	5.00	3.00
Limited review	3.00	2.00
	8.00	5.00

M S K A & ASSOCIATES Hyderabad Chartered Accountants

VEDANG CELLULAR SERVICES PVT. LTD. MUMBAI

29 Taxes

A Amount recognised in statement of profit or loss

(Amount in Lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax:		
In respect of the current year	688.43	570.65
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	(27.78)	(11.92)
Income tax expense reported in the statement of profit and loss	660.65	558.73

B Income tax recognised in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Remeasurement of the net defined benefit liability/ asset		
Before tax	(11.82)	(4.26)
Tax (expense)/ benefit	-	-
Net of tax	(11.82)	(4.26)

C Reconciliation of effective tax rate

Particulars	For the year ended '31 March 2024		For the year ended '31 March 2023	
	Rate		Rate	
Profit before tax		2,634.39		1,977.07
Tax using the company's domestic tax rate	25.17%	688.43	25.17%	570.65
Effect of:				
Deferred tax credit	-1.05%	(27.78)	-0.60%	(11.92)
Income tax relating to items that will not be reclassified to profi	0.00%	-	0.00%	-
Others	0.00%	-	25.17%	-
Effective tax rate		660.65		558.73
Income tax expense reported in the statement of profit and lo	25.08%	660.65	28.26%	558.73

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 2024	As at 31 March 2023
Income tax assets	531.09	461.57
Income tax liabilities	(510.03)	(669.31)
Net income tax assets/ (liability) at the end of the year	21.06	(207.75)

E Deferred tax assets, net

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax:		
Provision on employee benefits- gratuity	31.25	23.50
Provision on employee benefits- compensated absences	2.00	2.01
Impairment on financial asset	22.39	9.74
Deferred tax on fixed assets	92.14	87.33
Deferred tax on ROU asset	2.59	-
Net deferred tax asset	150.37	122.58

F Recognised deferred tax assets and liabilities

Movement of deferred tax assets / liabilities presented in the balance sheet

For the year ended 31 March 2024	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	94.39	-	13.65	-	108.04
Provision for employee benefits, compensated absences	21.70	-	7.75	-	29.45
Impairment on financial asset	5.12	-	12.64	-	17.76
Remeasurements gains / (losses) on defined benefit plans	1.37	-	-	(8.84)	(7.47)
Right of use of assets	-	-	2.59	-	2.59
Gross deferred tax assets	122.58		34.04	(8.84)	150.37

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30 Financial instruments - fair value and risk management

Financial instruments by category

Particulars	Note	31 March 2024			31 March 2023		
		FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial assets:							
Loans	10	-	-	-	-	-	76.94
Trade receivables	7	-	-	9,068.54	-	-	6,373.01
Cash and cash equivalents including other bank balances	8	-	-	664.97	-	-	30.66
Other financial assets	11	-	-	123.88	-	-	5.55
Total financial assets		-	-	9,857.39	-	-	6,486.16
Financial liabilities:							
Trade payables	17	-	-	1,544.03	-	-	949.25
Current borrowings	16	-	-	1.04	-	-	37.20
Other financial liabilities	18	-	-	3,232.45	-	-	2,071.03
Total financial liabilities		-	-	4,777.52	-	-	3,057.48

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

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets measured at amortised cost				
Loans	-	-	-	-
Trade receivables	9,068.54	-	-	-
Cash and cash equivalents including other bank balances	664.97	-	-	-
Other financial assets	123.88	-	-	-
Total financial assets	9,857.39	-	-	-
Financial liabilities measured at amortised cost				
Trade payables	1,544.03	-	-	-
Current borrowings	1.04	-	-	-
Other financial liabilities	3,232.45	-	-	-
Total financial liabilities	4,777.52	-	-	-

Fair value of financial instruments as at 31 March

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	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**	**-**	**-**	**-**

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

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

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 2024, the maximum exposure to credit risk for trade and other receivables by geographic region was as follows.

Particulars	As at	
	31 March 2024	31 March 2023
India	4,969.22	4,559.44
	4,969.22	4,559.44

Expected credit loss assessment for corporate customers as at 31 March 2024 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 2024

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	3,070.48	0.00%	-	No	3,070.48
Past due 1-90 days	1,545.75	0.63%	9.68	No	1,536.07
Past due 91-180 days	302.83	1.64%	4.98	No	297.85
Past due 181-270 days	26.76	15.68%	7.22	No	19.54
Past due 271-360 days	15.07	100.00%	15.07	Yes	-
Above 360 days	8.33	100.00%	8.33	Yes	-
	4,969.22		45.28		4,923.94

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	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

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:

Particulars	31 March 2024	31 March 2023
Balance as at the beginning of the year	**38.72**	**6.12**
Impairment loss allowances recognised	50.21	32.60
Balance as at the end of the year	**88.93**	**38.72**

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.

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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
The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31 March 2024	31 March 2023
Expiring within one year (cash credit and overdraft facilities)	1,998.96	1,962.80
Expiring within one year (bill discounting facility)	-	-

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2024. The amounts are gross and undiscounted contractual cash flows and includes contractual interest payment and exclude netting arrangements:

As at 31 March 2024

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	1.04	1.04	-	-	-
Trade payables	1,940.31	1,543.25	0.89	-	-
Other financial liabilities	3,232.45	3,232.45	-	-	-

As at 31 March 2023

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	37.20	37.20	-	-	-
Trade payables	949.25	949.25	-	-	-
Other financial liabilities	2,071.03	2,071.03	-	-	-

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.

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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

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 **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 2024	As at 31 March 2023
Variable rate borrowings	1.04	37.20
Total borrowings	**1.04**	**37.20**

(b) Sensitivity

Particulars	Profit and loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
31 March 2024				
Variable rate borrowings	(0.01)	0.01	(0.01)	0.01
31 March 2023				
Variable rate borrowings	(0.37)	0.37	(0.28)	0.28

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 2024 and 31 March 2023.

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 2024	As at 31 March 2023
Total liabilities	5,547.38	3,748.07
Less: Cash and cash equivalents	585.49	0.36
Adjusted net debt	**4,961.89**	**3,748.71**
Total equity	5,240.48	3,526.97
Less: Effective portion of cash flow hedges and cost of hedging	-	-
Total equity	**5,240.48**	**3,526.97**
Net debt to equity ratio	**0.95**	**1.06**

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33 Contingent liability and capital commitments
(to the extent not provided for)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Bank guarantee	566.80	-

34 Earnings per share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Nominal value of equity shares (number)	10.00	10.00
Net profit after tax for the purpose of earnings per share (A)	2,072.40	1,418.34
Weighted average number of shares used in computing basic earnings per share (B)	1.82	1.82
Basic earnings per share (INR)	1,138.16	778.95
Weighted average number of shares used in computing diluted earnings per share	1.82	1.82
Diluted earnings per share (INR)	1,138.16	778.95

35 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 Fairbridge Capital (Mauritius) Limited FFHL Group Ltd. Fairfax (Barbados) International Corp. Issac Enterprizes LLP
- Subsidiaries, associates and joint venture	Refer note (ii)
- Entities having common directors	Heptagon Technologies Private Limited Excelus Learning Solutions Private Limited Quesscorp Singapore Pte. Ltd.(formarly Comtel Solutions Pte Ltd) Quess (Philippines) Corp. Quess International Services Private Limited Allsec Technologies Limited Coromandel Agro Products and Oils Limited Agency Pekerjaan Quess Recruit SDN. BHD. (w.e.f 01 July 2023) Quesscorp Holding Pte. Ltd. Hyderabad Crime & Legal Solutions Private Limited Excelus Learning Solutions Private Limited Stellar Technovation Private Limited Terrier Security Services (India) Private Limited Heptagon Technologies 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	Quess Foundation

Key executive management personnel

Name	Designation
Ashish Banarasilal Kapoor	Whole Time director
Ayyagari Rajeswara Rao	Independent Director
Vijay Sivaram	Director
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 (Merged with Quess Corp Ltd w.e.f 01 December 2023) 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. Ltd. MFXchange Holdings, Inc. MFXchange US, Inc. Excelus Learning Solutions Private Limited Conneqt Business Solution Limited (Merged with Quess Corp Ltd w.e.f 01 December 2023) Quess International Services Private Limited Quess Selection & Services 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 Stellar Technovation Private Limited (w.e.f 07 April 2022) Quess Corp NA LLC (w.e.f 17 May 2022) Billion Careers Private Ltd Allsec Technologies Limited Allsectech Inc., USA Allsectech Manila Inc., Philippiness Trimax Smart Infraprojects Private Limited Quess Corp Services Limited Quess Services Limited Terrier Security Services (India) Private Limited Quess East Bengal FC Private Limited Heptagon Technologies Private Limited Quess Recruit, Inc. (w.e.f 01 July 2024) Agency Pekerjaan Quess Recruit SDN. BHD. (w.e.f 01 July 2023) Digitide Solutions Limited (w.e.f 11 February 2024) Bluspring Enterprises Limited (w.e.f 10 February 2024) Quess GTS Canada Holding Inc.(w.e.f 11 February 2024) Simpliance Technologies Private Limited (till 20 October 2022) Qdigi Services Ltd (till 31 March 2024) Greenpiece Landscapes India Private Limited (Merged with Quess Corp Ltd w.e.f 01 December 2023)
- Associates of Holding Company	Quess Recruit, Inc. (till 01 July 2024) Agency Pekerjaan Quess Recruit SDN. BHD. (till 01 July 2023)
- Joint Venture of Holding Company	Himmer Industrial Services (M) SDN. BHD. (Struck off w.e.f 04 March 2024)

(iii) Related party transactions during the year

Particulars		31 March 2024	31 March 2023
Other expenses	Quess Corp Ltd	79.70	111.13
	Vedang Radio Technologies Private Limited	-	-
	Terrier Security Services (India) Private Limited	7.38	6.06
	Allsec Technologies Limited	0.03	0.46
	Heptagon Technologies Pvt Ltd.	2.40	-
Purchase of intangible ass	Heptagon Technologies Pvt Ltd.	-	9.44
Guarantees received	Quess Corp Ltd	2,000.00	2,000.00

(iv) Outstanding balance related parties as at the balance sheet date:

Particulars		As at 31 March 2024	As at 31 March 2023
Guarantees Outstanding	Quess Corp Ltd	2,100.00	2,100.00
Trade payables	Quess Corp Ltd	87.99	35.26
	Terrier Security Services (India) Private Limited	1.51	-

(v) Compensation of key managerial personnel*

Particulars	For the period ended 31st March 2024	For the period ended 31st March 2023
Salaries including bonuses	136.72	141.95
	136.72	141.95

*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 2024	As at 31 March 2023
Non Current lease liability	55.95	85.01
Current lease liability	33.65	89.60
Total	89.60	174.62

The following is the movement in lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Operating lease recognised on adoption of Ind AS 116	174.62	170.60
Add: Additions	85.01	102.37
Less: Deletion	(83.18)	(29.30)
Add: Finance cost accrued during the period	13.01	16.45
Less: Payment of lease obligation	(99.86)	(85.49)
Carrying amount as at 31 March 2023	89.60	174.62

Amount recognised in profit & loss

Particulars	As at 31 March 2024	As at 31 March 2023
Interest expense (included in finance cost)	13.01	16.45
	13.01	16.45

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2024 on an undiscounted basis:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	81.83	98.01
One to five years	17.91	94.78
	99.74	192.79

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37 Assets and liabilities relating to employee benefits

A

Particulars	As at 31 March 2024	As at 31 March 2023
Net defined benefit liability, gratuity plan	124.17	93.37
Liability for compensated absences	7.96	7.97
Total employee benefit liability	132.13	101.34
Current	77.56	66.41
Non-current	54.58	34.92
	132.14	101.34

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

Particulars	As at 31 March 2024	As at 31 March 2023
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	93.37	86.27
Additions through business combination	-	-
Current service cost	21.46	15.39
Interest cost	6.74	3.75
Past service cost	-	-
Benefit settled	(9.24)	(16.31)
Actuarial (gains)/ losses recognized in other comprehensive income	-	-
- Changes in experience adjustments	11.52	8.64
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	0.32	(4.38)
Obligation at the end of the year	124.17	93.37

C I) Expense recognized in statement of profit or loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	21.46	15.39
Interest cost	6.74	3.75
Past service cost	-	-
Interest income	-	-
Net gratuity cost	28.20	19.14

II) Re-measurement recognized in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Remeasurement of the net defined benefit liability	11.84	4.26
Remeasurement of the net defined benefit asset	-	-
	11.84	4.26

D Plan assets

(All amount in INR, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Funds managed by insurer	-	-
	-	-

E Defined benefit obligation - actuarial assumptions

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Discount rate	7.05%	7.20%
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 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	122.09	126.32	91.92	94.86
Future salary growth (1% movement)	126.07	122.31	94.61	92.14
Attrition rate (-/+50%% movement)	103.40	180.03	86.59	117.00

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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 2024 and 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.

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 2024 (Amount in Lakh)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Geographic revenue		
India	22,561.47	16,487.35
Total	22,561.47	16,487.35

Nature of services	For the year ended 31 March 2024	For the year ended 31 March 2023
Active telecom services	22,561.47	16,487.35
Total	22,561.47	16,487.35

Revenue by contract type	For the year ended 31 March 2024	For the year ended 31 March 2023
Fixed price	22,561.47	16,487.35
Time & material	-	-
Total	22,561.47	16,487.35

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 2024	As at 31 March 2023
Receivables, which are included in 'Trade and other receivables'	4,923.94	4,520.72
Contract assets (Unbilled revenue)	4,144.60	1,852.29
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 2024

Particulars	For the year ended 31 March 2024
Balance at the beginning	1,852.29
Add : Revenue recognized during the period	22,561.47
Less : Invoiced during the period	(20,225.50)
Less : Impairment / (reversal) during the period	-
Add: Changes due to business combinations	-
Add : Translation gain/(Loss)	-
Balance at the end	4,188.26

(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 2024, other than those meeting the exclusion criteria mentioned above, is NIL.

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41 **Corporate Social Responsibility**

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 education and health. A CSR committee has been formed by the company as per the Act. The funds are utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	31-Mar-24	31-Mar-23
Gross Amount required to be spent as per Section 135 of the Act	14.00	-
Add: Amount Unspent from previous years	-	-
Total Gross amount required to be spent during the ye	14.00	-

Amount approved by the Board to be spent during the	14.00	-

Amount spent during the year on 31st March 2024

(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	14.00	-

Details related to amount spent/ unspent

Particulars	31-Mar-24	31-Mar-23
Contribution to Quess Foundation Trust	14.00	-
TOTAL	14.00	-

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42 Ratios

S No.	Ratio	Formula	Particulars		March 31, 2024		March 31, 2023		Ratio as on	Ratio as on	Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	31-Mar-24	31-Mar-23		
(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	9,911	5,437	6,564	3,628	1.82	1.81	1%	
(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	1	5,240	37	3,527	0.00	0.01	-98%	
(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	3,030	62	2,346	96	48.7	24.5	99%	There has been improvement in operating profits and cash flows during the year ended 31st March, 2024 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	2,064	5,240	1,414	3,527	39%	40%	-2%	
(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	
(f)	Trade receivables turnover ratio	Net credit sales / Average trade receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	22,561	7,721	16,487	4,612	2.92	3.58	-18%	
(g)	Trade payables turnover ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	1,404	1,247	1,156	661	1.13	1.75	-36%	Trade payable increased due to increase in revenue
(h)	Net capital turnover ratio	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets - Current liabilities	22,561	3,705	16,487	2,046	6.09	8.06	-24%	Current year Profit is increased due to favourable business with operators resulted in better margine.
(i)	Net profit ratio	Net Profit / Net Sales	Net Profit	Net Sales	2,072	22,561	1,418	16,487	9%	9%	7%	
(j)	Return on capital employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	2,968	5,351	2,250	3,647	0.55	0.62	-10%	
(k)	Return on investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	2,072	5,240	1,418	3,527	0.40	0.40	-2%	

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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 2024

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-23	IDFC First Bank Ltd	Account receivable (gross) net of account payable	6,761.95	6,481.71	280.24	Refer Note 48.2
Sep-23	IDFC First Bank Ltd		7,742.75	7,137.45	605.30	
Dec-23	IDFC First Bank Ltd		8,430.43	7,863.12	567.32	
Mar-24	IDFC First Bank Ltd		9,068.54	8,615.11	453.42	

31-03 2023

Quarter	Name of bank	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly return	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 48.2
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	

48.2 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.

49 Earnings in foreign currency

There is no earning in foreign currency during the current year and previous year.

50 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
for M S K A & Associates
Chartered Accountants
Firm registration number: 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad
Date: May 03, 2024

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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 03, 2024

Vijay Sivaram
Director
DIN.07990452

Place: Bangalore
Date: May 03, 2024

Vedang Cellular Services Private Limited

Notes forming part of the financial statements for the year ended 31st March 2024
Company overview and material accounting policies
(Amount INR Lakhs, unless otherwise stated)

1. Company Overview

Vedang Cellular Services Private Limited ("the company") 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. Material 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 03rd May 2024.

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

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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 Ind AS 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 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 amortized 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).

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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.

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 recognized 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 recognized 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 recognized 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

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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.

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 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.

(iii) Amortization

Amortization 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 amortization 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 2024
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.

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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 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.

2.9 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

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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.

2.10Revenue 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

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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

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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.

2.13Financial 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
- 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 reclassified subsequent to their initial recognition

A financial asset is measured at amortized 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 amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company

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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 recognised in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized 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 amortized 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 receivable. 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

The Company derecognizes a financial asset when the

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- 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 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 Company 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. 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 amortized 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.

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 recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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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.

c) 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 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. 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 employees, 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

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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

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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.

2.18Cash 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.

2.19Cash 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.

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, 2023.

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MSKA & Associates
Chartered Accountants

1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Telangana State, Hyderabad 500072, INDIA

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, 2024, 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 material accounting policy information and other explanatory information (hereinafter referred to as the "financial statements").

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, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, 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 of the 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 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.

Emphasis of Matter

We draw attention to Note 45 to the financial statements that states that the Company has transferred its operations to its holding company and fellow subsidiaries ended March 31, 2024. In view of the same, the going concern assumption in the preparation of the financial statements of the Company for the year ended March 31, 2024 is no longer considered appropriate. Accordingly, the financial statements of the Company for the year ended March 31, 2024 have been prepared on a liquidation basis wherein, the assets are stated at the amounts at which they are expected to be realized and liabilities are stated at values at which they are expected to be settled.

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 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 such other information is materially inconsistent with

the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Directors Report has not been made available to us as at the date of this auditor's report. 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 are responsible for assessing the Company's ability to continue as a going concern. Accordingly, the Company's management has prepared the financial statements on net realizable value basis of accounting as the Company ceases to be a going concern.

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 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, except that the financial statements are prepared on net realizable basis of accounting, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) The matter disclosed in 'Emphasis of Matter' paragraph above, in our opinion, may have an adverse effect on the functioning of the company

(f) On the basis of the written representations received from the directors as on March 31,2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31,2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) 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".

(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 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. Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operated throughout the year for all transactions recorded in the accounting software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

3. In our opinion, according to information, explanations given to us, the provisions of Section 197 read with Schedule V of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 24205226BKEAIK2805

Place: Hyderabad.
Date: May 08, 2024

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 and Board of Directors.

- Conclude on the appropriateness of management and Board of 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 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: 24205226BKEAIK2805
Date: May 08, 2024
Place: Hyderabad

MSKA & ASSOCIATES ★ Hyderabad ★ Chartered Accountants

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HEPTAGON TECHNOLOGIES PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2024

[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 under clause 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 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 provisions stated under clause 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 provisions stated under clause 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 under clause 3(i)(e) of the Order are not applicable to the Company.

ii. **(a)** The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.

(b) The Company has not been sanctioned any working capital limits during the year on the basis of security of current assets. Accordingly, the provisions stated under clause 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, or 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 stated under clause 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013, are applicable and accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.



vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 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/services of the Company. Accordingly, the provisions stated under clause 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 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 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 Income-tax Assessment of the Company. Accordingly, the provision stated under clause 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 and explanations provided to us, no money was raised by way of term loans. Accordingly, the provision stated under clause 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) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under clause 3(ix)(e) of the order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under 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. Accordingly, the provisions stated under clause 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.

M S K A & ASSOCIATES ★ Chartered Accountants ★ Hyderabad

Accordingly, the provisions stated under clause 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 or on the Company has been noticed or reported during the year in the course of our audit.

(b) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(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 under clause 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 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the financial statements as required by applicable accounting standards. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Companies Act, 2013, the Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company. Accordingly, provisions started under clause 3(xiii) of the Order insofar as it relates to section 177 of the Companies Act, 2013, is not applicable to the Company.

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 the provisions of the Companies Act, 2013. Accordingly, reporting under clause 3(xiv) of the Order are not applicable to the Company.

(b) The Company did not have an internal audit system for the period under audit. Accordingly, we are unable to report under the clause 3(xiv)(b) of the Order. However, the entity has conducted IFC Audit by Mazars advisory LLP for the financial year 23-24.

xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is 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 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the provisions stated under clause 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, 2024 (Current year)	March 31, 2023 (Previous Year)
Cash Losses (PAT + depreciation + Impairment Loss Allowance on financial assets- Liability no longer payable written back)	702.81	662.44

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3(xviii) of the Order are not applicable to the Company.

xix. The Company has transferred its operations to its holding company and fellow subsidiaries during the year ended March 31, 2024 and entered into a business transfer agreement dated March 30, 2024 with its holding company and fellow subsidiaries. On account of the above, the management of the company has assessed that the going concern assumption in the preparation of the financial statements of the Company for the year ended March 31, 2024 is no longer considered to be appropriate. Accordingly, these financial statements have been prepared on a liquidation basis and all assets are stated at the amounts at which they are expected to be realized and liabilities are stated at values at which they are expected to be settled.

xx. According to the information and explanations given to us and based on our verification, provisions of Section 135 of the Companies Act, 2013, are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

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: 24205226BKEAIK2805

M S K A & ASSOCIATES Hyderabad Chartered Accountants

Place: Hyderabad
Date: May 08, 2024

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HEPTAGON TECHNOLOGIES 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 Heptagon Technologies Private Limited on the Financial Statements for the year ended March 31, 2024]

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 with reference to financial statements of Heptagon Technologies Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company, including 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, 2024, 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").

Managements' and Board of Director's Responsibility 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 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: 24205226BKEAIK2805

M S K A & ASSOCIATES Hyderabad Chartered Accountants

Place: Hyderabad
Date: May 08, 2024

Heptagon Technologies Private Limited

(formerly known as Helpr Infotech India Private Limited)

Balance sheet as at 31 March 2024

(Amount in INR lakhs)

Particulars	Note	31 March 2024	31 March 2023
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	-	95.31
Right-of-use-assets	3	-	35.26
Intangible assets	4	-	175.92
Intangible assets under development	4	-	154.37
Financial assets			
(i) Other financial assets	5	-	12.48
Income tax assets (net)	6	-	152.79
Other non-current assets	7	-	1.78
Total non-current assets		-	**627.91**
Current assets			
Financial assets			
(i) Trade receivables	8	109.69	351.33
(ii) Cash and cash equivalents	9	73.81	288.42
(iii) Loans	10	-	19.47
(iv) Contract assets	8	-	632.44
(vii) Other Current financial assets	11	14.15	-
Other current assets	12	367.64	24.78
Total current assets		**565.29**	**1,316.44**
Total Assets			
Total assets		**565.29**	**1,944.35**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	3.60	3.60
Other equity	14	14.45	(2,392.53)
Total equity attributable to equity holders of the Company		**18.05**	**(2,388.93)**
Total equity		**18.05**	**(2,388.93)**
Liabilities			
Non-Current liabilities			
Financial liabilities			
(i) Non-Current borrowings	15	-	1,529.74
(ii) Lease liabilities	16	-	20.82
(iii) Other Non-Current financial liabilities	17	-	1,465.08
Provisions	18	-	110.81
Total Non-Current liabilities		-	**3,126.45**
Current liabilities			
Financial liabilities			
(i) Short term borrowings	19	1.39	1.85
(ii) Lease liabilities	16	-	29.45
Trade payables			
Total outstanding dues of micro enterprises and small enterprises		-	14.04
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	197.03	117.97
(iii) Other financial liabilities	21	27.04	214.48
Provisions	22	-	34.36
Other current liabilities	23	321.78	794.68
Total current liabilities		**547.24**	**1,206.83**
Total liabilities		**547.24**	**4,333.28**
Total equity and liabilities		**565.29**	**1,944.35**
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: 08 May 2024

for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN U72200TZ2015PTC021609

Lohit Bhatia
Director
DIN: 07980280

Place: Bengaluru
Date: 08 May 2024

Vijay Sivaram
Director
DIN: 07990452

Place: Bengaluru
Date: 08 May 2024

Heptagon Technologies Private Limited
(formerly known as Helpr Infotech India Private Limited)

Statement of profit and loss for the year ended 31 March 2024

(Amount in INR lakhs)

Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	24	1,593.28	3,175.76
Other income	25	3,301.90	35.54
Total income		**4,895.18**	**3,211.30**
Expenses			
Employee benefit expenses	26	1,113.04	2,792.86
Finance cost	27	130.70	158.09
Depreciation and amortisation expenses	28	134.26	143.54
Other expenses	29	1,147.13	988.04
Total expenses		**2,525.13**	**4,082.53**
Profit/(Loss) before tax		**2,370.05**	**(871.23)**
Tax expense	31	-	-
Total tax expenses		-	-
Profit/(Loss) for the year		**2,370.05**	**(871.23)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		36.93	31.61
Other comprehensive income / (loss) for the year		-	-
Total other comprehensive income / (loss), net of tax		**36.93**	**31.61**
Total comprehensive income / (loss) for the year		**2,406.98**	**(839.62)**
Company overview and Significant accounting policies	**1 & 2**		
Earnings per equity share (face value of Rs 10 each)			
Basic (₹ in INR)	39	6,579.45	(2,418.61)
Diluted (₹ in INR)		6,579.45	(2,418.61)
Weighted average equity shares used in computing earnings per equity share			
Basic (in No's)	39	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: 08 May 2024

for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609

Lohit Bhatia
Director
DIN: 07980280

Place: Bengaluru
Date: 08 May 2024

Vijay Sivaram
Director
DIN: 07990452

Place: Bengaluru
Date: 08 May 2024

Heptagon Technologies Private Limited
(formerly known as Helpr Infotech India Private Limited)
Statement of cash flows for the year ended 31 March 2024

(Amount in INR lakhs)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Cash flows from operating activities		
Profit / (Loss) after tax	2,370.05	(871.23)
Adjustments for:		
Depreciation and amortisation	134.26	143.54
Profit on sale of property, plant and equipment, net	(1.57)	(2.55)
Bad debts written off	69.82	-
Liabilities no longer required written back	(3,266.82)	-
Provision for bad and doubtful debts, net	(2.33)	65.23
Rent reversal as per Ind AS 116	(7.78)	-
Interest income on security deposits	(0.78)	(1.00)
Interest on tax refunds due	-	(15.97)
Rent from letting out properties	(24.95)	(16.01)
Finance costs	130.70	158.09
Operating cash flows before working capital changes	**(599.40)**	**(539.90)**
Changes in inventories, trade receivables and unbilled revenue	806.59	(367.23)
Changes in loans, other financial assets and other assets	(323.28)	(14.21)
Changes in trade payables and other financial liabilities	(122.42)	3.87
Changes in other liabilities and provisions	(424.78)	1,969.29
Cash generated from operations	**(663.29)**	**1,051.82**
Income taxes paid, net of refund	152.79	106.30
Net cash provided by/ (used in) operating activities (A)	**(510.50)**	**1,158.12**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles, net of sale proceeds	328.17	(96.94)
Rent from letting out properties	24.95	16.01
Interest income on security deposits	0.78	1.00
Net cash used in investing activities (B)	**353.90**	**(79.93)**
Cash flows from financing activities		
Lease liability paid	(42.49)	(29.77)
Finance costs	(15.51)	(158.09)
Loans from related parties, net of amounts	-	(1,372.95)
Net cash provided by financing activities (C)	**(58.00)**	**(1,560.81)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(214.60)	(482.61)
Cash and cash equivalents at the beginning of the year	288.42	771.03
Cash and cash equivalents at the end of the year (refer note 9)	**73.81**	**288.42**

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: 08 May 2024

for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609

Lohit Bhatia
Director
DIN: 07980280

Place: Bengaluru
Date: 08 May 2024

Vijay Sivaram
Director
DIN: 07990452

Place: Bengaluru
Date: 08 May 2024

Heptagon Technologies Private Limited
(formerly known as Helpr Infotech India Private Limited)
Statement of changes in equity for the year ended 31 March 2024

(Amount in INR lakhs)

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, 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 23)	-	(871 23)
Less: Amount utilized for issue of Equity Shares	-	-	-	-	-
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	(4,688.38)	21.04	(2,388.93)
Balance as at April 1, 2023	3.60	2,274.81	(4,688.38)	21.04	(2,388.93)
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	-	-	2,370 05	-	2,370 05
Add: Other comprehensive income for the year	-	-	-	-	-
Remeasurement gain/ (loss) on defined benefit plan	-	-	-	36 93	36 93
Other comprehensive income / (loss) for the year	-	-	-	-	-
Balance as at March 31, 2024	3.60	2,274.81	(2,318.33)	57.97	18.05

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

M S K A & ASSOCIATES Hyderabad Chartered Accountants

Ananthakrishnan G
Partner
Membership No: 205226

Place: Hyderabad
Date: 08 May 2024

for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN U72200TZ2015PTC021609

Lohit Bhatia
Director
DIN 07980280

Place Bengaluru
Date: 08 May 2024

Vijay Sharma
Director
DIN: 07990452

Place: Bengaluru
Date 08 May 2024

HEPTAGON TECHNOLOGIES PVT LTD

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. Material accounting policies

Material accounting policies adopted by the company are as under:

2.1 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 8th May 2024.

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

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").

iii. The Company has transferred its operations to its holding company and fellow subsidiaries during the year ended March 31, 2024 and entered into a business transfer agreement dated March 30, 2024 with its holding company and fellow subsidiaries. On account of the above, the management of the company has assessed that the going concern assumption in the preparation of the financial statements of the Company for the year ended March 31, 2024 is no longer considered to be appropriate. Accordingly, these financial statements have been prepared on a liquidation basis and all assets are stated at the amounts at which they are expected to be realized and liabilities are stated at values at which they are expected to be settled.



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 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.

2.4 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 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.



2.5 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 2024
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.

2.6 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 2024
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.



2.7 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 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.

2.8 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 16 for disclosure related to leases.

2.9 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.

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.

2.10Other 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

2.11 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.

2.12 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. 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.

2.13 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.

2.14 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.

2.15 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.

2.16 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

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.

2.18 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.

2.19 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.

2.20 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.



2.21 Changes in accounting policies and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company has applied these amendments for the first-time in these financial statements.

Amendments to Ind AS 8 - definition of accounting estimates

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on these financial statements.

Amendments to Ind AS 1 - disclosure of accounting policies

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the financial statements.

Amendments to Ind AS 12 - deferred tax related to assets and liabilities arising from a single transaction

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The amendments had no impact on these financial statements.

2.22 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end 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 described 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 that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

I. Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company have taxable temporary differences and tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has

determined that it cannot recognize deferred tax assets further in CY on the tax losses carried forward. Refer Note 6. New standards and amendments issued but not effective.

II. Defined benefit plans (gratuity benefits and compensated absences)

The cost of the defined benefit plans such as gratuity and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details Refer Note 18.

III. Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. During the year, the Company recognised an impairment loss on trade receivables (refer note 34).

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 01 April 2023.

2.24 Standards that became effective during the year

(i) Onerous Contracts- Cost of Fulfilling a Contract - Amendment to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. 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.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company.



(ii) Reference to the Conceptual Framework - Amendment to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company.

(iii) Property, Plant and Equipment: Proceeds Before Intended Use- Amendment to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised 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 amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company.

(iv) Ind AS 101: First Time Adoption of Indian Accounting Standards- Subsidiary as a first time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022 but do not apply to the Company as it was first time adopter in an earlier year.

(v) Ind AS 109 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liability

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.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022 but do not apply to the Company as it was first time adopter in an earlier year.

3 Property, Plant and Equipment

(Amount in INR lakhs)

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 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**	**330.52**
Additions during the year	0.04	0.27	-	-	-	0.31
Disposals for the year	20.32	16.66	0.26	174.11	119.48	330.83
As at 31 March 2024	**-**	**-**	**(0.00)**	**-**	**0.00**	**-**
Accumulated Depreciation						
As at 1 April 2022	**9.12**	**7.53**	**0.08**	**54.40**	**61.48**	**132.61**
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**	**199.95**
Depreciation for the year	3.38	2.47	-	44.57	20.84	71.26
Disposals for the year	16.22	13.01	0.26	133.63	105.06	268.18
Accumulated depreciation on deletions	-	-	-	3.03	-	3.03
As at 31 March 2024	**-**	**-**	**-**	**-**	**-**	**-**
Net Block :						
As at 31 March 2024	**-**	**-**	**-**	**-**	**-**	**-**
As at 31 March 2023	**7.44**	**5.85**	**-**	**82.02**	**35.26**	**130.57**

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.

4 Intangible Assets

(Amount in INR lakhs)

Particulars	Trademark	Software (IP Technology)	Intangible assets under development*	Total
Gross block				
As at 1 April 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**
Additions during the year	-	-	-	-
Disposals for the year	0.80	343.48	154.37	498.65
Capitalised during the year	-	-	-	-
As at 31 March 2024	-	-	-	-
Accumulated Depreciation				
As at 1 April 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**
Amortisation for the year	-	63.00	-	63.00
Disposals for the year	0.80	230.56	-	231.36
Accumulated amortisation on deletions	-	-	-	-
As at 31 March 2024	-	-	-	-
Net Block				
As at 31 March 2024	-	-	-	-
As at 31 March 2023	-	**175.92**	**154.37**	**330.29**

*During the year, the company has expensed off intangible under development which are related to People chain & 1book Software products since entity has assessed that these assets will have no probable expected future economic benefits that are attributable to the asset will flow to the entity. Refer note 43

5 Other Non-Current Financial Assets

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
(Unsecured, considered good		
Security deposits	-	12.48
	-	**12.48**

6 Income tax assets (net)

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Advance income tax (Refer note 31)	-	152.79
	-	**152.79**

7 Other non-current assets

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
(Unsecured and considered good)		
Prepaid expenses	-	0.38
Capital advances	-	1.40
	-	**1.78**

8 Trade receivables

i) Trade receivables - billed

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Unsecured		
Undisputed Trade receivables		
Considered good (Refer note 34)	109 69	351.33
Credit impaired	20 46	77.69
Less: Allowance for expected credit loss (considered doubtful)	(20 46)	(77.69)
	109.69	**351.33**
# receivable from related parties (refer note 41(C))	107.94	155.21

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 2024	31 March 2023
Unbilled revenue	54 90	632.44
Less: Provision for impairment of unbilled revenue	(54 90)	-
	-	**632.44**
# receivable from related parties (refer note 41(C))	-	489 90

Trade receivable ageing schedule as on 31 March 2024:

(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	54.90	-	108 56	1.13	-	-	-	109.69
- Credit impaired	54.90	-	16 22	4.24	-	-	-	20.46

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	31.51	- -	-	-	351.33
- Credit impaired	-	2.20	9 57	53 66	1 19	11 07	-	77.69

9 **Cash and cash equivalents**

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Cash and cash equivalents		
Cash in hand	-	0 03
In current accounts	73 81	288.39
Cash and cash equivalents in balance sheet	**73.81**	**288.42**
Cash and cash equivalent in the statement of cash flow	**73.81**	**288.42**

10 **Current loans**

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Other loans and advances		
Loans to employees	-	19.47
	-	**19.47**

11 **Other current financial assets**

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Security deposits	14.15	-
	14.15	-

12 **Other current assets**

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Advances other than capital advances		
Advances to suppliers	2 74	6 71
Prepaid expenses	-	10.25
Balances with government authorities	364.90	7.82
	367.64	**24.78**

13 **Equity share capital**

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Authorised		
1,00,000 (31 March 2023: 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 2023: 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 2024			31 March 2023		
	Number of shares	% held	% change during the year	Number of shares	% held	% change during the year
Quess Corp Limited	36,021	99.99%	39.32%	21,855	60 67%	0%
Ajit Isaac	1	0 01%	0 01%	-	0 00%	0%
Rengasamy Vignesh	-	0.00%	-13 11%	4,722	13 11%	0%
Veeraraghavan Vijayramkumar	-	0.00%	-13 11%	4,722	13.11%	0%
Sankarappan Rajesh	-	0.00%	-13 11%	4,722	13.11%	0%
	36,022	**100%**		**36,022**	**100%**	

13.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2024		As at 31 March 2023	
	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	36,022	3 60
Shares issued during the year	-	-	-	-
At the end of the year	**36,022**	**3.60**	**36,022**	**3.60**

13.2 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	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	36,021	3 60	21,855	2 19
Rengasamy Vignesh	-	-	4,722	0.47
Veeraraghavan Vijayramkumar	-	-	4,722	0 47
Sankarappan Rajesh	-	-	4,722	0.47
	36,021	**3.60**	**36,022**	**3.60**

13.3 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.

14 Other equity*

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Securities premium account (refer note 14.1)	2,274.81	2,274.81
Other comprehensive income (refer note 14.2)	57.97	21.04
Retained earnings	(2,318.33)	(4,688.38)
	14.45	**(2,392.53)**

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.

14.3 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.

15 Non-current borrowings

(Amount in INR)

Particulars	31 March 2024	31 March 2023
Secured		
From Quess Corp Ltd. (refer note 15.1)	-	1,529.74
Total borrowing	**-**	**1,529.74**

15.1 The Company has writtenoff the loan availed of INR 15.30 crore from Quess Corp Ltd

17 Other non-current financial liabilities

(Amount in INR)

Particulars	31 March 2024	31 March 2023
Interest accrued but not due*	-	1,465.08
	-	**1,465.08**

*The Company has writtenoff the interest payable of INR 14 65 crore towards Quess Corp Ltd.

18 Provisions - Non Current

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Provision for employee benefits		
Provision for gratuity (refer note 37)	-	103.41
Provision for compensated absences(refer note 37)	-	7.40
	-	**110.81**

19 Short Term Borrowings

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Loan from Directors	1 39	1.85
	1.39	**1.85**

Information about the Company's exposure to interest rate and liquidity risk is included in note 34

20 Trade payables

i) Trade payables - billed dues

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Undiputed dues		
Total outstanding dues of micro enterprises and small enterprises (refer note 38)	-	14.04
Total outstanding dues of creditors other than micro enterprises and small enterprises	82 83	79.53
	82.83	**93.57**
# payable to related party (refer note 41(C))	81 72	56.31

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 34.

ii) Trade payables - unbilled dues

Particulars	31 March 2024	31 March 2023
Undiputed dues		
Total outstanding dues of creditors other than micro enterprises and small enterprises	114.20	38.44
	114.20	**38.44**

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2024:

(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	114 20	82.83	-	-	-	**82.83**

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	38.44	78.36	1.17	-	-	**79.53**

21 Other current financial liabilities

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Accrued salaries and benefits	24.04	210.23
Provision for audit fee	3.00	4.25
	27.04	**214.48**
# payable to related party (refer note 41(C))	24.04	43.48

The Company's exposure to currency and liquidity risk related to other current financial liabilities is disclosed in note 34.

22 Provisions - Current

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Provision for employee benefits		
Provision for gratuity (refer note 37)	-	29.03
Provision for compensated absences (refer note 37)	-	5.33
	-	**34.36**

23 Other current liabilities

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Income received in advance	144.97	18.13
Advance received from customers#	103.66	613.84
Balances payable to government authorities	73.15	162.71
	321.78	**794.68**
# Advance from related party (refer note 41(C))	101.06	565.33

16 Lease liability

(Amount in INR lakhs)

a) Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liability	-	29.45
Non-current lease liability	-	20.82
Total	**-**	**50.27**

b) The following is the movement in lease liabilities *(Amount in INR lakhs)*

Particulars	As at 31 March 2024	As at 31 March 2023
Operating lease recognised on adoption of Ind AS 116	50.27	74.50
Reclassification on adoption of Ind AS 116 - Fin lease obligation	-	-
Add: Additions	-	-
Add: Additions through business combination	-	-
Less: Deletion	(14.42)	-
Add: Finance cost accrued during the period	2.81	5.55
Less: Payment of lease obligation writeoff	(38.66)	(29.77)
Carrying amount as at 31 March 2024	**-**	**50.27**

c) Amount recognised in PL *(Amount in INR lakhs)*

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense (included in finance cost)	2.81	5.55
Expenses relating to short-term lease (included in other expenses)	1.92	2.56
	4.73	**8.11**

d) The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2024 on an undiscounted basis:

(Amount in INR lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	-	29.45
One to five years	-	20.82
	-	**50.27**

Rental expense recorded for short-term leases was INR 1.92 lakhs for the year ended 31 March 2024 and INR 2.56 lakhs for the year ended 31 March 2023.

24 Revenue from operations

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Sale of services (refer note 40)	1,593.28	3,175.76
	1,593.28	**3,175.76**

25 Other income

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Interest income on present valuation of Financial Instruments (Security Deposits)	0.78	1.00
Interest on tax refunds due	-	15.98
Profit on sale of property, plant and equipment and intangible assets	1.57	2.55
Rent from letting out properties	24.95	16.01
Liability no longer payable written back	3,274.60	-
	3,301.90	**35.54**

26 Employee benefits expense

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Salaries and wages	1,075.80	2,653.53
Contribution to provident and other funds	29.31	71.01
Expenses related to post-employment defined benefit plan (refer note 37)	15.38	57.65
Expenses related to compensated absences	(12.73)	(0.24)
Staff welfare expenses	5.28	10.91
	1,113.04	**2,792.86**

27 Finance costs

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Interest expense on financial liabilities at amortised cost	130.70	158.09
(includes interest on lease liability - ₹ 2.81 Lakhs (Mar 23 - ₹ 5.55 Lakhs	**130.70**	**158.09**

28 Depreciation and amortisation expense

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Depreciation of property, plant and equipment (refer note 3)	71.26	80.24
Amortisation of intangible assets (refer note 4)	63.00	63.29
	134.26	**143.54**

29 Other expenses

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Recruitment and training expenses	3.90	11.17
Rent (refer note 16 (c))	1.92	2.56
Power and Fuel	8.59	6.62
Repairs & maintenance		
- Buildings	0.85	1.31
- Plant and machinery	2.17	5.55
- computer equipment's, consumables and others	1.43	6.68
Sub-contractor charges	574.33	365.85
Legal and professional fees	110.48	229.55
Auditors remuneration (refer note 30)	4.25	4.25
Rates and taxes	27.55	15.91
Printing and stationery	2.90	6.02
Travelling and conveyance	19.35	65.40
Communication expenses	29.03	46.41
Impairment loss allowance on financial assets, net [refer note 34(i)]	(2.33)	65.23
Equipment hire charges	-	1.12
Technological support services	67.64	140.50
Bank charges	1.09	1.63
Bad debts written off	69.82	-
Business promotion and advertisement expenses	7.01	12.53
Intangible Assets under Development written off	200.29	-
Foreign exchange loss, net	16.86	(0.25)
	1,147.13	**988.04**

30 Payment to auditors

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Statutory audit fees	3.25	3.25
Tax audit fees	1.00	1.00
	4.25	4.25

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.

31 Taxes

The major components of income tax expense for the year ended 31 March 2024 and 31 March 2023 are as follows:

(Amount in INR lakhs)

Particulars	For the year ended	
	31 March 2024	31 March 2023
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 2024	31 March 2023
Profit / (Loss) before tax	2,370.05	(871.23)
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	596.54	(219.29)
Effect of:		
Previously unrecognised tax losses now recouped to reduce current tax expense	(596.54)	219.29
Total income tax expense	-	-

The tax rates under Indian Income Tax Act, for the year ended 31 March 2024 and 31 March 2023 is 25.17% and 25.17% 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 2024 and 31 March 2023 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 2024 and 31 March 2023:

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Income tax assets	354.63	152.79
Income tax liabilities	-	-
Net income tax assets at the end of the year	**354.63**	**152.79**

32 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in INR la

Particulars	Note	31 March 2024		
		FVTPL	FVTOCI	Amortised Cost
Financial assets:				
Trade receivables	8	-	-	109.69
Cash and cash equivalents including other bank balances	9	-	-	73.81
Other financial assets	11	-	-	14.15
Total financial assets		-	-	**197.65**
Financial liabilities:				
Borrowings	19	-	-	1.39
Trade payables	20	-	-	197.03
Other financial liabilities	21	-	-	27.04
Total financial liabilities		-	-	**225.46**

*Current maturities of finance lease obligation forms part of other financial liabilities

(Amount in INR la

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		-	-	**1,291.66**
Financial liabilities:				
Borrowings	19	-	-	1.85
Trade payables	20	-	-	132.01
Other financial liabilities	21	-	-	214.48
Lease liabilities	16	-	-	29.45
Total financial liabilities		-	-	**377.79**

Accounting classification and fair value

The carrying value and fair value of financial instruments by categories as at 31 March 2024 and 31 March 2023 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 2024 *(Amount in INR lakhs)*

Particulars	Carrying value	Fair value		
Financial assets	**31 March 2024**	**Level 1**	**Level 2**	**Level 3**
Amortised cost				
Trade receivables	109 69	-	-	-
Cash and cash equivalents	73 81	-	-	-
Other financial assets	14.15	-	-	-
Total financial assets	**197.65**	-	-	-
Financial liabilities				
Amortised cost				
Borrowings	1 39	-	-	-
Trade payables	197 03	-	-	-
Other financial liabilities	27.04	-	-	-
Total financial liabilities	**225.46**	-	-	-

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	**1,291.66**	-	-	-
Financial liabilities				
Amortised cost				
Borrowings	1 85	-	-	-
Trade payables	132 01	-	-	-
Lease liabilities	29 45			
Other financial liabilities	214 48	-	-	-
Total financial liabilities	**377.79**	-	-	-

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.

33 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.

34 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 2024 and 31 March 2023 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 2024 *(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	-	0.00%	-	No	-
Past due 1–90 days	89.60	6.05%	5.43	No	84.17
Past due 91–180 days	35.13	30.72%	10.79	No	24.34
Past due 181–270 days	3.13	62.27%	1.95	No	1.18
Past due 271–360 days	2.30	100.00%	2.30	No	-
Above 360 days	-	0.00%	-	No	-
	130.15		**20.46**		**109.70**

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**

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 2024	31 March 2023
Balance as at the beginning of the year	77.69	12.46
Impairment loss allowances recognised/ (reversed)	(57.23)	65.23
Balance as at the end of the year	**20.46**	**77.69**

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 2024 *(Amount in INR lakhs)*

Particulars	Carrying amount	Contractual cash flows		
		Less than 1 year	1-2 years	2 years and above
Borrowings	1.39	1.39	-	-
Trade payables	82.83	82.83	-	-
Other financial liabilities	27.04	27.04	-	-

As at 31 March 2023

Particulars	Carrying amount	Contractual cash flows		
		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	214.48	214.48	-	-

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 2024		As at 31 March 2023	
		Foreign currency*	Amount in Reporting Currency	Foreign currency*	Amount in Reporting Currency
Trade receivables					
	GBP	-	-	0.00	0.05
	USD	0.09	7.08	1.98	162.81

The following significant exchange rates have been applied

Particulars	Year end spot rate	
	31 March 2024	31 March 2023
GBP/ Reporting currency	105.52	101.68
USD/ Reporting currency	83.05	82.25

b) Sensitivity analysis

A reasonably possible strengthening/ (weakening) of the GBP and USD against Reporting currency at 31 March 2024 and 31 March 2023 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 2024				
GBP (1% movement)	-	-	-	-
USD (1% movement)	(0.07)	0.07	(0.05)	0.05
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

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, 2024	March 31, 2023
Fixed rate borrowings	-	1,531.59
Total borrowings	**-**	**1,531.59**

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.

35 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. 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 2024	As at 31 March 2023
Gross debt	547.24	4,333.28
Less: Cash and cash equivalent	73.81	288.42
Adjusted net debt (borrowings net of cash and cash equivalent)	**473.43**	**4,044.86**
Total equity	18.05	(2,388.93)
Net debt (Total external liabilities) to equity ratio	**26.23**	**(1.69)**

36 Capital Commitments and commitments

The company does not have any capital commitments and contingent liability as at 31 March 2024 and 31 March 2023.

37 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 2024	As at 31 March 2023
Net defined benefit liability, gratuity plan	-	132.44
Liability for compensated absences	-	12.73
Total employee benefit liability	-	145.18
Current (refer note 22)	-	34.36
Non- Current (refer note 18)	-	110.81
	-	145.17

For details about employee benefit expenses, see note 26

B Reconciliation of net defined benefit liability/ asset

(Amount in INR lakhs)

Particulars	31 March 2024	31 March 2023
Change in defined benefit obligation		
Obligation at the beginning of the year	132.44	109.86
Current service cost	9.82	51.00
Interest cost	3.91	6.64
Benefit settled	(9.16)	(3.46)
Transfer In / (Out)	(100.08)	-
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	(36.93)	(2.10)
- Changes in demographic assumptions	-	(18.97)
- Changes in financial assumptions	-	(10.54)
Obligation at end of the year	(0.00)	132.44

C i) Expense recognised in profit or loss

(Amount in INR lakhs)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Service cost	9.82	51.00
Net interest on net defined benefit liability/(asset)	3.91	6.64
Net gratuity cost	13.74	57.65

ii) Remeasurement recognised in other comprehensive income

Particulars	For the year ended	
	31 March 2024	31 March 2023
Remeasurement of the net defined benefit liability	(36.93)	(31.61)
Remeasurement of the net defined benefit asset	-	-
	(36.93)	(31.61)

D Defined benefit obligation - Actuarial Assumptions

Particulars	31 March 2024	31 March 2023
Discount rate	7.20%	7.20%
Salary increase	10.00%	10.00%
Attrition rate	30.00%	30.00%
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 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	-	-	127.53	137.70
Future salary growth(1% movement)	-	-	137.43	127.66
Attrition rate (50% movement)	-	-	114.53	165.06

37 Assets and liabilities relating to employee benefits (continued)

F Compensated absence

The Company has accounted the cost of compensated absence based on the management estimation as of 31 March 2024 and has estimated a compensated absence liability of INR Nil amount (31 March 2023: INR 12 73 lakhs)

Key assumptions used in the valuation of compensated absence Liability are as given below:

Particulars	31 March 2024	31 March 2023
Discount rate	7.20%	6.05%
Salary increase	10.00%	10.00%
Attrition rate	30.00%	20.00%
Mortality rate	100% of IALM 2012-14	IALM (2012-14) published table of mortality rates

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. The amounts payable to such enterprises as at 31 March 2024 is Nil (14.04 lakhs 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.

39 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 2024	For the year ended 31 March 2023
Nominal value of equity shares	10.00	10.00
Net profit after tax for the purpose of earnings per share	2,370.05	(871.23)
Weighted average number of shares used in computing basic earnings per share	36,022	36,022
Basic earnings per share	**6,579.45**	**(2,418.61)**
Weighted average number of shares used in computing diluted earnings per share	36,022	36,022
Diluted earnings per share*	**6,579.45**	**(2,418.61)**

* Refer note 15.1. 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 2024	For the year ended 31 March 2023
Number of equity shares outstanding at beginning of the year	**36,022**	**36,022**
Weighted average number of shares outstanding at the end of year for computing basic and diluted earnings per share	**36,022**	**36,022**

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 2024	As at 31 March 2023
Receivables, which are included in 'Trade and other receivables'	109.69	351.33
Contract assets (Unbilled revenue)	-	632.44
Contract liabilities (Unearned revenue & Advance r'd from customers)	248.63	631.97

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 2024 and 31 March 2023:

(Amount in INR lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the beginning	632.44	263.71
Add : Revenue recognized during the period	1,593.28	3,175.76
Less : Invoiced during the period	(2,225.72)	(2,807.03)
Balance at the end	-	632.44

The following table discloses the movement in unearned revenue (contract liabilities) balances for the year ended 31 March 2024 and 31 March 2023:

(Amount in INR lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the beginning	18.13	22.35
Less: Revenue recognized during the period	263.34	207.76
Add: Invoiced during the period but not recognized as revenues	390.18	203.54
Balance at the end	144.97	18.13

(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 2024, other than those meeting the exclusion criteria mentioned above, is Nil.

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 Simpliance Technologies Private Limited (till 20 October 2022) Terrier Security Services (India) Private Limited Trimax Smart Infraprojects 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.) Quesscorp Singapore Pte Ltd (formerly known as Comtel Solutions Pte. Limited) Quess Corp Lanka (Private) Limited Quessglobal (Malaysia) SDN. BHD. Monster com.SG PTE Limited Monster.com HK Limited Agency Pekerjaan Quess Recruit SDN. BHD

(i) List of subsidiaries (including step-subsidiaries), associates and joint venture

Name of the entity	Nature of relation	Country of domicile
MFX Infotech Private Limited (Merged with Quess Corp Limited w.e.f 1 December 2023)	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
Quesscorp Singapore Pte Limited (formerly known as "Comtel Solutions Pte. Limited")	Subsidiary of Quess Corp Ltd.	Singapore
MFXchange Holdings, Inc.	Subsidiary of Quess Corp Ltd.	Canada
MFXchange US, Inc.	Subsidiary of Quess Corp Ltd.	USA
Excelus Learning Solutions Private Limited	Subsidiary of Quess Corp Ltd.	India
Conneqt Business Solutions Limited (Merged with Quess Corp Limited w.e.f 1 December 2023)	Subsidiary of Quess Corp Ltd.	India
Vedang Cellular Services Private Limited	Subsidiary of Quess Corp Ltd.	India
Quess International Services Private Limited (formerly known as Golden Star Facilities and Services Private Limited)	Subsidiary of Quess Corp Ltd.	India
Quess Selection & Services Pte Ltd (formerly known as Comtelpro Pte. Ltd.)	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 (formerly known as 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 (Merged with Quess Corp Limited w.e.f 1 December 2023)	Subsidiary of Quess Corp Ltd.	India
Simpliance Technologies Private Limited (till 20 October 2022)	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
Trimax Smart Infraprojects Private Limited	Subsidiary of Quess Corp Ltd.	India
Quess Services Limited (Liquidated from 20 March 2024)	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
Digitide Solutions Limited (w.e.f 11 February 2024)	Subsidiary of Quess Corp Ltd.	India
Bluspring Enterprises Limited (w.e.f 10 February 2024)	Subsidiary of Quess Corp Ltd.	India
Agency Pekerjaan Quess Recruit Sdn. Bhd. (W.e.f 1 July 2023)	Subsidiary of Quess Corp Ltd.	Malaysia
Quess Recruit, Inc (W.e.f 1 January 2024)	Subsidiary of Quess Corp Ltd.	Philippines
Stellarslog Technovation Private Limited (w.e.f 25 April 2022)	Subsidiary of Quess Corp Ltd.	India
Quess Recruit, Inc (till 31 December 2023)	Associate of Quess Corp Ltd.	Philippines
Agency Pekerjaan Quess Recruit Sdn. Bhd.(till 30 June 2023)	Associate of Quess Corp Ltd.	Malaysia
Stellarslog Technovation Private Limited (till 24 April 2022)	Associate of Quess Corp Ltd.	India

41 Related party disclosures (continued)

(A) Name of related parties and description of relationship (continued)

(ii) Key executive management personnel

Sankarappan Rajesh	Director (resigned on 31st Mar'2024)
Veeraraghavan Vijayramkumar	Director (resigned on 31st Mar'2024)
Lohit Bhatia	Director
Arjun Ramaraju	Director
Vijay Sivaram	Director

(B) Transactions with related parties

(Amount in Rs. lakhs)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations		
-Quess Corp Limited	221.21	508.05
-MFXchange US, Inc	7.05	-
-Allsec Technologies Ltd	0.57	57.64
-Monster.Com (India) Private Limited	-	8.37
-Vedang Cellular Services Pvt Ltd	2.37	-
-Billion Careers Private Limited	234.60	658.23
-Quess International Services Private Limited	-	10.62
-Terrier Security Services (India) Pvt. Ltd.	0.39	0.43
Other expenses		
-Allsec Technologies Limited	1.15	1.00
-Quess Corp Limited	527.80	30.06
-Quesscorp Manpower Supply Services L.L.C UAE	67.80	109.05
Finance cost		
-Quess Corp Limited	127.89	152.55
Compensation of key managerial personnel		
Veeraraghavan Vijayramkumar	-	34.89
Sankarappan Rajesh	30.88	59.78

*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.

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 2024	For the year ended 31 March 2023
Trade payables		
-Billion Careers Private Limited	31.73	-
-Quess Corp Limited	14.56	23.47
-Allsec Technologies Limited	0.16	0.11
-Quesscorp Manpower Supply Services L.L.C UAE	35.27	32.73
Trade receivables		
-Quess Corp Limited	50.50	90.45
-Allsec Technologies Limited	-	0.17
-Monster.Com (India) Private Limited	-	1.96
-MFXchange US, Inc	7.08	-
-Billion Careers Private Limited	50.30	62.06
-Vedang Cellular Services Pvt Ltd	0.05	0.29
-Terrier Security Services (India) Pvt. Ltd.	-	0.28
Unbilled revenue		
-Quess Corp Limited	-	92.95
-Billion Careers Private Limited	-	396.96
Income received in advance		
-Quess Corp Limited	-	150.00
-Billion Careers Private Limited	-	415.33
-MFXchange US, Inc	101.06	-
Borrowings		
-Quess Corp Limited	-	1,529.65
Interest payable on loan taken		
-Quess Corp Limited	-	1,386.02
Unsecured loan payable		
-Rengasamy Vignesh	1.11	1.57
-Veeraraghavan Vijayramkumar	0.28	0.28
-Sankarappan Rajesh	-	-
	1.39	1.85
Accrued Expenses (Remuneration payable)		
-Rengasamy Vignesh	6.94	13.88
-Veeraraghavan Vijayramkumar (included in professional fees)	6.35	12.70
-Sankarappan Rajesh	10.75	16.90
	24.04	43.48



42 Earnings and expenditure in foreign currency

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Earning in foreign currency	402.34	784 61
Expenses in foreign currency	87.72	83 25

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 and as per the assessment it has been concluded that all the conditions specified are met except following the probable expected future economic benefits that are attributable to the asset will flow to the entity Since the intangible asset under development has not satisfied all the conditions stated as per recognition criteria of Ind AS 38, the capitalised cost under Intangible asset has been expensed off during the year as given below.

Product	People Chain	Focus	1book	SeQure
Opening balance	140.93	-	10.42	-
Capitalised during the year	-	-	-	-
Cost of Development during the year	-	-	-	-
Cost recovered/Writeoff	140.93	-	10 42	-
Total Cost under development	-	-	-	-

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 2024	For the year ended 31 March 2023
	Revenue	Revenue
India	1,195.12	2,391.15
Other countries:		
- United States of America	303.81	630.97
- Malaysia	-	-
-United Kingdom	60.89	10.86
-Canada	0.41	0.56
-Germany	-	(2.99)
-UAE	12.24	78.49
-Belgium	-	14.76
-Egypt	0.33	0.49
-Israel	0.31	0.33
-Nigeria	0.40	0.64
-Philippines	3.91	3.53
-Singapore	15.86	46.98

45

The Company has transferred its operations to its holding company and fellow subsidiaries during the year ended March 31, 2024 and entered into a business transfer agreement dated March 30, 2024 with its holding company and fellow subsidiaries

On account of the above, the management of the company has assessed that the going concern assumption in the preparation of the financial statements of the Company for the year ended March 31, 2024 is no longer considered to be appropriate

Accordingly, these financial statements have been prepared on a liquidation basis and all assets are stated at the amounts at which they are expected to be realized and liabilities are stated at values at which they are expected to be settled.

46 **Ratios**

	Ratios	Numerator	Denominator	Ratio 23-24	Ratio 22-23	%variance	Reason for variance (greater than 25%)
A	Current ratio	565.29	547.24	1.03:1	1.09:1	5%	Variance is due to increase in Trade receivables and cash and bank balance
B	Debt-equity ratio	1.39	18.05	0.08:1	-0.64:1	112%	Variance is due to decrease in borrowings by 300 lakhs and other equity by 1200 lakhs.
C	Debt service coverage ratio	3,192.39	(25.44)	-125.49:1	-3.58:1	-3409%	Decrease is due to increase in borrowings.
D	Return on equity ratio	3,155.32	(1,185.44)	-2.66:1	0.41:1	745%	Increase is due to decrease in other equity
E	Trade receivables turnover ratio	935.22	230.51	4.06:1	8.64:1	53%	Better collections during the year
F	Trade payables turnover ratio	162.00	157.50	1.03:1	6.36:1	84%	Timely payments during the year
G	Net capital turnover ratio	175.94	18.05	9.75:1	28.97:1	66%	Increse in net working capital
H	Net profit ratio	3,155.32	175.94	17.93:1	-0.27:1	6637%	Decrease in profits
I	Return on capital employed	3,168.54	19.44	162.99:1	-0.01:1	2393134%	Increase in capital employed
J	Return on investment	3,155.32	18.05	174.79:1	0.36:1	-47827%	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 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

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 + Bad debts + Provision for Bad & Doubtful debts - Liability no longer payable written back) in the current financial year INR 702.81 Lakh (March 2023 : INR 662.44 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 **Crypto Currency**
The Company does not have any transation or balance in crypto currency or virtual currency.

49 **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

50 **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

51 **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.

52 **Details of Benami Property held**
The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

53 **Wilful Defaulter**
The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority

54 **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.

55 **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.

56 **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 Beneficiaries.

57 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: 08 May 2024

for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609

Lohit Bhatia
Director
DIN: 07980280

Place: Bengaluru
Date: 08 May 2024

Vijay Sivaram
Director
DIN: 07990452

Place: Bengaluru
Date: 08 May 2024

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, 2024, 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 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, 2024, and its **Loss**, total comprehensive income, 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 ("SA"s) 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

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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.

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

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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.

- 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.

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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.

(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 including other comprehensive income, 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 of my information and according to the explanations given to me:

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(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.

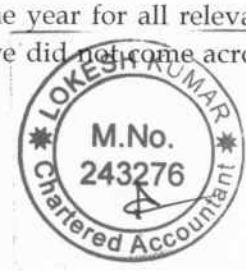
(iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the standalone financial statements, no funds(which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds 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;

(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.

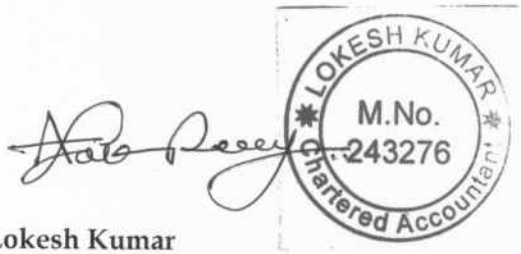
(vi). Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.



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As Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.



Lokesh Kumar
Chartered Accountant
Membership No. 243276

UDIN: 24243276BKARFV1317

Place: Bengaluru
Date: 29th April 2024.

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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) (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.

(B) The Company does not have any intangible assets and hence reporting under clause 3(i)(a)(B) of the Order is not applicable.

(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 during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 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.

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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.

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 Goods and Service tax, provident fund, income tax, sales tax, value added tax, duty of customs, service tax, duty of excise, cess and other material statutory dues were in arrears as at 31 March 2024 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.

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(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, associates or joint ventures.

(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) 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)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.

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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.

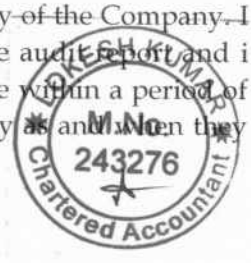
xv) In my opinion during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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 2023-24 is INR 62.08 Million and Cash loss in FY 2022-23 is INR. 75.99 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.

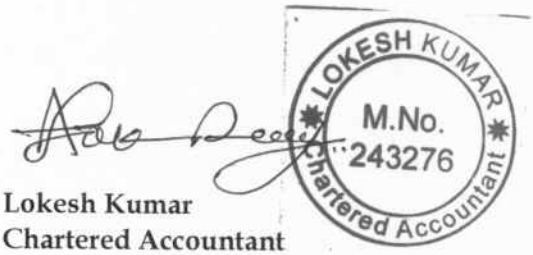


No.112, 2nd Floor, Rashtriya Vidyalaya Road, V V Puram Bengaluru-560004, KA, India
(M) +91 72045 69541, +91 81231 82675 Email: calokeshreddyalle@gmail.com

CA. Lokesh Kumar
B.Com (A&F), ACA.
Chartered Accountant

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

UDIN: 24243276BKARFV1317

Place: Bengaluru
Date: 29th April 2024.

No.112, 2nd Floor, Rashtriya Vidyalaya Road, V V Puram Bengaluru-560004, KA, India
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Stellarslog Technovation Private Limited
(A Subsidiary of Quess Corp Limited)
CIN:U72200KA2015PTC084539
Balance sheet as at 31 March 2024

(Amount in INR Million)

Particulars	Note	31 Mar 2024	31 Mar 2023
ASSETS			
Non-Current assets			
Property, Plant and Equipment	3	1.60	2.23
Right-of-use-assets	3	-	58.98
Financial assets			
Other financial assets	4	-	4.18
Deferred tax assets (net)	5	0.23	0.26
Income tax assets (net)	5	1.91	10.41
Total Non-Current assets		**3.74**	**76.05**
Current assets			
Financial assets			
Trade receivables	6	0.67	41.42
Cash and cash equivalents	7	11.41	2.85
Bank balances other than cash and cash equivalents above	8	-	-
Loans & Advances	9	-	0.14
Other financial assets	10	1.35	-
Other Current assets	11	0.08	1.27
Total Current assets		**13.51**	**45.69**
Total Assets		**17.25**	**121.74**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	38.34	4.34
Other equity	13	(61.14)	(27.77)
Total equity		**(22.80)**	**(23.43)**
Liabilities			
Non-Current liabilities			
Financial liabilities			
Borrowings	14	-	-
Lease liabilities	15	-	46.96
Non-Current Provisions	16	0.01	0.75
Total Non-Current liabilities		**0.01**	**47.72**
Current liabilities			
Financial liabilities			
Borrowings	17	24.67	71.37
Lease liabilities	15	-	15.09
Trade payables	18	6.99	4.55
Other financial liabilities	19	8.31	4.02
Current Provisions	20	-	0.15
Other Current Liabilities	21	0.08	2.26
Total Current Liabilities		**40.05**	**97.45**
Total Liabilities		**40.05**	**145.17**
Total Equity and Liabilities		**17.25**	**121.74**
Company overview and significant accounting policies	1&2		

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: 24243276BKARFV1317

Place: Bengaluru
Date: 29th April 2024

Guruprasad Srinivasan
Additional Director
DIN: 07596207

Place: Bengaluru
Date: 29th April 2024

Vijay Sivaram
Additional Director
DIN: 07990452

Place: Bengaluru
Date: 29th April 2024

Stellarslog Technovation Private Limited
(A Subsidiary of Quess Corp Limited)
CIN:U72200KA2015PTC084539
Statement of Profit and Loss for the year ended 31 March 2024

(Amount in INR Million)

Particulars	Note	31 Mar 2024	31 Mar 2023
Income			
Revenue from operations	22	18.13	190.70
Other income	23	7.27	1.02
Total income		**25.40**	**191.72**
Expenses			
Cost of material and stores and spare parts consumed		-	-
Employee benefit expenses	24	24.92	83.76
Finance costs	25	7.04	9.52
Depreciation and amortisation expenses	26	5.55	15.66
Other expenses	27	55.51	174.43
Total expenses		**93.02**	**283.36**
Loss before tax and exceptional items		**(67.63)**	**(91.64)**
Exceptional items			
Profit/(Loss) befor tax		**(67.63)**	**(91.64)**
Tax expense			
Current tax		-	-
Income tax relating to earlier years		-	-
Deferred tax	5	0.05	0.09
Total tax expenses		**0.05**	**0.09**
Profit/(Loss) for the year		**(67.58)**	**(91.55)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		0.28	
Items that will be reclassified to profit or loss			
Income tax relating to items that will be reclassified to profit or loss		(0.07)	-
Other comprehensive income / (loss), net of tax		**0.21**	**-**
Total comprehensive loss for the year		**(67.37)**	**(91.55)**
Earnings /(Loss) per equity share (face value of Rs 10 each)			
Basic	34	(4.78)	(212.06)
Diluted		(4.78)	(212.06)
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

LOKESH KUMAR M.No. 243276 Chartered Accountant

Lokesh Kumar
Chartered Accountant
Membership No. - 243276
UDIN: 24243276BKARFV1317

Place: Bengaluru
Date: 29th April 2024

for and on behalf of Board of Directors of
Stellarslog Technovation Private Limited
CIN:U72200KA2015PTC084539

Guruprasad Srinivasan
Additional Director
DIN: 07596207

Place: Bengaluru
Date: 29th April 2024

Vijay Sivaram
Additional Director
DIN: 07990452

Place: Bengaluru
Date: 29th April 2024

Stellarslog Technovation Pvt. Ltd. * Bangalore *

Stellarslog Technovation Private Limited
(A Subsidiary of Quess Corp Limited)
CIN:U72200KA2015PTC084539
Statement of Changes in Equity for the year ended 31 March 2024

(A) Equity share capital *(Amount in INR Million)*

Particulars	Note	31 March 2024	31 March 2023
Opening balance	12	4.34	3.92
Changes in equity share capital	12	34.00	0.42
Closing balance		**38.34**	**4.34**

(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, 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)**
Balance as at April 1, 2023	**136.02**	**(163.79)**	**(27.77)**
Add: Profit / (Loss) for the year	-	(67.37)	(67.37)
Total comprehensive income/(loss)	136.02	(231.16)	(95.14)
Add: Premium received on issue of Equity Shares	34.00	-	34.00
Balance as at March 31, 2024	**170.02**	**(231.16)**	**(61.14)**

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 * M.No. 243276 * Chartered Accountant

Lokesh Kumar
Chartered Accountant
Membership No. - 243276

UDIN: 24243276BKARFV1317

Place: Bengaluru
Date: 29th April 2024

Guruprasad Srinivasan
Additional Director
DIN: 07596207

Place: Bengaluru
Date: 29th April 2024

Vijay Sivaram
Additional Director
DIN: 07990452

Stellarslog Technovation Pvt. Ltd. * Bangalore

Place: Bengaluru
Date: 29th April 2024

LOKESH KUMAR * M.No. 243276 * Chartered Accountant

Stellarslog Technovation Private Limited
(A Subsidiary of Quess Corp Limited)
CIN:U72200KA2015PTC084539
Statement of Cash Flows for the year ended 31 March 2024

(Amount in INR Million)

Particulars	For the year ended	
	31 Mar 2024	**31 Mar 2023**
Cash flows from operating activities		
Profit / (Loss) after tax	(67.58)	(91.55)
Adjustments for:		
Tax Expense	(0.05)	(0.09)
Depreciation and amortisation	5.55	15.66
Interest income on term deposits	-	-
Interest on tax refunds due	(0.44)	(0.13)
Finance costs	7.04	9.52
Operating cash flows before working capital changes	**(55.48)**	**(66.60)**
Working Capital Changes		
(Increase) / decrease in Non-current Financial Assets	4.18	(3.44)
(Increase) / decrease in Income Tax Assets	8.50	(8.55)
(Increase) / decrease in Deferred Tax Asset	0.03	
(Increase) / decrease in Trade Receivables	40.75	6.94
(Increase) / decrease in Current Financial Assets	(1.21)	30.40
(Increase) / decrease in Other Current Assets	1.20	(0.60)
Increase / (Decrease) in Non-current Provisions	(0.54)	0.75
Increase / (Decrease) in Trade Payables	2.44	2.54
Increase / (decrease) in Other Current Financial Liabilities	(10.80)	0.25
Increase / (decrease) in Other Current Liabilities	(2.34)	(4.56)
Cash generated from /(used in) operations	**(13.27)**	**(42.85)**
Income taxes paid, net of refund	-	-
Net cash provided by/ (used in) operating activities (A)	**(13.27)**	**(42.85)**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles, net of sale proceeds	54.06	(73.81)
Interest income on term deposits	-	-
Interest on tax refunds due	0.44	0.13
Deferred tax assets (net)	0.05	0.09
Net cash used in investing activities (B)	**54.55**	**(73.59)**
Cash flows from financing activities		
Proceeds from borrowings	-	(0.86)
Proceeds/ repayment under finance leases, net	(46.96)	46.96
Proceeds from issue of equity shares, net of issue expenses	68.00	38.36
Proceeds / (repayment) of short term borrowings, net	(2.12)	(27.03)
Loans from related parties, net of amounts repaid	(44.58)	65.96
Finance costs	(7.04)	(9.52)
Net cash provided by financing activities (C)	**(32.71)**	**113.86**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	8.57	(2.57)
Cash and cash equivalents at the beginning of the year	2.85	5.42
Cash and cash equivalents at the end of the year	**11.41**	**2.85**

Company overview and significant accounting policies (Note 1&2)

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: 24243276BKARFV1317

Place: Bengaluru
Date: 29th April 2024

Guruprasad Srinivasan
Additional Director
DIN: 07596207

Place: Bengaluru
Date: 29th April 2024

Vijay Sivaram
Additional Director
DIN: 07990452

Place: Bengaluru
Date: 29th April 2024

Stellarslog Technovation Private Limited
(A Subsidiary of Quess Corp Limited)
CIN:U72200KA2015PTC084539
Notes to the Standalone financial statements for the year ended 31 March 2024

3 Property, Plant and Equipment

(Amount in INR Million)

Particulars	Tangible Assets				
	Furniture and fixtures	Office equipment	Computer equipmen	Right to use asset-Building	Total Property, plant and equipment
Gross carrying amount as at 1 April 2022	**1.97**	**1.41**	**1.67**	**-**	**5.04**
Additions	-	0.04	0.05	73.72	73.81
Disposals	-	-	-	-	-
Balance as at 31 March 2023	**1.97**	**1.45**	**1.72**	**73.72**	**78.85**
Additions	-	-	0.01	-	0.01
Disposals	-	-	-	73.72	73.72
As at 31 March 2024	**1.97**	**1.45**	**1.72**	**-**	**5.13**
Accumulated Depreciation as at 1 April 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**
Depreciation for the year	0.31	0.24	0.08	4.91	5.55
Disposal	-	-	-	-	-
Accumulated Depreciation as at 31 March 2024	**0.92**	**1.03**	**1.59**	**19.66**	**23.19**
Net Carrying Amount					
As at 31 March 2024	**1.05**	**0.41**	**0.14**	**-**	**1.60**
As at 31 March 2023	**1.36**	**0.66**	**0.21**	**58.98**	**61.21**

The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.
The Company has not revalued its Property, Plant & Equipment (Including Right-of Use Assets) and Intangible assets as at the Balance sheet date.
The Company dosen't have title deeds which are held other than in the company's name as at the balance sheet date.
The Company has no Capital Work in Progress and Intangible asset under development.
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 2024	31 Mar 2023
Unsecured, considered good		
Security deposits	-	4.18
	-	**4.18**

5 Taxes

Amount recognised in profit or loss

(Amount in INR Million)

Particulars	For the year ended	
	31 Mar 2024	31 Mar 2023
Deferred tax:		
Attributable to		
Origination and reversal of temporary differences	0.05	0.09
Income tax expense reported in the statement of profit and loss	**0.05**	**0.09**

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 2024 and 31 March 2023

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Income tax assets	1.91	10.41
Net income tax assets as at the end of year	**1.91**	**10.41**

D Deferred tax assets (net)

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Deferred tax assets/(liabilities) are attributable to the following:		
Property, plant and equipment and intangible assets	0.25	0.20
Others	(0.02)	0.06
Net deferred tax assets	**0.23**	**0.26**

The movement of deferred tax aggregating to INR 48,011 for the year ended 31 March 2024 (31 March 2023: INR 90,729) comprises INR 48,011 (31 March 2023: INR 90729) 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 2024	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax Assets on:				
Property, plant and equipment and intangible assets	0.20	0.05	-	0.25
Others	0.06	(0.07)	-	(0.02)
	0.26	**(0.03)**	-	**0.23**

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**

6 Trade receivables

i) Trade receivables - billed

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Unsecured		
Undisputed Trade receivables		
Considered good	0.14	6.45
Less: Allowance for expected credit loss	-	(0.13)
Considered doubtful	-	1.76
Less: Allowance for expected credit loss	-	(0.35)
Credit Impaired	8.99	5.56
Less: Allowance for expected credit loss	(8.99)	(5.56)
	0.14	**7.73**

ii) Trade receivables - unbilled

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Unbilled revenue	23.53	33.69
Less: Provision for impairment of unbilled revenue	(23.00)	-
	0.53	**33.69**

LOKESH KUMAR M.No. 243276 Chartered Accountant

Trade receivable ageing schedule as on 31 March 2024:

(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	0.53	0.08	0.06	-	-	-	-	0.67
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-

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

7 Cash and cash equivalents

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Cash and cash equivalents		
Cash in hand	-	-
Balances with banks	11.41	2.85
Cash and cash equivalent in the statement of cash flow	**11.41**	**2.85**

8 Bank balances other than cash and cash equivalents

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
In deposit accounts (mature within 12 months from the reporting date)	-	-
Total Bank balances other than cash and cash equivalents	**-**	**-**

9 Loans & Advances

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Salary Advance to Employees	-	0.02
Salary Advance to Directors	-	0.12
Total Loans & Advances	**-**	**0.14**

10 Other current financial assets

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Balance with Government Authorities (GST Input credits)	1.35	-
Total Other current financial assets	**1.35**	**-**

11 Other current assets

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Advances other than capital advances		
Prepaid expenses	0.08	0.80
Other	-	0.47
	0.08	**1.27**

12 Equity share capital

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Authorised		
50,00,000 (31 March 2023: 6,00,000) equity shares of par value of Rs 10 each	50.00	6.00
	50.00	**6.00**
Issued, subscribed and paid-up		
38,33,943 (31 March 2023: 4,33,943) equity shares of par value of Rs 10 each, fully paid up	38.34	4.34
	38.34	**4.34**

LOKESH KUMAR M.No. 243276 Chartered Accountant

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 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the commencement of the year	433,943	4.34	392,156	3.92
Changes during the year	3,400,000	34.00	41,787	0.42
At the end of the year	**3,833,943**	**38.34**	**433,943**	**4.34**

12.2 Details of shareholders holding more than 5% shares in the Company

(Amount in INR Million)

Particulars	As at 31 March 2024			As at 31 March 2023	
	Number of shares	Amount	%	Number of shares	Amount
Shares Capital					
Equity shares of par value Rs 10 each					
Naveen Ramchandra	-	-	-	100,000	1.00
Prashant Janadri	-	-	-	100,000	1.00
Quess Corp Limited	3,833,942	38.34	100%	233,943	2.34
Ajit Isaac(Nominee of Quess Corp Limited)	1	0.00	0%	-	-
	3,833,943	**38.34**	**100%**	**433,943**	**4.34**

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 balance

12.5 Details of shareholding of promoters:

Promoter name	31 March 2024			31 March 2023		
	Number of shares	% held	% change during the year	Number of shares	% held	% change during the year
Naveen Ramchandra	-	0%	-23.04%	100,000	23%	-2.46%
Prashant Janadri	-	0%	-23.04%	100,000	23%	-2.46%

13 Other equity

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Securities premium reserve	170.02	136.02
Retained earnings	(231.16)	(163.79)
Total Other equity	**(61.14)**	**(27.77)**

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 2024	31 Mar 2023
Balance as at the beginning of the year	**136.02**	**98.08**
Add: Shares issued during the year at a premium of Rs. 10/-(3.4 Lakhs No. of shares at a premium of Rs.10/-)	34.00	37.94
Less: Transferred to General Reserve	-	-
Balance as at the end of the year	**170.02**	**136.02**

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 2024	31 Mar 2023
Balance as at the beginning of the year	**(163.79)**	**(72.24)**
Add: Profit /(Loss) for the year	(67.58)	(91.55)
Add: Gratuity reserve	0.21	-
Balance as at the end of the year	**(231.16)**	**(163.79)**

14 Borrowings

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Secured		
Term loan	-	-
Unsecured		
MSME Loan	-	-
Total borrowings	-	-

16 Non-current provisions

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Provision for employee benefits		
Provision for gratuity (refer note 32)	0.01	0.75
Total Non-current provisions	**0.01**	**0.75**

LOKESH KUMAR M.No. 243276 Chartered Accountant

17 Current borrowings

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Secured ^		
Bank Overdraft*	-	2.03
Current maturities of long term debt	-	-
Unsecured		
Corporate credit cards	-	0.09
Loan from related parties		
Loan from Directors	-	-
Loan from holding Co. - Quess Corp Limited**	24.67	69.26
Total Current borrowings	**24.67**	**71.37**

* The Company has availed an overdraft facility in the previous year from HDFC Bank at an interest rate of 8.75% (LIBOR+2.4%) and hypothecated against trade receivables an loan has been closed during this financial year.

**The Company has availed a loan of INR 24.67 Million from Quess Corp Ltd at the rate of 9% p.a which is repayable on demand.

18 Trade payables

i) Trade payables - billed dues

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
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	6.99	4.18
Total Trade Payables	**6.99**	**4.55**

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 2024:

(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	-	5.10	1.89	-	-	**6.99**

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**

19 Other current financial liabilities

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Accrued Expenses	1.51	3.90
Salary Payable	0.52	0.13
Interest accrued on Loan*	4.77	-
Advances payable to Quess Corp Limited**	1.51	-
Total Other current financial liabilities	**8.31**	**4.02**

The Company's exposure to currency and liquidity risk related to other current financial liabilities is disclosed in note 29.

*The Company has availed a loan of INR 24.67 Million from Quess Corp Ltd at the rate of 9% p.a which is repayable on demand. On which interest accrued is Rs. 4.77 Million

** Advance received fromm Quess corp Limited of Rs. 1.51 Million during the repoting year.

20 Current provisions

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
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 2024	31 Mar 2023
Duties & Taxes	0.08	2.26
Total Other current liabilities	**0.08**	**2.26**

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22 Revenue from operations

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Sale of services (refer note 35)	18.13	190.70
Total Revenue from operations	**18.13**	**190.70**

23 Other income

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Interest income on deposits/Investments	-	-
Interest income under the effective interest method on:		
Interest income on present valuation of financial instruments	0.13	0.36
Interest on tax refunds due	0.44	0.13
Rent from letting out properties	0.47	0.47
Miscellaneous income	6.22	0.05
Total Other income	**7.27**	1.02

24 Employee benefits expense

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Salaries	24.11	78.48
Stipend Benefits	-	0.97
Contribution to Provident and Other funds	0.69	2.46
Retirement Benefits	0.06	0.75
Expenses related to compensated absences	-	0.15
Staff welfare expenses	0.06	0.94
Total Employee benefit expenses	**24.92**	**83.76**

25 Finance costs

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Interest on Borrowings	5.13	3.13
Interest on Lease Liability	1.92	6.39
Total Finance costs	**7.04**	**9.52**

26 Depreciation and amortisation expense

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Depreciation of property, plant and equipment (refer note 3)	5.55	15.66
Total Depreciation and amortisation expense	**5.55**	**15.66**

27 Other expenses

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Advertising & Business Promotion	0.11	2.26
Computer Rental Charges	2.14	5.40
Electricity Charges	0.45	1.30
IT Server & Domain Charges	4.96	5.39
Office Maintenance	1.44	4.38
Office rent	1.26	-
Travel Expense	-	0.18
Legal and Professional Fees (Refer Note 27.1)	1.58	2.31
Impairment loss on financial assets	25.94	5.72
Tasker Payout	16.14	144.22
Bank charges	0.04	0.26
Rates & Taxes	0.42	1.02
Communication Charges	0.42	1.60
Other Miscellaneous Expenses	0.62	0.38
Total Other expenses	**55.51**	**174.43**

27.1 Payments to auditor (net of GST; included in legal and professional fees)

(Amount in INR Million)

Particulars	31 Mar 2024	31 Mar 2023
Statutory audit fees	0.30	0.20
Tax audit fees	-	0.10
Limited Review and Group reporting(Q1 to Q3 of FY 2023-24)	0.15	0.15
Total Payments to auditor	**0.45**	**0.45**

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15 Lease liability

(Amount in INR Million)

a) Particulars	As at 31 March 2024
Current lease liability	-
Non-current lease liability	-
Total	**-**

b) The following is the movement in lease liabilities

(Amount in INR Million)

Particulars	As at 31 March 2024
Operating lease recognised on adoption of Ind AS 116	31.87
Reclassification on adoption of Ind AS 116 - Fin lease obligation	-
Add: Additions	-
Less: Deletion	(33.79)
Add: Finance cost accrued during the period	1.92
Less: Payment of lease obligation/other Adjustments	0.00
Carrying amount as at 31 March 2024	**-**

c) Amount recognised in PL

(Amount in INR Million)

Particulars	For the year ended 31 March 2024
Interest expense (included in finance cost)	1.92
Expenses relating to short-term lease (included in other expenses)	-
	1.92

d) The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2024 on an undiscounted basis:

(Amount in INR Million)

Particulars	As at 31 March 2024
Less than one year	-
One to five years	-
More than five years	-
	-

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28 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in INR Million)

Particulars	Note	31 March 2024		
		FVTPL	FVTOCI	Amortised Cost
Financial assets:				
Loans & Advances	9	-	-	-
Trade receivables	6	-	-	0.14
Cash and cash equivalents including other bank balances	7 and 8	-	-	11.41
Unbilled revenue	6	-	-	0.53
Other financial assets	10	-	-	1.35
Total financial assets		-	-	**13.43**
Financial liabilities:				
Borrowings	17	-	-	24.67
Trade payables	18	-	-	6.99
Other financial liabilities	19	-	-	8.31
Non-current borrowings	14	-	-	-
Lease liabilities	15			-
Total financial liabilities		-	-	**39.97**

*Current maturities of finance lease obligation forms part of other financial liabilities

(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**

Accounting classification and fair value

The carrying value and fair value of financial instruments by categories as at 31 March 2024 and 31 March 2023 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 2024

(Amount in INR Million)

Particulars	Carrying value	Fair value		
Financial assets	31 March 2024	Level 1	Level 2	Level 3
Amortised cost				
Loans & Advances	-			
Trade receivables	0.14	-	-	-
Unbilled revenue	0.53	-	-	-
Cash and cash equivalents	11.41	-	-	-
Other financial assets	1.35	-	-	-
Total financial assets	**13.43**	-	-	-
Financial liabilities				
Amortised cost				
Borrowings	24.67	-	-	-
Trade payables	6.99	-	-	-
Lease liabilities	-			
Other financial liabilities	8.31	-	-	-
Non-current borrowings	-	-	-	-
Total financial liabilities	**39.97**	-	-	-

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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	**141.50**	**-**	**-**	**-**

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 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 2024 and 31 March 2023 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 2024	31 March 2023
Balance as at the beginning of the year	6.04	**0.32**
Impairment loss allowances recognised/ (reversed)	2.94	5.72
Less: Bad debts written off	-	-
Balance as at the end of the year	**8.99**	**6.04**

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 2024 *(Amount in INR Million)*

Particulars	Carrying amoun	Contractual cash flows: Less than 1 year	1-2 years	2 years and above
Non-current borrowings	-	-	-	-
Borrowings	24.67	24.67	-	-
Trade payables	6.99	6.99	-	-
Lease liabilities	-	-	-	-
Other financial liabilities	8.31	8.31	-	-

As at 31 March 2023

Particulars	Carrying amoun	Contractual cash flows: 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	-	-

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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, 2024	March 31, 2023
Variable rate borrowings	-	2.03
Fixed rate borrowings	24.67	69.26
Total borrowings	**24.67**	**71.29**

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 2024	As at 31 March 2023
Gross debt	24.67	133.43
Less: Cash and cash equivalent	11.41	2.85
Adjusted net debt (borrowings net of cash and cash equivalent)	**13.26**	**130.58**
Total equity	(22.80)	(23.43)
Net debt (Total external liabilities) to equity ratio	**(0.58)**	**(5.57)**



31 Capital Commitments and commitments

The company does not have any capital commitments and contingent liability as at 31 March 2024 and 31 March 2023.

32 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. 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 2024	As at 31 March 2023
Net defined benefit liability, gratuity plan	0.01	0.75
Liability for compensated absences	-	0.15
Total employee benefit liability	**0.01**	**0.91**
Current	-	0.15
Non- Current	0.01	0.75
	0.01	**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 2024	31 March 2023
Change in defined benefit obligation		
Obligation at the beginning of the year	0.75	-
Current service cost	0.00	**0.13**
Interest cost	0.05	
Benefit settled	(0.52)	-
Actuarial (gains)/ losses recognised in other comprehensive income	(0.28)	
- Changes in experience adjustments	-	0.62
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	0.00	-
Obligation at end of the year	0.01	0.75

C i) Expense recognised in profit or loss

(Amount in INR Million)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Service cost	0.00	0.13
Net interest on net defined benefit liability/(asset)	0.05	-
Net gratuity cost	**0.06**	**0.13**

ii) Remeasurement recognised in other comprehensive income

Particulars	For the year ended	
	31 March 2024	31 March 2023
Remeasurement of the net defined benefit liability	0.00	0.62
Remeasurement of the net defined benefit asset	-	-
	0.00	**0.62**

D Defined benefit obligation - Actuarial Assumptions

Particulars	31 March 2024	31 March 2023
Discount rate	7.1%	7.2%
Salary increase	4.0%	4.0%
Attrition rate	80.0%	80.0%
Average duration of defined benefit obligation (in years)	1 Year	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 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	0.01	0.01	0.74	0.76
Future salary growth(1% movement)	0.01	0.01	0.76	0.74
Attrition rate (50% movement)	0.01	0.06	0.68	0.91
Mortality rate (10% movement)	0.01	0.01	0.75	0.75

Maturity profile of defined benefit obligation

Particulars	31 March 2024	31 March 2023
Within 1 year	0.00	0.61
2-5 years	0.01	0.21
6-10 years*	0.00	0.00
More than 10 years	-	-

*Represents less than INR 0.01 Million

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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 2024 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	31 March 2024	31 March 2023
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 section 23 of this Act.	-	-

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 2024	For the year ended 31 March 2023
Nominal value of equity shares	10	10
Net profit after tax for the purpose of earnings per share	(67.58)	(91.55)
Weighted average number of shares used in computing basic earnings per share	1,41,27,094	4,31,722
Basic earnings per share	**(4.78)**	**(212.06)**
Weighted average number of shares used in computing diluted earnings per share	1,41,27,094	4,31,722
Diluted earnings per share	**(4.78)**	**(212.06)**

Computation of weighted average number of shares

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Number of equity shares outstanding at beginning of the year	**4,33,943**	**3,92,156**
Add: Weighted average number of equity shares issued during the year	1,36,93,151	39,566
- 34,00,000 number of equity shares issued on 06 November 2023 for 147 days	1,36,93,151	12,751
		26,815
	1,36,93,151	**39,566**
Weighted average number of shares outstanding at the end of year for computing basic and diluted earnings per share	**1,41,27,094**	**4,31,722**

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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 2024	As at 31 March 2023
Receivables, which are included in 'Trade and other receivables'	0.14	7.73
Contract assets (Unbilled revenue)	0.53	33.69
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 2024 and 31 March 2023:

(Amount in INR Million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the beginning	33.69	26.65
Add : Revenue recognized during the period	18.13	190.70
Less : Invoiced during the period	(28.30)	(183.66)
Less: Provision for impairment of unbilled revenue	(23.00)	-
Balance at the end	**0.53**	**33.69**

(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 2024, other than those meeting the exclusion criteria mentioned above, is Nil.





36 Related party disclosures

(A) Name of related parties and description of relationship:

- Holding Company	Quess Corp Limited
- Entity having significant influence	Fairfax Financial Holdings Limited Fairbridge Capital (Mauritius) Limited (w.e f 6 December 2019) FFHL Group Limited Fairfax (Barbados) International Corp. Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")
- Fellow Subsidiaries	MFX Infotech Private Limited (Merged with Quess Corp Limited w.e f 1 December 2023) 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 Vedang Cellular Services Private Limited Quess International Services Private Limited (formerly known as 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 (till 31 March 2024) Simpliance Technologies Private Limited (till 06 October 2022) Quesscorp Management Consultancies Quesscorp Manpower Supply Services LLC Quess Services Limited (liquidated w.e f 20 March 2024) 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 02 September 2020) Billion Careers Private Limited Heptagon Technologies Private Limited (w.e.f 1 March 2022) Quess Corp NA LLC (w.e f 17 May 2022) Quess Recruit, Inc. (w.e.f. 1 January 2024) Agency Pekerjaan Quess Recruit SDN. BHD (w.e.f. 1 July 2023) Digitide Solutions Limited (w.e.f. 10th February 2024) Bluspring Enterprises Limited (w.e.f. 11th February 2024) Quess Corp NA LLC
- Associates of the holding company	Quess Recruit, Inc (till 1 January 2024) Agency Pekerjaan Quess Recruit SDN. BHD (till 1 July 2023)
- Joint Venture of the holding company	Himmer Industrial Services (M) Sdn. Bhd.(under Strike off)
- Entities having common directors	Conneqt Business Solution Limited (till 30.11.2023) Heptagon Technologies Private Limited Qdigi Services Limited Vedang Cellular Services India Private Limited Excelus Learning Solutions Private Limited Quesscorp Singapore Pte Limited (formerly known as "Comtel Solutions Pte. Limited") Quess Selection & Services Pte. Ltd. (formerly known as Comtel Pro Pte. Ltd.) Quess Services Limited (till 20.03.2024) 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 Quess Corp Limited Allsec Technologies Limited Monster.com (India) Private Limited Digitide Solutions Limited (w.e.f. 10 Feb 2024) Bluspring Enterprises Limited (w.e.f. 11 Feb 2024) Quessglobal (Malaysia) Sdn. Bhd. Monster.com.SG PTE Limited Monster.com HK Limited Agensi Pekerjaan Monster Malaysia Sdn. Bhd Quess Corp Lanka (Private) Limited Himmer Industrial Services (M) Sdn. Bhd.(till 4 March 2024)) Quess Corp Vietnam LLC Comtelink Sdn. Bhd Brainhunter Systems Limited Allsectech Manila Inc. Philippines

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(B) Key executive management personnel

Naveen Ramachandra	Director (Resigned on 06th Nov'23)
Prashant Janadri	Director (Resigned on 06th Nov'23)
Guruprasad Srinivasan	Additional Director (w.e.f 05th Dec'2023)
Vijay Sivaram	Additional Director (w.e.f 05th Dec'2023)
Madhu Damodaran	Director

(C) Transactions with related parties

(Amount in INR Million)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Issue of equity shares		
- Quess Corp Limited	34.00	0.42
Securities premium on equity shares issued		
- Quess Corp Limited	34.00	37.94
Unsecured loan received from Related Parties		
- Quess Corp Limited (Holding Company)	24.67	67.00
- Directors	-	7.30
Unsecured loan repaid to Related Parties		
- Directors	-	10.60
Interest on unsecured loan received from holding company		
- Quess Corp Limited	4.77	2.51
Rendering of services to holding company		
- Quess Corp Limited	1.25	0.25
Other expenses		
- Quess Corp Limited	4.29	4.43
Finance cost		
- Quess Corp Limited	4.77	2.51
Compensation of key managerial personnel		
Prashant Janadri	1.44	4.80
Naveen Ramachandra	1.44	4.80

*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 2024	For the year ended 31 March 2023
Trade payables		
- Quess Corp Limited	6.27	1.22
Borrowings		
- Quess Corp Limited	24.67	69.26

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 2024	31 March 2023	Variance	Reason for variance (greater than 25%)
Current ratio	Current assets	Current liabilities	0.3	0.5	-28.0%	Refer note 38.1
Debt-equity ratio	Total Debt	Shareholder's equity	(1.1)	(3.0)	-64.5%	Refer note 38.2
Debt service coverage ratio	Earnings available for debt service (EFDS)	Debt Service	(2.2)	(0.9)	139.5%	Refer note 38.3
Return on equity ratio	Net profits after taxes	Average shareholder's equity	292.3%	-2894.4%	-110.1%	Refer note 38.4
Trade receivables turnover ratio	Revenue from operations	Average trade receivable	0.9	4.2	-79.7%	Refer note 38.5
Trade payables turnover ratio	Purchases and adjusted other expenses	Average trade payables	9.4	52.0	-82.0%	Refer note 38.6
Net capital turnover ratio	Revenue from operations	Average working capital	(0.5)	(14.1)	-96.7%	Refer note 38.7
Net profit ratio	Net profits after taxes	Revenue from operations	-371.6%	-48.0%	674.1%	Refer note 38.8
Return on capital employed	Earning before interest and taxes	Capital employed	-3698.6%	-74.8%	4842.6%	Refer note 38.9

38.1 Decrease in current ratio is on account of decrease in lease liability.
38.2 Decrease in debt-equity ratio is on account of decrease in borrowings.
38.3 Increase in debt service coverage ratio is on account of decrease in Borrowings.
38.4 Decrease in ROE is on account of increase in accumulated losses.
38.5 Decrease in Trade Receivables Turnover Ratio is on account of decrease in Revenue.
38.6 Decrease in Trade Payable Turnover ratio is on account of reduced other expenses.
38.7 Decrease in Net capital Turover ratio is on account of decrease in Revenue.
38.8 Decrease in Netprofit ratio is on account of decrease in Revenue.
38.9 Decrease in Return on capital employed ratio is due to decrease in Borrowings.

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Chartered Accountant

Stellarslog Technovation Private Limited
(A Subsidiary of Quess Corp Limited)
CIN: U72200KA2015PTC084539
Notes to the Standalone financial statements for the year ended 31 March 2024

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.

40 Foreign Exchange out flow & inflow:

(Amount in INR Million)

Particulars	31-03-24	31-03-23
Earnings in foreign exchange	-	-
Expenditure in foreign exchange	0.05	0.48

41 Capital Work In Progress
No such Capital Workin Progress exist in the companies books of accounts as at the reporting date.

42 Intangible Assets under Development
No such Intangible assets exist in the companies books of accounts as at the reporting date.

43 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.

44 Wilful Defaulter
The company has been regular in repayment of loans to banks, hence the company is not a wilful defaulter.

45 Layers of Companies
The Company is a Subsidary of Quess Corp Limited

46 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.

47 Derivative Instruments and Other Un-hedged Foreign Currency Exposure
There are no derivative contracts oustanding at the close of the year.

48 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.

49 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 reportable business segment.

50 Undisclosed Income
The Company doesn't have any undisclosed income which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year (Previous year) in the tax assessements under the Income tax act 1961 (such as search or survey or any other relevant provisions of the Income tax act, 1961.

51 Relationship with Struck off Companies under section 248 of the Companies act 2013
The Company doesn't have any transactions with companies struck off under 248 of the companies act 2013.

52 Registration of charges or satisfaction with Registrar of Companies
The Company doesn't have any charges or satisfaction with Register of Companies.

53 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 * M.No. 243276 * Chartered Accountant

Lokesh Kumar
Chartered Accountant
Membership No. - 243276
UDIN: 24243276BKARFV1317

Place: Bengaluru
Date: 29th April 2024

Guruprasad Srinivasan
Additional Director
DIN: 07596207

Place: Bengaluru
Date: 29th April 2024

Vijay Sivaram
Additional Director
DIN: 07990452

Place: Bengaluru
Date: 29th April 2024

Stellarslog Technovation Pvt. Ltd. * Bangalore *

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.

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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'.

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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 2024
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.

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(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 2024
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.

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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:

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- 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

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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

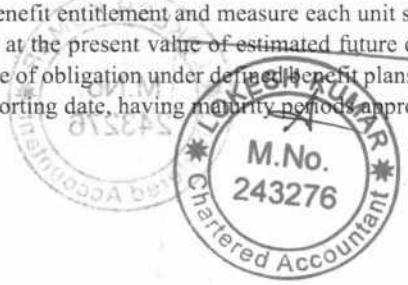
The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the 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

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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.



MSKA & Associates
Chartered Accountants

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JNTU-Hitech City Road, Kukatpally
Telangana State, Hyderabad 500072, INDIA

INDEPENDENT AUDITOR'S REPORT

To the Members of **Qdigi Services Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Qdigi Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 material accounting policy information 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, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and loss including other 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 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 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.

The Director's report has not been made available to us at the date of this auditor's report. 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 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 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 except for the matters stated in the paragraph 2(g)(vi) below on reporting under Rule 11(g).

(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, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 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.

i. **Under Rule 11(e)(i)**

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.

ii. **Under Rule 11(e)(ii)**

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.

iii. **Under Rule 11(e)(iii)**

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. **Under Rule 11(f)**

The company has neither declared nor paid any dividend.

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vi. **Under Rule 11(g)**

Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording the audit trail (edit log) facility except that no audit trail feature was enabled for certain relevant transactions at the application level, while we were not able to test whether the audit trail feature was enabled at the database level of the software which was maintained by a third party vendor. Further, the audit trail facility which has been enabled, as explained above, has been operated throughout the year for relevant transactions recorded in the accounting software at the application level, whereas we are unable to verify whether the audit trail facility has been operated throughout the year for relevant transactions recorded in the accounting software at the database level.

Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with, for the period for which the audit trail feature was enabled and operating.

3. In our opinion and according to information and explanations given to us, the managerial remuneration for the year ended March 31, 2024 is paid or provided by the Company to its director in accordance with the provisions of Section 197 read with Schedule V 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: 24205226BKEAIH3059

Place: Hyderabad
Date: May 08, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF QDIGI SERVICES 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 and Board of Directors.
- Conclude on the appropriateness of management and Board of 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.

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: 24205226BKEAIH3059

M S K A & ASSOCIATES Hyderabad Chartered Accountants

Place: Hyderabad
Date: May 08, 2024

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF QDIGI SERVICES LIMITED FOR THE YEAR ENDED MARCH 31, 2024.

[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 clause 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 and intangible assets during the year. Accordingly, the provisions stated under clause 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 clause 3(i)(e) of the Order are not applicable to the Company.

ii.

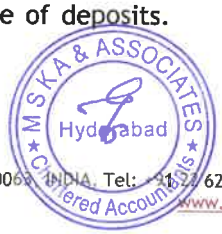
(a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate., having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(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. Based on the records examined by us in the normal course of audit of the financial statements, monthly statements filed with such Banks are in agreement with the books of accounts of the Company.

iii. According to the information and 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 provisions stated under clause 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.



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 or services of the Company. Accordingly, the provisions stated in clause 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, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year, though there has been a 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, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2024 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 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 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 Income Tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.

ix.

(a) Loans amounting to Rs. 1,077.20 Lakhs are repayable on demand and terms and conditions for repayment of interest thereon have not been stipulated. According to the information and explanations given to us and the records of the Company examined by us, such loans and interest thereon have not been demanded for repayment during the relevant financial year. The Company has not defaulted in repayment of other 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 and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. Refer Note 18 to the financial statements.

(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) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under clause 3(ix)(e) and (f) of the order is not applicable to the Company.

x.

(a) In our opinion and according to the information and 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. Accordingly, the provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

(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 clause 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 or on the Company has been noticed or reported during the course of our audit.

(b) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(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 clause 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 the internal audit reports of the Company issued till the date of our audit report, 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 any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Act in clause 3(xv) of the Order is 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 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 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. Accordingly, the provisions stated clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the provisions stated under clause 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. Accordingly, the provisions stated under clause 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 under clause 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 (as disclosed in note 51 to the financial statements), 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 applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Act or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII to the Act. 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: 24205226BKEAIH3059

M S K A & ASSOCIATES ★ Hyderabad ★ Chartered Accountants

Place: Hyderabad
Date: May 08, 2024

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF QDIGI SERVICES 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 on the Financial Statements for the year ended March 31, 2024]

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 with reference to financial statements of Qdigi Services Limited ("the Company") as of March 31,2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

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, 2024, 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").

Managements and Board of Director's Responsibility 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 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 financials 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: 24205226BKEAIH3059

M S K A & ASSOCIATES ★ Hyderabad ★ Chartered Accountants

Place: Hyderabad
Date: May 08, 2024

Qdigi Services Limited
Balance Sheet as at March 31, 2024
(All amounts are in INR. Lakhs, except for share data and unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	925.68	834.08
Capital work-in-progress	3	-	4.17
Goodwill	4	1,842.35	1,842.35
Other intangible assets	4	112.97	226.24
Financial assets			
(i)Other Financial Assets	5	195.12	153.08
Deferred tax assets (net)	6	138.39	-
Total non-current assets		3,214.51	3,059.92
Current assets			
Inventories	7	1,996.74	2,025.52
Financial assets			
(i) Trade receivables	8	5,554.33	5,658.91
(ii) Cash and cash equivalents	9	11.55	1,026.99
(iii) Bank balances other than cash and cash equivalents	10	400.68	748.94
(iv) Other current financial assets	11	89.56	119.58
Income tax assets (net)	12	111.51	68.95
Other current assets	13	1,339.89	1,072.62
Total current assets		9,504.26	10,721.52
Total Assets		12,718.77	13,781.43
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	534.97	534.97
Other equity	15	2,710.01	2,903.23
Total equity		3,244.98	3,438.21
Liabilities			
Non-current liabilities			
Financial liabilities			
(i)Lease Liabilities	16	385.38	321.35
Non-current Employee benefit obligations	17	179.24	170.72
Deferred tax liabilities (net)	6	-	13.46
Total non-current liabilities		564.62	505.53
Current liabilities			
Financial liabilities			
(i) Borrowings	18	1,077.02	106.42
(ii) Lease Liabilities	36	400.63	392.80
(iii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	19	-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		2,517.40	2,266.47
(iv) Other financial liabilities	20	208.57	2,473.86
Current Employee benefit obligations	21	90.24	46.78
Other current liabilities	22	4,615.31	4,551.36
Total current liabilities		8,909.17	9,837.69
Total Liabilities		9,473.79	10,343.22
Total Equity and Liabilities		12,718.77	13,781.43
See accompanying notes to the financial statements	1-50		

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, India
Date: May 08, 2024

M S K A & ASSOCIATES Hyderabad Chartered Accountants

For and on behalf of the Board of Directors of
Qdigi Services Limited
CIN: U52100DL2012PLC238730

Deven Sharma
Director
DIN: 08987509

Place: Noida
Date: May 08, 2024

QDIGI SERVICES LIMITED

Gauray Kumar Goyal
Director
DIN: 10559504

Place: Mumbai
Date: May 08, 2024

Qdigi Services Limited

Statement of Profit and Loss for the year ended March 31, 2024

(All amounts are in INR. Lakhs, except for share data and unless otherwise stated)

Particulars	Note	For the year ended 31 March 2024	For the year ende 31 March 2023
Income			
Revenue from operations	23	37,157.07	37,872.94
Other income	24	36.86	51.31
Total income		37,193.93	37,924.25
Expenses			
Cost of material, stores and spare parts consumed	25	28,178.05	28,259.80
Employee benefits expense	26	4,711.60	4,797.16
Finance costs	27	107.82	118.62
Depreciation and amortisation expenses	28	706.28	740.37
Other expenses	29	3,742.83	3,485.56
Total expenses		37,446.58	37,401.51
Profit/(Loss) before tax		(252.65)	522.74
Income Tax Expense			
Current tax		(13.99)	(111.43)
Adjustment of tax relating to earlier periods		(19.81)	-
Deferred tax	6	137.09	10.32
Total Income Tax expenses		103.29	(101.12)
Profit / (Loss) for the year		(149.36)	421.62
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains on defined benefit plans		(58.62)	14.43
Income tax relating to items that will not be reclassified to profit or loss	6	14.75	(3.63)
Other comprehensive income for the year, net of tax		(43.87)	10.80
Total comprehensive income for the year		(193.23)	432.42
Earnings per share			
Basic earnings per share (INR)	33	(2.79)	7.88
Diluted earnings per share (INR)	33	(2.79)	7.88
See accompanying notes to the financial statements	1-50		

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, India
Date: May 08, 2024

For and on behalf of the Board of Directors of
Qdigi Services Limited
CIN: U52100DL2012PLC238730

Deven Sharma
Director
DIN: 08987509

Place: Noida
Date: May 08, 2024

Gaurav Kumar Goyal
Director
DIN: 10559504

Place: Mumbai
Date: May 08, 2024

Qdigi Services Limited

Statement of Cash Flows for the year ended March 31, 2024

(All amounts are in INR. Lakhs, except for share data and unless otherwise stated)

Statement of cash flows	For the year Ended 31 March 2024	For the year Ended 31 March 2023
Cash flows from operating activities		
Profit/(Loss) before tax	(149.36)	421.62
Adjustments for:		
Depreciation and amortisation	706.28	740.37
Finance income on present valuation of financial instruments	(4.35)	(7.12)
Impairment loss allowance on financial assets, net	379.44	114.05
Interest income on term deposits	(32.51)	(38.37)
Tax expense	(151.85)	(6.69)
Finance costs	107.82	118.62
Operating cash flows before working capital changes	**855.47**	**1,342.49**
Changes in inventories, trade receivables and unbilled revenue	(246.08)	(2,272.02)
Increase in Inventories		-
Decrease in Trade receivables		-
Decrease in Unbilled revenue		-
Changes in loans, other financial assets and other assets	(155.78)	(201.15)
Changes in trade payables and other financial liabilities	(1,942.31)	2,765.66
Cash generated from operations	**(1,488.70)**	**1,634.98**
Income taxes paid, net of refund	109.29	84.68
Net cash flow from/ (used in) operating activities (A)	**(1,379.41)**	**1,719.66**
Cash flows from investing activities		
Payment for acquisition property, plant and equipment and intangibles, net of sale proceeds	(680.45)	(294.97)
Payment for increase in other Bank balances (Bank deposits (having original maturity of more than three months)	229.11	-
Interest income on term deposits	32.51	38.37
Deferred tax liabilities (net)	(151.85)	(6.69)
Net cash used in investing activities (B)	**(570.67)**	**(263.30)**
Cash flows from financing activities		
Proceeds from borrowings	970.61	(191.31)
Interest paid on lease liabilities	71.86	(327.41)
Interest paid	(107.82)	(118.62)
Net cash used in financing activities (C)	**934.65**	**(637.34)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(1,015.44)	819.03
Cash and cash equivalents at the beginning of the year	1,026.99	207.96
Cash and cash equivalents at the end of the year (refer note 9)	**11.55**	**1,026.99**

See accompanying notes to the financial statements

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, India
Date: May 08, 2024

M S K A & ASSOCIATES Hyderabad Chartered Accountants

For and on behalf of the Board of Directors of
Qdigi Services Limited
CIN: U52100DL2012PLC238730

Deven Sharma
Director
DIN: 08987509

Place: Noida
Date: May 08, 2024

Gaurav Kumar Goyal
Director
DIN: 10559504

Place: Mumbai
Date: May 08, 2024

QDIGI SERVICES (I) LTD.

Qdigi Services Limited

Statement of Changes in Equity for the year ended 31 March 2024

(All amounts are in INR. Lakhs, except for share data and unless otherwise stated)

(A) Equity share capital	31 March 2024	31 March 2023
Opening balance	534.97	534.97
Changes in equity share capital	-	-
Closing balance (refer note 14)	534.97	534.97

(B) Other equity

Particulars	Other equity				
	Reserves and Surplus		Corporate guarantee	Other items of other Comprehensive Income	Total equity attributable to equity holders of the Company
	Securities premium	Retained earnings		Remeasurements of defined benefit liability	
Balance as at 1 April 2022	2,915.03	(462.64)	20.00	(1.58)	2,470.82
Add: Profit/(Loss) for the year	-	421.62	-	-	421.62
Add: Other comprehensive income (net of tax)	-	-	-	10.80	10.80
Balance as at 31 March 2023 (refer note 15)	2,915.03	(41.02)	20.00	9.22	2,903.24
Balance as at 1 April 2023	2,915.03	(41.02)	20.00	9.22	2,903.24
Add: Profit/(Loss) for the year	-	(149.36)	-	-	(149.36)
Add: Other comprehensive income (net of tax)	-	-	-	(43.87)	(43.87)
Balance as at 31 March 2024 (refer note 15)	2,915.03	(190.38)	20.00	(34.65)	2,710.01

See accompanying notes to the financial statements 1 - 50

The notes referred to above form an integral part of 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, India
Date: May 08, 2024

M S K A & ASSOCIATES Hyderabad Chartered Accountants

For and on behalf of Board of Directors of
Qdigi Services Limited
CIN: U52100DL2012PLC238730

Deven Sharma
Director
DIN: 08987509

Place: Noida
Date: May 08, 2024

QDIGI SERVICES LIMITED

Gaurav Kumar Goyal
Director
DIN: 10559504

Place: Mumbai
Date: May 08, 2024

1. Company overview

QDigi Services 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 8th May 2024.

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 material 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:

M S K A & ASSOCIATES Hyderabad Chartered Accountants
QDIGI SERVICES LIMITED

Basis of measurement and material 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.





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 2024
Plant and machinery	5 years
Computer equipment	3 years
Furniture and Fixtures	5 years
Office equipment	5 years

MSKA & ASSOCIATES Hyderabad Chartered Accountants

QDIGI SERVICES LIMITED

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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(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 2024
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 2024 - 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 36 for disclosure related to leases.

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Basis of measurement and material accounting policies (continued)

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 39 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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Basis of measurement and material accounting policies (continued)

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.

2.14Financial 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.





Basis of measurement and material 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 at	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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Basis of measurement and material accounting policies (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 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.





(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.

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2.17Provisions

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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Basis of measurement and material accounting policies (continued)

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.

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Notes to the financial statements for the year ended 31 March 2024
(All amounts are in INR. Lakhs, except for share data and unless otherwise stated)

3 Property, plant and equipment and Capital work-in-progress

Particulars	Leasehold improvements	Furniture and fixtures	Office Equipment	Computer equipment	Right to use asset- Building	Total Property, Plant and Equipment	Capital work-in-progress
Gross carrying amount							
Balance as at 1 April 2022	658.14	171.17	268.53	360.56	2,097.48	3,555.88	0.77
Addition	58.01	0.09	5.99	65.17	162.34	291.60	3.37
Disposals	-	-	-	-	-	-	0.03
Capitalised during the year							
Balance as at 31 March 2023	**716.15**	**171.26**	**274.52**	**425.73**	**2,259.82**	**3,847.48**	**4.17**
Balance as at 1 April 2023	716.15	171.26	274.52	425.73	2,259.82	3,847.48	4.17
Addition	82.90	-	6.43	30.35	564.96	684.63	(4.17)
Disposals	-	-	-	-	-	-	
Capitalised during the year							
Balance as at 31 March 2024	**799.05**	**171.26**	**280.95**	**456.08**	**2,824.78**	**4,532.11**	**0.00**
Accumulated depreciation and impairment losses							
Balance as at 1 April 2022	568.29	157.11	230.15	311.31	1,134.38	2,401.24	-
Depreciation for the year	69.98	5.61	16.41	36.92	483.26	612.18	-
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 Mar 2023	**638.27**	**162.72**	**246.56**	**348.23**	**1,617.64**	**3,013.42**	**-**
Accumulated depreciation and impairment losses							
Balance as at 1 April 2023	638.27	162.72	246.56	348.23	1,617.64	3,013.42	-
Depreciation for the year	53.49	3.76	14.38	44.35	477.03	593.01	-
Disposals	-	-	-	-	-	-	
Closing accumulated depreciation as at 31 Mar 2024	**691.76**	**166.48**	**260.94**	**392.58**	**2,094.67**	**3,606.43**	**-**
Net Carrying amount							
As at 31 Mar 2024	107.29	4.78	20.01	63.51	730.10	925.68	0.00
As at 31 Mar 2023	77.88	8.54	27.96	77.50	642.17	834.07	4.17

3 (a) CWIP Ageing schedule

31-Mar-24

CWIP	Amount in CWIP for a period of				Total
	Less than 1	1-2 years	2-3	More than 3	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

31-Mar-23

CWIP	Amount in CWIP for a period of				Total
	Less than 1	1-2 years	2-3	More than 3	
Projects in progress	-	4.17	-	-	4.17
Projects temporarily suspended	-	-	-	-	-
Total	-	4.17	-	-	4.17

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 Be

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4 Intangible assets

Particulars	Goodwill	Customer Relationships	Computer software	Total
Gross carrying amount				
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**
Balance as at 1 April 2023	1,842.35	76.37	361.14	2,279.87
Addition	-	-	-	-
Deletion	-	-	-	-
Balance as at 31 March 2024	**1,842.35**	**76.37**	**361.14**	**2,279.87**
Amortisation for the year				
Balance as at 1 April 2022	-	61.12	21.94	83.06
Amortisation for the year	-	15.26	112.96	128.22
Balance as at 31 March 2023	**-**	**76.38**	**134.90**	**211.28**
Balance as at 1 April 2023	-	76.38	134.90	211.28
Amortisation for the year	-	(0.00)	113.27	113.27
Deletion	-	-	-	-
Closing	-	-	-	-
Exchange Difference	-	-	-	-
Balance as at 31 March 2024	**-**	**76.38**	**248.17**	**324.55**
Net Carrying amount				
As at 31 Mar 2024	**1,842.35**	**-**	**112.97**	**1,955.32**
As at 31 Mar 2023	**1,842.35**	**-**	**226.24**	**2,068.59**

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5 Other Financial Assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Security deposits	75.96	153.08
Bank deposits (In Deposit accounts with maturity for more than 12 months)	119.15	-
	195.12	153.08

6 Deferred tax assets / (liability) (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset:		
Impairment loss allowance on financial assets	132.88	41.65
Provision on employee benefits - Gratuity	50.64	45.30
Provision on employee benefits - Compensated absences	2.43	13.08
Provision for Bonus and Commission	25.23	49.29
Property Plant and Equipment	84.23	21.97
Lease liability	197.84	179.75
Intangibles - Customer Relationship	17.02	3.66
Intangibles - Goodwill on Business Combination	(202.88)	(202.88)
Right to use asset	(183.77)	(161.64)
Other comprehensive income	14.75	(3.63)
Net deferred tax assets/(liabilities)	138.38	(13.46)

A Amount recognised in statement of profit or loss

Particulars	As at 31 March 2024	As at 31 March 2023
Current tax:		
In respect of the current period	(13.99)	(111.43)
Excess provision related to prior years	(19.81)	-
Deferred tax:		
Attributable to:		
Origination and reversal of temporary differences	137.09	10.32
Income tax expense reported in the Statement of Profit and Loss	103.29	(101.11)

B Income tax recognised in other comprehensive income

Particulars	As at 31 March 2024	As at 31 March 2023
Remeasurement of the net defined benefit liability/ asset, before tax	(58.62)	14.43
Tax (expense)/ benefit	14.75	(3.63)
Net of tax	(43.87)	10.80

C There is no amount recognised directly in equity.

D Reconciliation of effective tax rate

Particulars	For the year ended 31-Mar-24	
	Rate	Amount
Profit / Loss before tax		(252.65)
Tax using the Company's domestic tax rate	25.2%	(63.59)
Effect of:		
Deferred Tax Credit	-54.3%	137.09
Income tax relating to items that will not be reclassified to profit or loss	17.4%	(43.87)
Others	-29.2%	73.65
Effective tax rate	-40.9%	103.29
Income tax expense reported in the Statement of Profit and Loss	-40.9%	103.29

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E **The following tables provides the details of income tax assets and income tax liabilities as of 31 March 2024 and 31 March 2023**

Current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets	111.51	68.95
Income tax liabilities	-	-
Net income tax assets at the end of the year	**111.51**	**68.95**

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 2024

Particulars	Opening balance	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax assets:				
Impairment loss allowance on financial assets	41.65	91.24	-	132.88
Provision for employee benefits	54.75	(1.67)	14.75	67.83
Provision for bonus and Commission	49.29	(24.06)	-	25.23
Fixed assets	21.97	62.27	-	84.24
Lease liability	179.75	18.09	-	197.84
Customer relationships	3.66	13.36	-	17.02
	351.06	159.22	14.75	525.03
Deferred tax liabilities:				
Right to use asset	202.88	-	-	202.88
Customer relationships	161.64	22.13	-	183.77
Goodwill on Business Combination				-
	364.52	22.13	-	386.64
Deferred tax assets/(liabilities)	(13.46)	137.09	14.75	138.39

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	(80.77)	-	364.52
Deferred tax assets/(liabilities)	(20.15)	9.32	(3.63)	(13.46)

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 **Inventories**

Particulars	As at 31 March 2024	As at 31 March 2023
Valued at lower of cost and net realizable value		
Material, Stores and Spare parts	2,299.27	2,287.57
Less: Provisoon for non moving inventory	(302.53)	(262.04)
	1,996.74	2,025.52





8 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured		
Considered good#	4,165.90	4,588.03
Considered doubtful	514.16	165.46
	4,680.06	4,753.48
Less: Allowance for bad and doubtful debts		
Unsecured, considered good		
Unsecured, considered doubtful	(514.16)	(165.46)
	(514.16)	(165.46)
	4,165.90	4,588.03

Unbilled revenue

Particulars	As at 31 March 2024	As at 31 March 2023
Unbilled revenue	1,402.21	1,070.88
Less: Loss allowance	(13.79)	-
	1,388.42	1,070.88
Total Trade Receivable	5,554.33	5,658.91

All amounts are short-term. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

Refer Note 8.01 In continuation to Schedule to Trade Receivable

For terms and conditions of trade receivables owing from related parties refer note 35.

The Group'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 2024:

Note 8.01

Particulars	Not billed	Outstanding for the following periods from due date of payment/ date of transaction						
		Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables (Gross)								
- Considered good	1,388.42	609.75	3,470.54	85.62	-	-	-	5,554.33
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	13.79	-	-	81.78	432.38	-	-	527.95
Disputed trade receivables (Gross)								
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)								(527.95)
Total								5,554.33

Trade receivable ageing schedule as on 31 March 2023:

Particulars	Not billed	Outstanding for the following periods from due date of payment/ date of transaction						
		Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables (Gross)								
- Considered good	1,070.88	814.15	3,205.60	568.28	-	-	-	5,658.91
- 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	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)								(165.46)
Total								5,658.91

9 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	11.55	39.97
Balances with banks		
In current accounts		987.02
Cash and cash equivalents	11.55	1,026.99

10 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Deposit with maturity for more than 3 months but less than 12 months	400.68	748.94
	400.68	748.94

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11 Other current financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due	1.15	88.78
Unsecured, considered good		
Security deposits	88.41	30.80
Deposits and other advances	30.38	24.88
Less: Unsecured, considered doubtful	(30.38)	(24.88)
	88.41	30.80
Total Other current financial assets	89.56	119.58

12 Income tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
TDS Receivable (INR 49.13 Lakhs pertains to F.Y. 2022-23)	111.51	68.95
	111.51	68.95

13 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Advances other than capital advances		
Advances to suppliers	5.13	4.13
Balances with government authorities	397.46	391.95
Prepaid expenses	933.98	675.01
Other advances		
Travel advances to employees	3.33	1.53
	1,339.89	1,072.62

14 Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
65,00,000 (31 March 2024: 65,00,000, 01 April, 2023: 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 2024: 53,49,650, 01 April, 2023: 53,49,650) equity shares of par value of INR 10.00 each, fully paid up	534.97	534.97
Share Application money	-	-
	534.97	534.97

14.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount in INR	Number of shares	Amount in INR
Equity shares				
Outstanding at the beginning of the year	53,49,650	5,34,96,500	53,49,650	5,34,96,500
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	53,49,650	5,34,96,500	53,49,650	5,34,96,500

14.2 Details of share held by Holding Company and shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% held	Number of shares	% held
Equity shares				
Equity shares of par value Rs 10 each				
Quess Corp Limited	53,49,644	99.9%	53,49,644	99.9%

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14.3 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.

14.4 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.

14.5 As per the Board Resolution passed on March 30 2024, pursuant to the Share Purchase and Investment Agreement dated February 6, 2024 executed between the Company, Onsite Electro Services Private Limited("Onsite") and Quess Corp Limited, a total of 5,349,650 equity shares of the Company, have been transfered by Quess corp Limited and its nominees to Onsite and its nominees in the manner detailed below. The effective date for such transfer is April 01, 2024.

Name of Transferor	Name of Transferee	Number of Equity Shares
M/s. Quess Corp Limited	M/s. Onsite Electro Services Private Limited	53,49,644
Mr. Ajit Isaac (Nominee of Quess)	Mr. Manish Kumar (Nominee of Onsite)	1
Ms. Pratibha J (Nominee of Quess)	Mr. Gaurav Kumar Goyal (Nominee of Onsite)	1
Mr. Vijay Sivaram (Nominee of Quess)	Mr. Gaurav Agarwal (Nominee of Onsite)	1
Mr. Kundan Kumar Lal (Nominee of Quess)	Mr. Rahul Mahipal (Nominee of Onsite)	1
Mr. Guruprasad Srinivasan (Nominee of Quess)	Mr. Pankaj Pandey (Nominee of Onsite)	1
Mr. Madhu Damodaran (Nominee of Quess)	Mr. Megha Sethia (Nominee of Onsite)	1

15 Other equity*

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium (refer note 15.1)	2,915.03	2,915.03
Other Equity- Corporate Guarantee (refer note 15.2)	20.00	20.00
Other comprehensive income (refer note 15.3)	(34.65)	9.22
Retained earnings	(190.38)	(41.02)
	2,710.01	2,903.23

15.1 Securities premium
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.

15.2 Other Equity- Corporate Guarantee
It pertains to the Corporate guarantee given by Quess Corp Limited for cash credit facility taken from HDFC Bank.

15.3 Other comprehensive
Remeasurement of defined benefit liability (asset) comprises actuarial gain and losses.
* For detailed movement of reserves refer Statement of Changes in Equity.

16 Non-current financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Long term maturities of finance lease obligations(refer note 36)	385.38	321.35
Total Non-current financial liabilities	385.38	321.35

17 Non-current Employee benefit obligations

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee		
Provision for gratuity (unfunded) (refer note 37)	174.20	143.54
Provision for compensated absences (unfunded)	5.04	27.18
Total Non-current Employee benefit obligations	179.24	170.72

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18 Current borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Loans from bank repayable on demand		
Secured		
Cash credit and overdraft facilities	1,077.02	-
Loan from Holding company	-	106.42
Total current borrowings	1,077.02	106.42

The Company has taken cash credit facilities having interest rate of 9.31%. 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.

19 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payable		
Total outstanding dues of micro enterprises and small enterprises*		
Total outstanding dues of creditors other than micro enterprises and small enterprises #	2,517.40	2,266.47
Total trade payables	2,517.40	2,266.47
All trade payables are current.		
# payable to related party (refer note 35)	1.89	4.25

* 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

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 31.

Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders.

Refer Note 19.01 In continuation to Schedule to Trade Payables

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2024:
Note 19.01

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	2,318	2,437.67	79.73	-	-	4,835.30
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-			-	-	-
Intercompany AP balance						
Quess Corp Limited	5.93	1.20	-	-	-	7.13
Allsec technologies limited	1.50	-	-	-	-	1.50
Terrier Security Services (India) Private Limited	5.50	0.69	-	-	-	6.19
Billion Carerres Private Limited	0.99	-	-	-	-	-

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2023:

Particulars	Outstanding for the following periods from due date of payment					
	Unbilled dues	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	2,546.51	2,266.47	-	-	-	4,812.98
			-	-	-	-
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

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20 Other current financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Amount payable to related parties	1.61	1,903.40
Other Payables		
Accrued salaries and benefits	20.29	374.62
Provision for bonus and incentive	186.67	195.84
Total other current financial liabilities	208.57	2,473.86

The Company's exposure to currency and liquidity risk related to other current financial liabilities is disclosed in note 31.

21 Current Employee benefit obligations

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Provision for gratuity (unfunded) (refer note 39)	85.62	22.00
Provision for compensated absences (unfunded)	4.62	24.78
Total Current Employee benefit obligations	90.24	46.78

22 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Revenue received in advance	1,574.44	1,212.38
Balances payable to government authorities	25.90	39.01
Provision for expenses	2,317.90	2,546.51
Security deposits - Received from Vendors	695.84	752.61
Payable to Employee	1.22	0.86
Total Other Current liabilities	4,615.31	4,551.36

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23 Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from contracts with customers (Refer Note 39)		
- Sale of goods	28,890.47	29,345.43
- Sale of services	8,266.60	8,527.51
Total Revenue from Continuing Operations	**37,157.07**	**37,872.94**

24 Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income		
- on deposits with banks	32.51	38.37
- on present valuation of financial instruments	4.35	7.12
- on tax refunds due	-	5.82
Total Other Income	**36.86**	**51.31**

25 Cost of material, stores and spare parts consumed

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory at the beginning of the year	2,025.52	1,972.00
Add: Purchases	28,149.27	28,313.33
Less: Inventory at the end of the year	1,996.74	2,025.52
Cost of material, stores and spare parts consumed	**28,178.05**	**28,259.80**

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26 Employee benefits expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages, bonus and other allowances	4,281.13	4,383.02
Contribution to provident and other funds	308.52	322.89
Expenses related to post-employment defined benefit plan (refer note 37)	64.86	38.14
Staff welfare expenses	57.09	53.10
Total Employee Benefits Expense	**4,711.60**	**4,797.16**

27 Finance costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense on financial liabilities at amortised cost	71.27	79.84
Interest paid to related party	31.30	28.59
Other borrowing costs	5.25	10.18
	107.82	118.62

28 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 3)	593.01	612.15
Amortisation of intangible assets (refer note 4)	113.27	128.22
Total depreciation and amortization expense	**706.28**	**740.37**

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29 Other expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Sub-contractor charges	1,915.90	1,885.33
Rent (refer note 38)	203.97	209.27
Power and Fuel	151.78	157.02
Repairs & maintenance		
- buildings	182.31	203.46
- security charges of building	71.37	70.42
- plant and machinery	11.36	18.72
- others	6.85	13.31
Auditors' Remuneration (refer note 30.1)	15.00	15.00
Legal and professional fees	76.28	83.35
Rates and taxes	166.03	6.77
Printing and stationery	39.52	46.78
Freight charges	360.12	468.18
Travelling and conveyance	27.24	23.64
Communication expenses	41.87	59.64
Impairment loss allowance on financial assets, net [refer note 32(i)]	379.44	114.05
Equipment hire charges	8.18	5.05
Insurance	6.28	15.54
Bank charges	65.87	86.33
Business promotion and advertisement expenses	7.19	3.39
Miscellaneous expenses	2.70	0.33
CSR Expenditure	3.55	-
Total Other Expenses	**3,742.83**	**3,485.56**

30 Remuneration to auditors (exclusive of goods and services tax)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Statutory Audit	13.50	11.50
Tax Audit	1.50	1.50
	15.00	**13.00**

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Trade receivable ageing schedule as on 31 March 2024:

Note 8.01

Particulars	Not billed	Outstanding for the following periods from due date of payment/ date of transaction						
		Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables (Gross)								
- Considered good	1,388.42	609.75	3,470.54	85.62	-	-	-	5,554.33
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	13.79	-	-	81.78	432.38	-	-	527.95
Disputed trade receivables (Gross)								
- Considered good	-	-	-	-	-	-	-	-
- Significant increase in credit risk	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)								(527.95)
Total								5,554.33

Trade receivable ageing schedule as on 31 March 2023:

Particulars	Not billed	Outstanding for the following periods from due date of payment/ date of transaction						
		Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables (Gross)								
- Considered good	1,070.88	814.15	3,205.60	568.28	-	-	-	5,658.91
- 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	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)								(165.46)
Total								5,658.91

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2024:

Note 19.01

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Unbilled dues	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	2,318	2,437.67	79.73	-	-	4,835.30
Disputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	-			-	-	-
Intercompany AP balance						
Quess Corp Limited	5.93	1.20	-	-	-	7.13
Allsec technologies limited	1.50	-	-	-	-	1.50
Terrier Security Services (India) Private Limited	5.50	0.69	-	-	-	6.19
Billion Carerres Private Limited	0.99	-	-	-	-	-

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2023:

Particulars	Outstanding for the following Periods from due date of Payment					
	Unbilled dues	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	2,546.51	2,266.47	-	-	-	4,812.98
			-	-	-	-
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

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30 Financial instruments - fair value and risk management

Financial instruments by category

Particulars	Note	31 March 2024			31 March 2023		
		FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets:							
Other non current financial assets	5	-	-	195.12	-	-	153.08
Trade receivables	8	-	-	5,554.33	-	-	5,658.91
Cash and cash equivalents including other bank balances	11 and 12	-	-	412.23	-	-	1,775.94
Other current financial assets	11	-	-	89.56	-	-	119.58
Total financial assets		-	-	6,251.23	-	-	7,707.51
Financial liabilities:							
Borrowings	18	-	-	1,077.02	-	-	106.42
Trade payables	19	-	-	2,517.40	-	-	2,266.47
Other financial liabilities	20	-	-	208.57	-	-	2,473.86
Total financial liabilities		-	-	3,802.99	-	-	4,846.75

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.

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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

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

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

Expected credit loss assessment for corporate customers as at 31 March 2024 and 31 March 2023 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 eight quarters.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from

As at 31 March 2024

Particulars	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether trade receivable is credit impaired	Carrying amount of trade receivables
Not due	609.75	0.0%	-	No	609.75
1-90 days	3,229.72	0.0%	-	No	3,229.72
91-180 days	240.81	0.0%	-	No	240.81
181-270 days	85.62	0.0%	-	No	85.62
271-360 days	81.78	100.0%	81.78	No	-
Above 360 days	432.38	100.0%	432.38	No	-
	4,680.06		**514.16**		**4,165.90**

As at 31 March 2023

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%	0.00	No	814.14
1-90 days	3,205.69	0%	0.09	No	3,205.61
91-180 days	417.87	3%	10.75	No	407.12
181-270 days	231.36	32%	74.51	No	156.86
271-360 days	28.64	85%	24.34	No	4.30
Above 360 days	55.77	100%	55.77	No	-
	4,753.48		**165.46**	**-**	**4,588.03**

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The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

Particulars	31 March 2024	31 March 2023
Balance as at the beginning of the year	165.46	51.40
Impairment loss allowances recognised/ (reversed)	348.70	114.05
Balance as at the end of the year	514.16	165.46

** Total impairment recognised during the FY INR 379.44 Lakhs out of which INR 13.79 Lakhs is unbilled revenue reversal during the year.*

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

The Company maintains the following line of credit:
The Company has taken cash credit facilities having interest rate of 9.31%. 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:

Particulars	31 March 2024	31 March 2023
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 2024 and 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 2024

Particulars	Contractual cash flows				
	Carrying amount	0-1 years	1-2 years	2-5 years	5 years and above
Borrowings	1,077.02	1,077.02			
Trade payables	2,517.40	2,437.67	79.73	-	-
Other financial liabilities	208.57	208.57	-	-	-
Other current liabilities	3,040.87	3,040.87	-	-	-

As at 31 March 2023

Particulars	Contractual cash flows				
	Carrying amount	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	3,338.98	3,338.98	-	-	-

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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.

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:

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings	1,077.02	106.42
Total borrowings	1,077.02	106.42

(b) Sensitivity

Particulars	Profit and loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
31 March 2024				
Variable rate borrowings	1.09	(1.09)	0.81	(0.81)
31 March 2023				
Variable rate borrowings	0.11	(0.11)	0.08	(0.08)

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.

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, current borrowing, current maturities of long-term borrowings and current maturities of finance lease obligations less cash and cash equivalents.

The Company's adjusted net debt to equity ratio is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Gross debt	9,473.79	10,342.37
Less: Cash and cash equivalents	11.55	1,026.99
Adjusted net debt	9,462.24	9,315.38
Total equity	3,244.98	3,438.21
Equity	3,244.98	3,438.21
Net debt to equity ratio	2.92	2.71

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33 Earnings per share

(Amount in INR except number of shares and per share data)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Nominal value of equity shares (amount per share)	10.00	10
Net profit/(loss) after tax for the purpose of earnings per share	(1,49,36,080)	4,21,62,211
Weighted average number of shares used in computing basic earnings per share	53,49,650	53,49,650
Basic earnings per share	**(2.79)**	**7.88**
Weighted average number of shares used in computing diluted earnings per share	53,49,650	53,49,650
Diluted earnings per share	**(2.79)**	**7.88**

Computation of weighted average number of shares

(Amount in numbers)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Number of equity shares outstanding at beginning of the year	53,49,650	53,49,650
Weighted average number of shares outstanding at the end of year for computing basic earnings per share	53,49,650	53,49,650
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	53,49,650	53,49,650

34 Earnings in foreign currency

There is no earning in foreign currency during the current year and previous year.

35 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 of Quess Corp Limited

Name of the entity	Nature of relation
Brainhunter Systems Limited	Subsidiary
Mindwire Systems Limited	Subsidiary
Quess (Philippines) Corp.	Subsidiary
Quess Corp (USA) Inc.	Subsidiary
Quesscorp Holdings Pte. Ltd	Subsidiary
Quessglobal (Malaysia) Sdn. Bhd.	Subsidiary
Quess Corp Lanka (Private) Limited	Subsidiary
Quesscorp	Subsidiary
MFXchange Holdings, Inc.	Subsidiary
MFXchange US, Inc.	Subsidiary
Quess Corp Vietnam LLC	Subsidiary
Excelus Learning Solutions Private Limited	Subsidiary
Vedang Cellular Services Private Limited	Subsidiary
Quess International Services Private Limited	Subsidiary
Quess Selection & Services Pte Limited (formerly known as "Comtelpro Pte. Ltd	Subsidiary
Comtelink Sdn. Bhd.	Subsidiary
Monster.com (India) Private Limited	Subsidiary
Monster.com.SG PTE Limited	Subsidiary
Monster.com HK Limited	Subsidiary
Agensi Pekerjaan Monster Malaysia Sdn. Bhd	Subsidiary
Qdigi Services Limited	Subsidiary
Quesscorp Management Consultancies	Subsidiary
Quesscorp Manpower Supply Services LLC	Subsidiary
Quess Services Limited	Subsidiary
Allsec Technologies Limited	Subsidiary
Allsectech Inc. USA	Subsidiary
Allsectech Manila Inc. Philippines	Subsidiary
Trimax Smart Infraprojects Private Limited	Subsidiary
Terrier Security Services (India) Private Limited	Subsidiary
Quess East	Subsidiary
Billion Careers	Subsidiary
Heptagon Technologies Private Limited (w.e.f 1 March 2022)	Subsidiary
Quess Corp NA LLC	Subsidiary
Stellarslog Technovation Private Limited (w.e.f 25 April 2022)	Subsidiary
Quess Recruit, Inc. (w.e.f. 1 January 2024)	Subsidiary
Agency Pekerjaan Quess Recruit SDN. BHD (w.e.f. 1 July 2023)	Subsidiary
Digitide Solutions Limited	Subsidiary
Bluespring Enterprise Limited	Subsidiary
Agency Pekerjaan Quess Recruit SDN. BHD (till 1 July 2023)	Associate
Quess Recruit, Inc.(till 1 January 2024)	Associate
Himmer Industrial Services (M) Sdn. Bhd. (striked off w.e.f 4 March 2024)	Joint venture

(iii) Related party transactions

Particulars	Name of the entity	For the year ended 31 March 2024	For the year ended 31 March 2023
Other expenses			
	Quess Corp Limited	60.86	86.65
	Terrier Security Services (India) Private Limit	77.24	70.35
	Allsec Technologies Limited	13.34	7.33
	Billion Carerres Private Limited	3.56	-
Payment made by related parties on behalf of the Company			-
	Quess Corp Limited	436.89	3,904.87

(iv) Balance receivable from and payable to related parties as at the balance sheet date:

Particulars	Name of the entity	As at 31 March 2024	As at 31 March 2023
Trade payables			
	Quess Corp Limited	1.20	4.19
	Allsec technologies limited	-	0.06
	Terrier Security Services (India) Private Limited	0.69	-
Other current financial liabilities			
	Quess Corp Limited	1.61	1,903.40
Provision for expense			
	Quess Corp Limited	5.93	11.14
	Terrier Security Services (India) Private Limited	5.50	6.00
	Allsec technologies limited	1.50	-
	Billion Carerres Private Limited	0.99	-
Interest payable			
	Quess Corp Limited	-	6.42
Short term loans and advances payable			
	Quess Corp Limited	-	140.00
Guarantee taken			-
	Quess Corp Limited	5,000.00	5,000.00

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(v) Compensation of key managerial personnel

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and other employee benefits to whole-time directors and executive officers *		
Deven Sharma	140.06	160.07
	140.06	160.07

*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.

36 Lease Liability

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liability	400.63	392.80
Non-current lease liability	385.38	321.35
Total	786.01	714.15

The following is the movement in lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Operating lease recognised on adoption of Ind AS	714.15	1,041.56
Add: Additions	564.96	182.42
Less: Deletion	(3.99)	(26.41)
Add: Finance cost accrued during the period	71.27	84.31
Less: Payment of lease obligation	(560.39)	(567.73)
Carrying amount as at 31 March 2023	786.01	714.15

Amount recognised in Profit and loss statement:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense (included in finance cost)	71.27	84.31
Expenses relating to short-term lease (included in other expenses)	203.97	209.27
	275.24	293.58

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 2024	For the year ended 31 March 2023
Less than one year	400.63	467.71
One to five years	385.38	340.28
More than five years	-	-

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37 Assets and liabilities relating to employee benefits

Particulars	As at 31 March 2024	As at 31 March 2023
Net defined benefit liability, gratuity plan	259.81	165.54
Liability for compensated absences	9.67	51.97
Total employee benefit liability	269.48	217.51
Current [refer note 21]	90.24	46.78
Non-current [refer note 17]	179.24	170.73
	269.48	217.51

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.

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:

Particulars	31 March 2024		31 March 2023	
	Core employees	Associate employees	Core employees	Associate employees
Reconciliation of present value of defined benefit obligation				
Obligation at the beginning of the year	77.42	88.12	78.84	52.41
Additions through business combination	-	-	-	-
Current service cost	15.41	37.59	14.10	27.63
Interest cost	5.59	6.27	4.37	2.62
Past service cost	-	-	-	-
Benefit settled	(9.26)	(19.95)	-	-
Actuarial (gains)/ losses recognised in other comprehensive income	-	-	-	-
- Changes in experience adjustments	6.62	48.71	(15.59)	12.12
- Changes in demographic assumptions	(1.62)	2.83	-	-
- Changes in financial assumptions	6.30	(4.22)	(4.31)	(6.65)
Obligation at the end of the year	100.45	159.36	77.42	88.12
Net defined benefit liability	100.45	159.36	77.42	88.12

B i) Expense recognised in statement of profit or loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	53.00	41.73
Interest cost	11.86	6.99
Past service cost	-	-
Interest income	-	-
Net gratuity cost	64.86	48.72

ii) Re-measurement recognised in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Remeasurement of the net defined benefit liability	-	-
Remeasurement of the net defined benefit asset	58.62	(14.43)
	58.62	(14.43)

C Defined benefit obligation - Actuarial Assumptions

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Core employees	Associate employees	Core employees	Associate employees
Discount rate	7.15%	7.10%	7.20%	7.10%
Future salary growth	8.00%	6.00%	6.00%	7.00%
Attrition rate	35.00%	35.00%	30.00%	40.00%
Average duration of defined benefit obligation (in years)	58	58	58	58

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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 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	97.72	103.33	75.01	79.98
Future salary growth (1% movement)	97.76	103.20	79.96	74.96
Attrition rate (50% movement)	95.86	106.91	74.41	80.04

Associate employees

Particulars	As at 31 March 2024		As at 31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	154.94	164.02	85.21	91.19
Future salary growth (1% movement)	164.03	154.85	91.17	85.18
Attrition rate (50% movement)	150.36	169.82	55.94	125.12

Dues to micro, small and medium enterprises

38 **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.

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39 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 2024 and 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.

Sale of services

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenues by Geography		
India	37,157.07	37,872.94
Rest of the World	-	-
Total	**37,157.07**	**37,872.94**

Nature of Services	For the year ended 31 March 2024	For the year ended 31 March 2023
Electronics repairing maintainance	37,157.07	37,872.94
Total	**37,157.07**	**37,872.94**

Revenue By Contract type	For the year ended 31 March 2024	For the year ended 31 March 2023
Fixed Price	-	-
Time & Material	37,157.07	37,872.94
Total	**37,157.07**	**37,873**

(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.

Particulars	As at 31 March 2024	As at 31 March 2023
Receivables, which are included in 'Trade and other receivables'	5,554.33	5,658.91
Contract assets (Unbilled revenue)	1,402.21	1,070.88
Contract liabilities (Unearned revenue & Advance received from customers)	1,574.44	1,212.38

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 2024 and 31 March 2023:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the beginning	1,070.88	573.46
Add : Revenue recognized during the period	37,157.07	23,608.89
Less : Invoiced during the period	36,825.74	23,111.47
Balance at the end	1,402.21	1,070.88

The following table discloses the movement in unearned revenue (contract liabilities) balances for the year ended 31 March 2024 and 31 March 2023

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning	1,212.38	794.27
Less: Revenue recognized during the period	(846.62)	(96.28)
Add: Invoiced during the period but not recognized as revenues	1,208.68	514.40
Balance at the end	1,574.44	1,212.38

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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 2024, other than those meeting the exclusion criteria mentioned above, is INR 20,96,76,146 (31 March 2023: Rs. 12,52,27,599) Out of this, the Company expects to recognize 33.31% of revenue within the next one year.

40 Bank Guarantees Outstanding

Particulars	As at 31 March 2024	As at 31 March 2023
Apple India Private Limited	80.00	80.00
Service Lee Technologies Private Limited	60.00	-
Samsung India Electronics Private Limited	1,214.00	1,164.00
Xiaomi Technology India Private Limited	538.00	528.00
Mobitech Creations Private Limited	1,825.00	1,825.00
Daikin Airconditioning India Private Limited	-	10.00
Atomberg Technologies Pvt Ltd	-	4.00
	3,717.00	3,611.00

There are no other contingent liabilities and commitments which is not provided for.

41 Crypto Currency

The Company does not have any transation or balance in crypto currency or virtual currency.

42 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

43 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.

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 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

31-03 2024

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-23	HDFC Bank Ltd	Inventory and Book Debts	6,197.03	6,197.03	-
Sep-23	HDFC Bank Ltd		6,439.11	6,439.11	-
Dec-23	HDFC Bank Ltd		7,536.03	7,536.03	-
Mar-24	HDFC Bank Ltd		7,481.02	7,481.02	-

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	-

M S K A & ASSOCIATES Hyderabad Chartered Accountants

QDIGI SERVICES LIMITED

47 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 2024 and 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.

48 Corporate Social Responsibility

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 funds are utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

48.01

Particulars	31-Mar-24	31-Mar-23
Gross Amount required to be spent as per Section 135 of	3.55	-
Add: Amount Unspent from previous years	-	-
Total Gross amount required to be spent during the year	3.55	-

48.02

Amount approved by the Board to be spent during the year	3.55	-

48.03 Details related to amount spent/ unspent

Particulars	31-Mar-24	31-Mar-23
Contribution to Quess Foundation	3.55	-
Spent on other activities	-	-
Contribution to Other Programme	-	-
Accrual towards unspent obligations in relation to:		
Ongoing projects	-	-
Other than Ongoing projects	-	-
TOTAL	3.55	-

49 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 M S K A & Associates
Chartered Accountants
Firm's Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226

Place: Hyderabad, India
Date: May 08, 2024

M S K A & ASSOCIATES Hyderabad Chartered Accountants

For and on behalf of the Board of Directors of
Qdigi Services Limited
CIN: U52100DL2012PLC238730

Deven Sharma
Director
DIN: 08987509

Place: Noida
Date: May 08, 2024

Gaurav Kumar Goyal
Director
DIN: 10559504

Place: Mumbai
Date: May 08, 2024

QDIGI SERVICES LIMITED

Qdigi Services Limited
Notes to the financial statements for the year ended 31 March 2024
(All amounts are in INR. Lakhs, except for share data and unless otherwise stated)

50 Ratios

S No.	Ratio	Formula	Particulars		31-Mar-24		31-Mar-23		Ratio as on	Ratio as on	Variation	Reason (if variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	#######	#######		
(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	9,504.26	8,909.17	10,721.52	9,837.69	1.07	1.09	-2%	NA
(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	1,077.02	3,244.98	106.42	3,438.21	0.33	0.03	972%	Change in cash flow represent the change in ratio accordingly
(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	664.74	107.82	1,280.61	118.62	6.2	10.8	-43%	Change in Operating Income resulted in change of ratio
(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	(149.36)	3,244.98	421.62	3,438.21	-5%	12%	-138%	Change in operating income and cash flows during the year ended 31st March 2024
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	28,178.05	2,011.13	28,259.80	2,025.52	14.01	13.95	0%	NA
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	37,157.07	5,606.62	37,872.94	5,658.91	6.63	6.69	-1%	NA
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	31,920.88	2,391.94	31,745.36	2,266.47	13.35	14.01	-5%	NA
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital	Revenue	Average Working Capital= Average of Current assets -	37,157.07	739.46	37,872.94	585.31	50.25	64.71	-22%	currrent operational cashflow
(i)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	(193.23)	37,157.07	432.42	37,872.94	(0.01)	0.01	-146%	Current year loss impacting the
(j)	Return on Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets -	(144.83)	3,809.60	641.36	3,943.74	(0.04)	0.16	-123%	Current year losses impacting
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	(193.23)	3,244.98	432.42	3,438.21	(0.06)	0.13	-147%	Current year losses impacting the ratio

M S K A & ASSOCIATES Hyderabad Chartered Accountants

QDIGI SERVICES LIMITED

Joe Tan & Associates PAC
Chartered Accountants

QUESSCORP HOLDINGS PTE. LTD.

Company Reg. No.: 201526129N

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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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 2024

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QUESSCORP HOLDINGS PTE. LTD.
(Company Reg. No.: 201526129N)

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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 2024.

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 2024 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:

Pallipakkam Ramachandran Sridharan	(Appointed on 1 April 2023)
Lohit Bahtia	(Appointed on 23 October 2023)
Akash Gupta	(Appointed on 23 October 2023)
Kamal Pal Hoda	

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

.....
Akash Gupta
Director

.....
Pallipakkam Ramachandran Sridharan
Director

Singapore 08 MAY 2024

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 2024, 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 2024 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 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.

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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 08 MAY 2024

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QUESSCORP HOLDINGS PTE. LTD.
(Company Reg. No.: 201526129N)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 S$	2023 S$
ASSETS			
Non-current assets			
Investment in subsidiaries	4	54,801,448	60,237,681
Investment in joint venture	5	15,868	15,868
Other investment	6	280,496	280,496
		55,097,811	60,534,045
Current assets			
Trade and other receivables	7	4,811,197	6,483,776
Cash and cash equivalents	8	3,170,013	345,144
		7,981,210	6,828,920
Total assets		63,079,021	67,362,965
EQUITY AND LIABILITIES			
Equity			
Share capital	9	45,269,610	45,269,610
Retained earnings		16,748,330	21,194,025
Capital reserve		86,327	86,327
Translation reserve		(9,161)	(5,879)
		62,095,106	66,544,083
Current liabilities			
Other payables	10	360,826	231,957
Income tax liabilities		623,089	586,925
		983,915	818,882
Total liabilities		983,915	818,882
Total equity and liabilities		63,079,021	67,362,965

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 2024

	Note	2023 S$	2023 S$
Revenue	11	544,298	531,829
Cost of services		(541,682)	(183,925)
Gross Profit		2,616	347,904
Other income	12	37,968,399	7,457,115
Administrative costs		(4,046,967)	(1,000,484)
Profit before tax	13	33,924,047	6,804,535
Income tax expense/(benefit)	14	89,742	586,925
Profit after tax		33,834,305	6,217,610
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss			
Foreign exchange differences on transalation of foreign operations		-	(1,652)
Other comprehensive income for the year, net of tax		-	(1,652)
Total comprehensive income for the year		33,834,305	6,215,958

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 2024

	Note	Share Capital S$	Retained Earnings S$	Capital Reserve S$	Translation Reserve S$	Total S$
Balance as at 1 April 2022		45,269,610	21,126,415	86,327	(4,227)	66,478,125
Other comprehensive loss		-	-	-	(1,652)	(1,652)
Dividends	15	-	(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**
Other comprehensive income		-	-	-	(3,282)	(3,282)
Dividends	15	-	(38,280,000)	-	-	(38,280,000)
Profit for the year, representing total comprehensive income for the year		-	33,834,306	-	-	33,834,306
		-	(4,445,694)	-	(3,282)	(4,448,976)
Balance as at 31 March 2024		**45,269,610**	**16,748,331**	**86,327**	**(9,161)**	**62,095,107**

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 2024

	Note	2024 S$	2023 S$
Cash flows from operating activities			
Profit before tax		33,924,047	6,804,535
Adjustments for :			
Translation reserve		(3,282)	(1,652)
Impairment loss of investment in subsidiary	12	3,842,021	602,000
Reversal of impairment loss of investment in subsidiary	12	(602,000)	-
Gain on disposal of investment in subsidiary	12	(23,016,675)	-
Interest income		(79,392)	(73,405)
Operating cash flows before working capital changes		14,064,720	7,331,478
Change in working capital :			
Trade and other receivables		1,672,579	637,940
Other payables		75,312	(1,449)
Cash generated from operations		15,812,611	7,967,969
Income tax paid		-	-
Net cash generated from operating activities		15,812,611	7,967,969
Cash flows from investing activities			
Acquisition of subsidiary		(1,781,930)	(2,060,091)
Proceeds from disposal of investment in subsidiaries		26,994,797	-
Interest received		79,392	73,405
Net cash generated from/(used in) investing activities		25,292,259	(1,986,686)
Cash flows from financing activities			
Dividends paid	15	(38,280,000)	(6,150,000)
Net cash used in financing activities		(38,280,000)	(6,150,000)
Net decrease in cash and cash equivalents		2,824,869	(168,717)
Cash and cash equivalents at 1 April		345,144	513,861
Cash and cash equivalents at 31 March	8	3,170,013	345,144

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 has a branch in Dubai but has ceased its operations.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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 2023. 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 2023 which are effective for annual reporting periods beginning after 1 January 2023:

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

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 2024
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 7 *Statement of Cash Flows and FRS 107 Financial Instruments: Disclosures:* Supplier Finance Arrangements	1 January 2024
Amendments to FRS 21 *The Effects of Changes in Foreign Exchange Rates:* Lack of Exchangeability	1 January 2025
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 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. MATERIAL ACCOUNTING POLICY INFORMATION – 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION – CONTINUED

2.5 FINANCIAL INSTRUMENTS- CONTINUED

a) Financial assets - continued

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.

2.6 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.

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. MATERIAL ACCOUNTING POLICY INFORMATION – CONTINUED

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).

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. MATERIAL ACCOUNTING POLICY INFORMATION – CONTINUED

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.

2.12 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. MATERIAL ACCOUNTING POLICY INFORMATION – CONTINUED

2.12 PLANT AND EQUIPMENT - CONTINUED

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.

2.13 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.

2.14 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 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. MATERIAL ACCOUNTING POLICY INFORMATION – CONTINUED

2.14 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.

2.15 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.

2.16 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. MATERIAL ACCOUNTING POLICY INFORMATION – CONTINUED

2.17 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.

2.18 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.

2.19 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 reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2. MATERIAL ACCOUNTING POLICY INFORMATION – CONTINUED

2.19 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 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 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.

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

	2024 S$	2023 S$
Unquoted equity shares, at cost	58,643,469	60,839,681
Less: Accumulated impairment loss	(3,842,021)	(602,000)
	54,801,448	60,237,681

	2024 S$	2023 S$
Accumulated impairment loss:		
At 1 April	602,000	-
Reversal of impairment	(602,000)	
Provision for impairment loss	3,842,021	602,000
At 31 March	3,842,021	602,000

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 %	2024 S$	2023 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	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	3,842,021	2,060,091	Staffing
				58,643,469	60,839,681	

[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.

4. INVESTMENT IN SUBSIDIARIES - CONTINUED

During the year, the Company has disposed of its investment in MFXchange Holdings, Inc, for a cash consideration of SGD26,994,797 (USD20,400,000).

During the year, the Company has fully impaired its investment in Quesscorp NA LLC amounting to SGD3,842,021.

Last year, the Company has fully impaired its investment in Quess Selection & Solution Pte. Limited amounting to $602,000 as a result of its decline in recoverable amount. At the end of the year, the management determines that the recoverable amount, which is based on the value in use calculation, is higher than its cost of investment. This is due to positive change in the subsidiary's performance and expected growth for the next years, as such the management assessed that a reversal of impairment loss has to be made.

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

	2024 S$	2023 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
		2024 %	2023 %	2024 S$	2023 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

	2024 S$	2023 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

	2024 S$	2023 S$
Trade receivables		
- Third parties	277,933	257,134
	277,933	257,134
Loan receivables from subsidiaries	872,400	1,323,311
Loan receivables from related companies	105,011	1,734,576
Loan receivables from third party	3,318,814	2,961,076
Amount due from joint venture	1,373	1,373
Interest receivables	7,100	7,100
Deposits	22,869	22,869
Other receivables	196,636	167,277
GST receivables	11,500	11,500
Advances to suppliers	(2,439)	(2,439)
	4,811,197	6,483,777

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

	2024 S$	2023 S$
Cash at banks	3,170,013	345,144

9. SHARE CAPITAL

	2024		2023	
	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

	2024 S$	2023 S$
Current Liabilities		
Accruals	12,000	9,782
Loan payable to holding company	-	183,925
Other payables	348,826	38,250
Total	360,826	231,957

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

	2024 S$	2023 S$
Rendering of services (at a point in time)	544,298	531,829

12. OTHER INCOME

	2024 S$	2023 S$
Dividend income	13,938,706	7,351,652
Reversal of impairment loss of investment in subsidiary	602,000	-
Unrealised foreign exchange gain	331,626	32,058
Interest income	79,392	73,405
Gain on sale of investments in subsidiaries	23,016,675	-
	37,968,399	7,457,115

13. PROFIT BEFORE TAX

	2024 S$	2023 S$
Profit before tax has been arrived at after charging/(crediting) :		
Legal and professional fees	52,021	47,947
Impairment loss of investment in subsidiary	3,842,021	-
Loan processing fees	-	78,993
Unrealised foreign exchange loss	94,713	247,465

14. INCOME TAX EXPENSE/(BENEFIT)

The major components of income tax expense recognised in profit for the financial years ended 31 March 2024 and 31 March 2023 were:

	2024 S$	2023 S$
Income tax		
- Current year	89,742	586,925
Income tax expense recognised in profit or loss	89,742	586,925

14. INCOME TAX EXPENSE/(BENEFIT) (CONTINUED)

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 2024 and 31 March 2023 were as follows

	2024 S$	2023 S$
Profit before income tax	33,924,047	7,421,289
Income tax using the statutory tax rate of 17% (2022: 17%)	5,767,088	1,261,619
Adjustments:		
Non-deductible expenses	653,144	36,619
Non-taxable income	(6,313,065)	(692,479)
Deferred tax assets not recognised	-	-
Statutory stepped income exemption	(17,425)	(17,425)
Utilisation of unabsorbed losses in prior years	-	(1,410)
	89,742	586,924

15. DIVIDENDS

	2024 S$	2023 S$
Declared and paid during the financial year		
Dividends on ordinary shares:		
Interim exempt (one-tier) dividend	38,280,000	6,150,000

16. 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:

	2024 S$	2023 S$
With related companies		
Interest income from loans to related companies	46,887	73,405

17. 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.

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;

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

a) Credit risk - continued

- 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 OBJECTIVES AND POLICIES - 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 2024						
Trade receivables [1]	7	I	Lifetime ECL (simplified)	277,933	-	277,933
Other receivables	7	I	12-month ECL	4,524,203	-	4,524,203
31 March 2023						
Trade receivables [1]	7	I	Lifetime ECL (simplified)	257,134	-	257,134
Other receivables	7	I	12-month ECL	6,217,582	-	6,217,582

[1] 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.

	Not past due	181- 270 days	Total
	S$	S$	S$
31 March 2024			
ECL rate	0%	0%	
Estimated total gross carrying amount at default	277,933	-	277,933
ECL	-	-	-
			277,933
31 March 2023			
ECL rate	0%	0%	
Estimated total gross carrying amount at default	204,362	52,772	257,134
ECL	-	-	-
			257,134

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - 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 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.

(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.

	2024		
	Carrying amount S$	Contractual cash flows S$	One year or less S$
Financial assets			
Trade and other receivables [(a)]	4,802,136	4,802,136	4,802,136
Cash and cash equivalents	3,170,013	3,170,013	3,170,013
Total undiscounted financial assets	7,972,149	7,972,149	7,972,149
Financial liabilities			
Other payables	360,826	360,826	360,826
Total undiscounted financial liabilities	360,826	360,826	360,826
Total net undiscounted financial asset	7,611,323	7,611,323	7,611,323

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

b) Liquidity risk - continued

	2023		
	Carrying amount S$	Contractual cash flows S$	One year or less 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/(liabilities)	6,587,903	6,587,903	6,587,903

[(a)] This amount excludes prepayment, GST receivables and advance to suppliers.

(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 (2023: 100) basis points higher/ lower with all other variables held constant, the Company's loss before tax would have been S$ NIL (2023: 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.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

(c) Market risk- continued

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was as follows:

	2024 S$	2023 S$
Fixed rate instruments		
Financial assets		
Loan receivables from subsidiaries	872,400	1,323,311
Loan receivables from related parties	105,011	1,734,576
Loan receivables from third party	3,318,814	2,961,076
	4,296,225	6,018,963

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.

(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:

	2024			
	USD S$	MYR S$	AED S$	DONG S$
Financial assets				
Trade and other receivables	3,318,814	471,214	70,893	22,869
Cash and cash equivalents	395,057	-	-	-
	3,713,871	471,214	70,893	22,869
Financial liabilities				
Other payables	277,933	-	70,893	-
	277,933	-	70,893	-
Foreign currency exposure	3,435,938	471,214	-	22,869

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

(c) Market risk- continued

	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

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	
	2024 S$	2023 S$
United States Dollar	285,183	255,164
Malaysia Ringgit	39,111	77,272
Arab Emirates Dirhams	-	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.

18. 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.

18. FAIR VALUES OF ASSETS AND LIABILITIES - CONTINUED

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.

19. 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:

	2024 S$	2023 S$
Financial assets measured at amortised cost		
Trade and other receivables (Note 8) [(a)]	4,802,136	6,474,716
Cash and cash equivalents (Note 9)	3,170,013	345,144
Total financial assets measured at amortised cost	7,972,149	6,819,860
Financial liabilities measured at amortised cost		
Other payables (Note 11) [(a)]	360,826	231,957
Total financial liabilities measured at amortised cost	360,826	231,957

[(a)] This amount excludes the prepayment, GST receivables and advance to suppliers.

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 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 2024 and 31 March 2023.

21. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 08 MAY 2024

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 2024

	2024 S$	2023 S$
Revenue		
Service income	544,298	531,829
Less: Cost of services	(541,682)	(183,925)
Gross profit	2,616	347,904
Add:Other income		
Dividend income	13,938,706	7,351,652
Reversal of impairment loss of investment in subsidiary	602,000	-
Interest income	79,392	73,405
Gain on sale of investments in subsidiaries	23,016,675	-
Unrealised foreign exchange gain	331,626	32,058
	37,968,399	7,457,115
Less:		
Administrative costs		
Bank charges	58,211	13,983
Loan processing fees	-	78,993
Legal and professional fees	52,021	47,947
Rental	-	6,357
Sponsorship fees	-	3,739
Impairment loss of investment in subsidiary	3,842,021	602,000
Unrealised forex exchange loss	94,713	247,465
	4,046,967	1,000,484
Total Expenses	(4,046,967)	(1,000,484)
Profit before tax	33,924,047	6,804,535

Quess Philippines Corp

(MN PHP)

Statement of profit and loss	Note	For the period ended 31 Mar 2024	31 Mar 2023
Income			
Revenue from operations	28	260.81	284.07
Other income	29	1.66	0.85
Total income		**262.47**	**284.92**
Expenses			
Cost of material and stores and spare parts consumed	30	-	-
Employee benefit expenses	31	214.30	227.64
Finance costs	32	0.69	1.45
Depreciation and amortisation expense	33	0.48	0.60
Other expenses	34	31.38	25.88
Total expenses		**246.85**	**255.57**
Profit before exceptional items		**15.62**	**29.35**
Exceptional items		-	-
Profit before share of profit of equity accounted investees and income tax		**15.62**	**29.35**
Share of profit of equity accounted investees (net of income tax)		-	-
Profit before tax		**15.62**	**29.35**
Tax expense			
Current tax		3.23	12.93
Adjustments of tax relating to earlier periods		-	-
Deferred tax		0.09	-
Income tax expenses		**3.32**	**12.93**
Profit for the year		**12.30**	**16.42**
			-
Profit attributable to			
Owners of the Company		12.30	16.42
Non-controlling interests		-	-
Total profit for the year		**12.30**	**16.42**
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		12.30	16.42
Non-controlling interests		-	-

Jinendra Jain 8/5/24

Jinendra Jain
Group finance Controller

Quess Philippines Corp

(MN PHP)

Balance Sheet as at	Note	31 Mar 2024	31 Mar
ASSETS			
Non-current assets			
Property, plant and equipment		1.31	0.56
Investments in equity accounted investees		0.25	0.25
Financial assets			
(i) Investments	1	-	-
(ii) Non-current loans	2	-	-
(iii) Other non-current financial assets	3	1.01	0.50
Deferred tax assets (net)	4	1.13	1.22
Income tax assets (net)	5	8.61	8.15
Other non-current assets	6	-	-
Total non-current assets		**12.30**	**10.68**
Current assets			
Financial assets			
(i) Investments	8	-	-
(ii) Trade receivables	9	86.81	119.27
(iii) Cash and cash equivalents	10	23.10	26.29
(iv) Bank balances other than cash and cash equivalents above	11	-	-
(v) Current loans	12	1.77	36.70
(vii) Other current financial assets	13	3.76	4.22
Other current assets	14	2.46	5.24
Total current assets		**117.90**	**191.73**
Total assets		**130.21**	**202.41**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	8.60	8.60
Other equity	16	67.13	54.83
Total equity attributable to equity holders of the Company		**75.73**	**63.43**
Non-controlling interests	17	-	-
Total equity		**75.73**	**63.43**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Non-current borrowings	18	-	-
(ii) Lease Liabilities		(0.00)	(0.00)
(iii) Other non-current financial liabilities	19	-	-
Deferred tax liabilities (net)	20	-	-
Non-current provisions	21	-	-
Total non current liabilities		**(0.00)**	**(0.00)**
Current liabilities			
Financial liabilities			
(i) Borrowings	22	(0.00)	77.89
(ii) Lease Liabilities		(0.00)	(0.00)
(iii) Trade payables	23	8.96	7.82
(iv) Other current financial liabilities	24	30.70	33.97
Income tax liabilities (net)	25	3.33	17.73
Current provisions	26	-	-
Other current liabilities	27	11.49	1.57
Total current liabilities		**54.48**	**138.98**
Total Liabilities		**54.47**	**138.98**
Total Equity and Liabilities		**130.21**	**202.41**

Jinendra Jain
Group finance Controller

Quesscorp Vietnam LLC

(MN VND)

Statement of profit and loss	Note	For the period ended 31 Mar 2024	31 Mar
Income			
Revenue from operations	28	34,856.99	17,775.34
Other income	29	49.15	283.40
Total income		**34,906.14**	**18,058.74**
Expenses			
Cost of material and stores and spare parts consumed	30	-	-
Employee benefit expenses	31	34,370.27	18,105.95
Finance costs	32	174.98	191.74
Depreciation and amortisation expense	33	28.16	37.14
Other expenses	34	370.50	2,261.83
Total expenses		**34,943.91**	**20,596.66**
Profit before exceptional items		**(37.77)**	**(2,537.92)**
Exceptional items		-	-
Profit before share of profit of equity accounted investees and income tax		**(37.77)**	**(2,537.92)**
Share of profit of equity accounted investees (net of income tax)		-	-
Profit before tax		**(37.77)**	**(2,537.92)**
Tax expense			
Current tax		-	-
Adjustments of tax relating to earlier periods		-	-
Deferred tax		-	-
Income tax expenses		-	-
Profit for the year		(37.77)	(2,537.92)
			-
Profit attributable to			
Owners of the Company		(37.77)	(2,537.92)
Non-controlling interests		-	-
Total profit for the year		(37.77)	(2,537.92)
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		(37.77)	(2,537.92)
Non-controlling interests		-	-

Jinendra Jain 9/8/24

Jinendra Jain
Group finance Controller

Quesscorp Vietnam LLC

(MN VND)

Balance Sheet as at	Note	31 Mar 2024	31 Mar
ASSETS			
Non-current assets			
Property, plant and equipment		158.90	187.06
Investments in equity accounted investees		-	-
Financial assets			
(i) Investments	1	-	-
(ii) Non-current loans	2	-	-
(iii) Other non-current financial assets	3	21.80	21.80
Deferred tax assets (net)	4	-	-
Income tax assets (net)	5	-	-
Other non-current assets	6	-	-
Total non-current assets		**180.70**	**208.87**
Current assets			
Financial assets			
(i) Investments	8	-	-
(ii) Trade receivables	9	2,887.88	2,390.94
(iii) Cash and cash equivalents	10	3,266.95	4,112.93
(iv) Bank balances other than cash and cash equivalents above	11	-	-
(v) Current loans	12	10.00	10.00
(vii) Other current financial assets	13	127.43	207.60
Other current assets	14	462.91	464.99
Total current assets		**6,755.18**	**7,186.46**
Total assets		**6,935.88**	**7,395.32**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	4,333.78	4,333.78
Other equity	16	(7,398.26)	(7,360.50)
Total equity attributable to equity holders of the Company		**(3,064.48)**	**(3,026.72)**
Non-controlling interests	17	-	-
Total equity		**(3,064.48)**	**(3,026.72)**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Non-current borrowings	18	-	-
(ii) Lease Liabilities		53.52	53.52
(iii) Other non-current financial liabilities	19	-	-
Deferred tax liabilities (net)	20	-	-
Non-current provisions	21	-	-
Total non current liabilities		**53.52**	**53.52**
Current liabilities			
Financial liabilities			
(i) Borrowings	22	2,990.37	2,668.55
(ii) Lease Liabilities		70.20	70.20
(iii) Trade payables	23	(19.30)	(63.67)
(iv) Other current financial liabilities	24	5,959.14	6,886.02
Income tax liabilities (net)	25	-	(1.56)
Current provisions	26	-	-
Other current liabilities	27	946.43	808.97
Total current liabilities		**9,946.84**	**10,368.51**
Total Liabilities		**10,000.35**	**10,422.04**
Total Equity and Liabilities		**6,935.88**	**7,395.32**

Jinendra Jain
Group finance Controller

BRAINHUNTER SYSTEMS LTD.

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

BRAINHUNTER SYSTEMS LTD.

MARCH 31, 2024

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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, 2024, and the statements of income and 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.

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.



KNAV Professional Corporation
Chartered Professional Accountants

Authorized to practice public accounting by the
Chartered Professional Accountants of Ontario

Toronto, Ontario
April 30, 2024

BRAINHUNTER SYSTEMS LTD.

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2024

	2024	2023
ASSETS		
Current		
Cash and cash equivalents (note 3)	$ 1,149,760	$ 1,330,136
Accounts receivable	5,282,604	3,423,524
Prepaid expenses	179,001	443,655
	6,611,365	5,197,315
Non-Current		
Deposits	46,353	19,997
Deposits with government authorities (note 13)	675,026	675,026
Future income tax recoverable (note 9)	361,457	390,032
Investments (note14)	5,001,375	5,001,375
Property and equipment (note 4)	445,176	554,791
Intangibles (note 5)	699,078	427,618
	7,228,465	7,068,839
	$ 13,839,830	$ 12,266,154
LIABILITIES		
Current		
Accounts payable and accrued liabilities (note 7)	$ 2,794,248	$ 1,432,571
Due to affiliated parties current portion (notes 6 and 8)	1,027,375	1,512,574
Deferred revenue	22,459	192,594
Deferred leasehold inducement	162,563	206,747
Income tax payable (note 9)	31,544	224,430
	4,038,189	3,568,916
Non-Current		
Due to affiliated parties (notes 6 and 8)	3,903,257	4,000,244
	7,941,446	7,569,160
SHAREHOLDER'S EQUITY		
Capital stock (note 10)	7,224,655	7,224,655
Deficit	(1,326,271)	(2,527,661)
	5,898,384	4,696,994
	$ 13,839,830	$ 12,266,154

Approved:_____

See accompanying notes.

BRAINHUNTER SYSTEMS LTD.

CONSOLIDATED STATEMENT OF INCOME AND DEFICIT

FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
Revenue	$ 54,431,441	$ 51,732,883
Cost of sales	46,530,801	43,873,956
Gross margin	7,900,640	7,858,927
Expenses		
Salaries and benefits	4,602,097	4,351,232
Selling, general, and administrative	796,989	843,578
	5,399,086	5,194,810
Income before the undernoted items	2,501,554	2,664,117
Loss on foreign exchange	(1,757)	(1,378)
Interest expense (note 8)	(554,662)	(447,877)
Depreciation of property and equipment (note 4)	(237,484)	(209,017)
Amortization of intangibles (note 5)	(220,573)	(345,085)
Income before income tax	1,487,078	1,660,760
Income tax		
Current (note 9)	257,113	268,264
Future (note 9)	28,575	19,987
	285,688	288,251
Net income	1,201,390	1,372,509
Deficit, beginning of year	(2,527,661)	(3,900,170)
Deficit, end of year	$ (1,326,271)	$ (2,527,661)

See accompanying notes.

BRAINHUNTER SYSTEMS LTD.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2024

	2024	2023
Cash flows from (used in) operating activities		
Net income	$ 1,201,390	$ 1,372,509
Adjustments for:		
Future income tax recoverable	28,575	19,987
Depreciation of property and equipment (note 4)	237,484	209,017
Amortization of intangibles (note 5)	220,573	345,085
Accrued interest on loans from affiliated parties	53,846	37,252
	1,741,868	1,983,850
Changes in non-cash working capital		
Decrease (increase) in accounts receivable	(1,859,080)	1,674,687
Decrease (increase) in prepaid expenses	264,654	(308,803)
Increase (decrease) in accounts payable and accruals	1,361,677	(1,830,581)
Increase (decrease) in income tax payable	(192,886)	138,927
Increase (decrease) in deferred leasehold inducement	(44,184)	(44,184)
Increase (decrease) in deferred revenue	(170,135)	(275,646)
	1,101,914	1,338,250
Cash flows from (used in) investing activities		
Purchase of property and equipment	(127,869)	(152,442)
Deposits	(26,356)	(7,416)
Intangibles	(492,033)	(309,906)
	(646,258)	(469,764)
Cash flows from (used in) financing activities		
Loans from (to) affiliated parties	(636,032)	(1,190,988)
	(636,032)	(1,190,988)
Increase (decrease) in cash and cash equivalents	(180,376)	(322,502)
Cash and cash equivalents, beginning of year	1,330,136	1,652,638
Cash and cash equivalents, end of year	$ 1,149,760	$ 1,330,136
Supplemental information		
Interest paid	$ 554,662	$ 447,877
Income taxes paid	$ 257,113	$ 268,264

See accompanying notes.

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

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.

MFXchange Holdings Inc., holds 81% of the shares and Quess Corp Ltd holds 19% of the shares.

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. Revenue from IT service is recognized based on per call basis.

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, 2024, an allowance of $62,313 (2023 - $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.

	2024	2023
Cash	$ 1,149,760	$ 1,330,136

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

	2024			2023
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer equipment	$ 1,246,844	$ 1,212,439	$ 34,405	$ 46,864
Office furniture and fixtures	487,437	484,802	2,635	14,717
Computer software	680,099	621,756	58,343	54,866
Leasehold improvements	1,259,810	910,017	349,793	438,344
	$ 3,674,190	$ 3,229,014	$ 445,176	$ 554,791

The depreciation of property and equipment totaled $ 237,484 in 2024 (2023 - $ 209,017).

5. Intangibles

	2024	2023
Cost	$ 1,855,308	$ 1,363,275
Accumulated amortization	(1,156,230)	(935,657)
	$ 699,078	$ 427,618

The amortization of intangibles totaled $ 220,573 in 2024 (2023 - $345,085).

During the year $ 492,033 (2023 - $ 309,906) was capitalized as intangibles, which consist of Mobile enabled Enterprise Collaboration App of $214,605 (2023 - $144,501) and Facelift of Talentflow ATS application of $277,333 (2023 - $165,405), 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:

	2024	2023
Trade and accrued liabilities	$ 2,766,028	$ 1,391,500
Salaries and commissions payable	28,220	41,071
	$ 2,794,248	$ 1,432,571

Included in accounts payable and accrued liabilities as at March 31, 2024 are government remittances payable (recoverable) of $65,798 (2023 - $77,939) relating to federal and provincial sales taxes, payroll taxes, health taxes and workers' safety insurance.

8. Due from (to) affiliated parties:

	2024	2023
MFXchange Holdings Inc. towards credit facilities from ICICI Bank of Canada (note 6) bearing interest at CDOR plus 2.5% per annum (2023 - 2.5%)	$ (5,083,498)	$ (5,629,325)
Quess Corp Limited bearing interest at NIL% per annum (2023 - NIL%)	152,866	116,507
	$ (4,930,632)	$ (5,512,818)
Current portion	$ (1,027,375)	$ (1,512,574)
Long-term portion	(3,903,257)	(4,000,244)
	$ (4,930,632)	$ (5,512,818)

During the year ended March 31, 2024, the Company recognized $554,662 (2023 - $447,877) in interest expense on the amounts due to MFXchange Holdings Inc.

The amount receivable from Quess Corp Limited in the amount of $150,468 (2023 - $116,507), and from Quess GTS Canada Holdings Inc. in the amount of $2,397 (2023 - $NIL), 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 $2,119 (2023 - $12,713), from Quess Corp (USA), Inc. of $352,242 (2023 - $271,383), and from MFXchange US Inc. of $46,829 (2023 - $20,226).

Accounts payables include an amount due to MFX Infotech Private Limited for $188,421 (2023 - $134,958), and to MFXchange US Inc. of $26.877 (2023 - $83,191).

During the year ended March 31, 2024, the Company earned revenue of $NIL (2023 - $NIL) from Quess Corp (USA), Inc., other income of $67,317 (2023 - $39,901) from MFXchange US Inc., and $72,214 (2023 - $22,500) from MFXchange Holdings Canada.

During the year ended March 31, 2024, the Company incurred expenses $NIL (2023 - $NIL) from Quess Corp (USA), Inc., $253,092 (2023 - $124,511) from MFXchange US Inc., and interest of $554,662 (2023 - $447,877) from MFXchange Holdings Canada.

9. Income taxes:

The Company pays income taxes at a statutory rate of 26.5% (2023 - 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:

	2024	2023
Income before income taxes	$ 1,487,078	$ 1,660,760
Rate	26.5%	26.5%
Expected provision for (recovery of) income taxes	394,076	440,101
Increase (decrease) in income taxes resulting from:		
Permanent difference	2,863	2,687
Prior year adjustments	-	18,077
Change in valuation allowance	(132,407)	(173,877)
Other	21,156	1,263
Income tax expense	$ 285,688	$ 288,251

As at March 31, 2024, the Company has $1,014,339 (2023 - $1,175,321) of future tax assets before any valuation allowance. As at March 31, 2024, the Company recognized a future tax asset of $361,457 (2023 - $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 $652,882 (2023 - $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, 2024 is as follows:

	2024	2023
Future income tax assets (liabilities):		
Non-capital losses	$ 708,660	$ 885,311
Property and Equipment	291,703	252,762
Sub-lease inducement	(2,537)	20,735
Other temporary differences	16,513	16,513
	1,014,339	1,175,321
Less: valuation allowance	652,882	785,289
Net future income tax assets	$ 361,457	$ 390,032
Current income tax payable	$ 31,544	$ 224,430

As at March 31, 2024, the Company has non-capital losses of $2,674,189 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:

2036	$ 1,209,498
2037	1,146,245
2038	318,446
	$ 2,674,189

10. Capital stock:

	2024	2023
Authorized		
Unlimited common shares		
Issued:		
36,842,631 (2023 - 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, 2024, the Company has contractual obligations for basic rent payments as follows:

2024 - 2025	$ 201,713
2026 and thereafter	$ 789,545

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 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 1.29% (2023 - 2%) 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, 2024, the Company recorded a foreign exchange gain (loss) of $(1,757) (2023 - $(1,378)). There has been no change to the risk exposure since the prior 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, 2024, the Company has remitted payments which have been recorded as a deposit with government authorities on the consolidated balance sheet as follows:

	2024	2023
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.

On April 28, 2023 the Minister of Finance filed a reply to the notice of appeal for the year ending December 31, 2017.

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, 2024.

14. Investment:

	2024	2023
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, 2024 through April 30, 2024, 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.

QUESSCORP SINGAPORE PTE. LTD.

(Company Registration Number: 199801439D)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Joe Tan & Associates PAC
Chartered Accountants

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Member of PrimeGlobal, representing in more than 100 countries

QUESSCORP SINGAPORE PTE. LTD.
(Company Registration Number: 199801439D)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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QUESSCORP SINGAPORE PTE. LTD.
(Company Registration Number: 199801439D)

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

The directors are pleased to present their statement to the member together with the audited financial statements of Quesscorp Singapore Pte. Ltd. (the Company) for the financial year ended 31 March 2024.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the accompanying 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 2024 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
Vikas Kumar

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	-	-	36,528	36,528
Guruprasad Srinivasan	-	-	123,598	186,702

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 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

.....
Pallipakkam Ramachandran Sridharan
Director

Singapore

09 MAY 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER 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 as at 31 March 2024, the statement of profit or loss and 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.

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 2024 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.

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.

- 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

09 MAY 2024

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Incorporated with Limited Liability Regn No. 200801266N

QUESSCORP SINGAPORE PTE. LTD.
(Company Registration Number: 199801439D)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 S$	2023 S$
ASSETS			
Non-current assets			
Investment in subsidiary	4	1	1
Plant and equipment	5	95,044	140,890
Right-of-use assets	6	280,604	539,900
		375,649	680,791
Current assets			
Trade and other receivables	7	11,786,957	13,688,314
Contract assets	8	9,532,424	11,926,864
Cash and cash equivalents	9	8,224,584	11,419,255
		29,543,965	37,034,433
Total assets		29,919,614	37,715,224
EQUITY AND LIABILITIES			
Equity			
Share capital	10	500,000	500,000
Retained earnings		14,364,037	19,797,713
Equity attributable to owners of the Company		14,864,037	20,297,713
Non-current liabilities			
Lease liabilities	11	24,433	309,329
		24,433	309,329
Current liabilities			
Trade and other payables	12	11,669,400	13,913,187
Lease liabilities	11	284,978	270,352
Contract liabilities	8	1,426,327	1,265,648
Income tax payable		1,650,439	1,658,995
		15,031,144	17,108,182
Total liabilities		15,055,577	17,417,511
Total equity and liabilities		29,919,614	37,715,224

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 2024

	Note	2024 S$	2023 S$
Revenue	13	135,471,103	136,723,165
Cost of services		(122,190,571)	(123,138,560)
Gross Profit		13,280,532	13,584,605
Other income	14	-	43,385
Administrative expenses		(4,603,388)	(3,877,327)
Finance costs	15	(24,212)	(36,774)
Profit before tax	16	8,652,932	9,713,889
Income tax expense	17	(1,586,608)	(1,613,214)
Profit after tax, representing total comprehensive income for the year		7,066,324	8,100,675

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 2024

	Note	Share capital S$	Retained earnings S$	Total S$
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
At 1 April 2023		500,000	19,797,713	20,297,713
Profit for the year, representing total comprehensive income for the year		-	7,066,324	7,066,324
Dividends paid	19	-	(12,500,000)	(12,500,000)
At 31 March 2024		500,000	14,364,037	14,864,037

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 2024

	Note	2024 S$	2023 S$
Cash flows from operating activities			
Profit before tax		8,652,932	9,713,889
Adjustments for:			
Depreciation of plant and equipment	5	54,877	45,875
Depreciation of right-of-use assets	6	259,296	251,853
Interest expense on lease liabilities		24,212	36,774
		8,991,317	10,048,391
Changes in working capital:			
Trade and other receivables		1,919,677	360,337
Trade and other payables		(2,243,787)	2,639,598
Contract assets		2,394,440	(1,932,495)
Contract liabilities		160,679	(409,972)
Cash generated from operations		11,222,326	10,705,859
Income tax paid		(1,595,164)	(1,022,180)
Net cash generated from operating acivities		9,627,162	9,683,679
Cash flows from investing activities			
Acquisition of plant and equipment	5	(27,351)	(78,841)
Net cash used in investing activities		(27,351)	(78,841)
Cash flows from financing activities			
Interest expense on lease liabilities		(24,212)	(36,774)
Payment of principal portion of lease liabilities		(270,270)	(250,299)
Dividends paid	19	(12,500,000)	(4,000,000)
Net cash used in financing activities		(12,794,482)	(4,287,073)
Net (decrease)/increase in cash and cash equivalents		(3,194,671)	5,317,765
Cash and cash equivalents at 1 April		11,419,255	6,101,490
Cash and cash equivalents at 31 March	9	8,224,584	11,419,255

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$
2023					
Lease liabilities	808,551	(287,073)	21,429	36,774	579,681
2024					
Lease liabilities	579,681	(294,482)	-	24,212	309,411

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. CORPORATE INFORMATION

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. MATERIAL ACCOUNTING POLICY INFORMATION

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.

Consolidated financial statements have not been presented as the Company is a wholly-owned subsidiary. The name and address of the parent company presenting the group financial statements is Quess Corp Limited and 3/3/2 Bellandur Gate, Sarjapur Road, Quess House, Bengaluru 560103, Karnataka, India.

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 2023. 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 2023 which are effective for annual reporting periods beginning after 1 January 2023.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Standards issued but not yet effective (Continued)

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 2024
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 7 *Statement of Cash Flows* and FRS 107 *Financial Instruments*: Disclosures: Supplier Finance Arrangements	1 January 2024
Amendments to FRS 21 *The Effects of Changes in Foreign Exchange Rates*: Lack of Exchangeability	1 January 2025
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

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 Plant and equipment (Continued)

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. MATERIAL ACCOUNTING POLICY INFORMATION (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. MATERIAL ACCOUNTING POLICY INFORMATION (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. MATERIAL ACCOUNTING POLICY INFORMATION (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. MATERIAL ACCOUNTING POLICY INFORMATION (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. MATERIAL ACCOUNTING POLICY INFORMATION (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. MATERIAL ACCOUNTING POLICY INFORMATION (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 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).

The carrying amount of the Company's trade receivables as at 31 March 2024 was S$9,304,979 (2023: S$11,648,777).

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

3.2 Key sources of estimation uncertainty (Continued)

(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 2024 was S$1,650,439 (2023: S$1,658,995).

4. INVESTMENT IN SUBSIDIARY

	2024	2023
	S$	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	
			2024	2023	2024	2023
Held by the Company:			%	%	S$	S$
Comtelink Sdn. Bhd. *	Provide consultancy services	Malaysia	100	100	1	1

* Unaudited for the financial year ended 31 March 2024.

5. PLANT AND EQUIPMENT

	Office equipment	Computers and software	Renovation	Total
	S$	S$	S$	S$
Cost				
At 1 April 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
Additions	-	27,351	-	27,351
Written off	-	(18,320)	-	(18,320)
At 31 March 2024	19,164	238,600	157,800	415,564

5. PLANT AND EQUIPMENT (CONTINUED)

	Office equipment	Computers and software	Renovation	Total
	S$	S$	S$	S$
Accumulated depreciation				
At 1 April 2022	15,241	150,398	54,129	219,768
Depreciation	813	13,502	31,560	45,875
At 31 March 2023	16,054	163,900	85,689	265,643
Depreciation	1,443	21,874	31,560	54,877
At 31 March 2024	17,497	185,774	117,249	320,520
Carrying amount				
At 31 March 2023	3,110	65,669	72,111	140,890
At 31 March 2024	1,667	52,826	40,551	95,044

6. RIGHT-OF-USE ASSETS

	Office premises
	S$
Cost	
At 1 April 2021	1,249,174
Modification of lease liabilities	21,429
At 31 March 2022	1,270,603
Additions	-
At 31 March 2023	1,270,603
Accumulated depreciation	
At 1 April 2022	478,850
Depreciation	251,853
At 31 March 2023	730,703
Depreciation	259,296
At 31 March 2024	989,999
Carrying amount	
At 31 March 2023	539,900
At 31 March 2024	280,604

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

	2024 S$	2023 S$
Trade receivables:		
- Third parties	9,518,766	11,612,691
- Related companies	93,105	121,320
	9,611,871	11,734,011
Less: Allowance for expected credit losses	(306,892)	(85,234)
	9,304,979	11,648,777
Other receivables:		
- Advances to employees	1,800	53,557
- Amounts due from related parties	2,140,213	1,719,235
- Deposits	91,150	116,150
- Other receivables	3,030	9,922
- Other advances	45,352	-
- Prepayments	200,433	140,673
	11,786,957	13,688,314

Trade receivables are unsecured, non-interest bearing and are generally settled on 30 to 90 (2023: 30 to 90) days' term.

Other receivables are non-trade in nature, unsecured, interest-free and have no fixed term of repayment.

The amount due from related parties, advances to employees and other advance 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:

	2024 S$	2023 S$
At 1 April	85,234	85,234
Provision of expected credit losses	221,658	-
At 31 March	306,892	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:

	2024 S$	2023 S$
Current:		
Contract assets	9,532,424	11,926,864
Contract liabilities	(1,426,327)	(1,265,648)

9. CASH AND CASH EQUIVALENTS

	2024 S$	2023 S$
Cash in hand	5,023	7,534
Cash at banks	8,219,561	11,411,721
	8,224,584	11,419,255

10. SHARE CAPITAL

	2024		2023	
	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

	2024 S$	2023 S$
Current:		
- Lease liabilities	284,978	270,352
Non-current:		
- Lease liabilities	24,433	309,329
	309,411	579,681

12. TRADE AND OTHER PAYABLES

	2024 S$	2023 S$
Trade payables:		
- Sub-Contractor payables	158,258	-
Other payables:		
- Salaries, CPF and FWL payables	6,861,955	8,992,274
- Accruals	1,445,103	1,289,915
- Amount due to ultimate holding company	9,869	6,859
- Amount due to immediate holding company	364,649	374,649
- Amount due to related parties	-	351,490
- Provision for incentives	84,830	197,221
- GST payables	2,744,736	2,700,779
	11,669,400	13,913,187

Trade payables are non-interest bearing and are generally settled on 30 to 90 (2023: 30 to 90) days' term.

The amounts due to ultimate holding company, immediate holding company and related parties are unsecured, non-trade in nature, interest-free and repayable on demand.

13. REVENUE

	2024 S$	2023 S$
Service rendered (at the point in time)	135,471,103	136,723,165

14. OTHER INCOME

	2024 S$	2023 S$
Foreign exchange gain	-	43,385

15. FINANCE COSTS

	2024 S$	2023 S$
Interest expense on		
- Lease liabilities (Note 21 (c))	24,212	36,774

16. PROFIT BEFORE TAX

	2024 S$	2023 S$
Profit before taxation has been arrived at after charging:		
Depreciation of plant and equipment (Note 5)	54,877	45,875
Depreciation of right-of-use assets (Note 6)	259,296	251,853
Employee benefits (Note 18)	3,614,084	3,203,869

17. INCOME TAX EXPENSE

The major components of income tax expense recognised in profit or loss for the financial period ended 31 March 2024 and 31 March 2023 were:

	2024 S$	2023 S$
Current income tax		
- Current year	1,632,390	1,613,214
- Over provision in respect of prior years	(45,781)	
Income tax expense recognised in profit or loss	1,586,608	1,613,214

17. INCOME TAX EXPENSE (CONTINUED)

Relationship between tax expense and accounting profits

A reconciliation between tax expense and the product of accounting profits multiplied by the applicable corporate tax rate for the financial period ended 31 March 2024 and 31 March 2023 were as follows:

	2024 S$	2023 S$
Profit before tax	8,910,402	9,713,889
Tax at the statutory tax rate at 17% (2023: 17%)	1,514,768	1,651,361
Tax effect on non-deductible expenses	7,464	8,483
Statutory stepped income exemption	(17,425)	(17,425)
Group relief	-	(38,113)
Deferred tax assets not recognised	(5,928)	44,307
Over provision in respect of prior year	(45,781)	-
Others	133,511	(35,399)
	1,586,608	1,613,214

18. EMPLOYEE BENEFITS

	2024 S$	2023 S$
Key management compensation:		
Director's remuneration (Note 20)	584,147	409,536
Staff costs:		
- Salaries and bonuses	2,911,493	2,684,433
- CPF contribution	66,965	78,622
- Staff amenities	50,128	31,278
- Staff recruitment expenses	1,351	-
	3,614,084	3,203,869

19. DIVIDENDS

	2024 S$	2023 S$
Declared and paid during the financial year		
Interim exempt (one-tier) dividend for 2024: S$25 (2023: S$8) per share	12,500,000	4,000,000

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.

	2024 S$	2023 S$
Transactions with ultimate holding company:		
- Sub-contractor fee	107,474	47,355
Transactions with immediate holding company:		
- Expenses on behalf of	-	25,351
- Dividend paid	12,500,000	4,000,000
Transactions with fellow subsidiary:		
- Sales to	60,889	121,321
- Sub-contractor fee	638,154	201,063
- Loan to	350,000	248,285
Key management personnel compensation		
Director's remuneration & allowance (Note 18)	584,147	409,536

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$
At 1 April 2022	770,324
Additions	21,429
Depreciation	(251,853)
At 31 March 2023	539,900
Depreciation	(259,296)
At 31 March 2024	280,604

21. LEASES (CONTINUED)

(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).

(c) Amounts recognised in profit or loss

	2024 S$	2023 S$
Depreciation of right-of-use assets (Note 16)	259,296	251,853
Interest expense on lease liabilities (Note 15)	24,212	36,774
Total amount recognised in profit or loss	283,508	288,627

(d) Total cash outflow

The Company had total cash outflows for leases of S$294,484 (2023: S$287,073).

(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).

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.

23. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (Continued)

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 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 2024						
Trade receivables	7	Note 1	Lifetime ECL (simplified)	9,611,871	(306,892)	9,304,979
Other receivables [(i)]	7	Note 1	12-month ECL	2,234,394	-	2,234,394
					(306,892)	

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 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)	

[i] This excludes advances to employees, other advances 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 2024					
ECL rate	0%	0%	0%	100%	
Estimated total gross carrying amount at default	8,450,055	890,870	5,962	264,984	9,611,871
ECL	-	-	-	(306,892)	(306,892)
					9,304,979
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

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$
2024				
Financial Assets				
Trade and other receivables [1]	11,539,372	11,539,372	11,539,372	-
Cash and cash equivalents	8,224,584	8,224,584	8,224,584	-
	19,763,956	19,763,956	19,763,956	-

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$
2024				
Financial Liabilities				
Trade and other payables [ii]	8,839,834	8,839,834	8,839,834	-
Lease liabilities (Note 11)	309,411	319,024	294,484	24,540
	9,149,245	9,158,858	9,134,318	24,540
Total net undiscounted financial assets/(liabilities)	10,614,711	10,605,098	10,629,638	(24,540)
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	-
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)

[i] The amount excludes advance to employees, other advances 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:

	2024	2023
	S$	S$
Financial assets measured at amortised cost		
Trade and other receivables [i] (Note 7)	11,539,372	13,494,084
Cash and cash equivalents (Note 9)	8,224,584	11,419,255
Total financial assets measured at amortised cost	19,763,956	24,913,339
Financial liabilities measured at amortised cost		
Trade and other payables [ii] (Note 12)	8,839,834	11,015,187
Lease liabilities (Note 11)	309,411	579,681
Total financial liabilities measured at amortised cost	9,149,245	11,594,868

[i] The amount excluded advance to employees, other advances 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.

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 2024 and 31 March 2023. 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 2024 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 09 MAY 2024

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 2024

Appendix A

	2024 S$	2023 S$
Revenue		
Consultancy income	135,471,103	136,723,165
	135,471,103	136,723,165
Less: Cost of services		
Consultants salaries	117,178,111	116,836,969
CPF contribution	1,520,615	2,062,012
FWL & SDL	862,266	808,081
Medical insurance	328,833	345,107
Recruitment expenses	312,408	727,186
Sub-contractor fee	1,472,408	1,106,946
Travelling expenses - consultants	241,007	446,972
Staff amenities - consultants	274,923	805,287
	(122,190,571)	(123,138,560)
Gross profit	13,280,532	13,584,605
Other income		
Foreign exchange gain	-	43,385
	-	43,385
Less:		
Administrative expenses **(Appendix B)**	(4,603,388)	(3,877,327)
Finance costs **(Appendix B)**	(24,212)	(36,774)
Profit before tax	8,652,932	9,713,889

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 2024

Appendix B

	2024 S$	2023 S$
Administrative expenses		
Audit fees	40,358	35,300
Advertisement	1,801	50,063
Allowance for impairment loss on trade receivables	257,470	-
Bank charges	12,455	15,023
Cleaning charges	14,400	13,989
Depreciation of plant and equipment	54,877	45,875
Depreciation of right-of-use assets	259,296	251,853
Equipment rental	2,340	1,008
Legal & professional fees	177,687	56,568
Maintenance & repairs	20,885	24
Miscellaneous expenses	25,367	5,767
Office supplies	3,097	-
Postage & delivery	2,120	9,430
Rate and tax	4,185	1,221
Refreshment	-	44
Relocation expenses	1,611	13,861
Storage costs	6,217	5,286
Subscription	58,028	12,295
Telephone	25,838	68,008
Travelling expenses - internal	5,738	80,719
Training expenses	5,735	250
Utilities charges	8,440	6,874
Foreign exchange loss	1,359	-
Salaries and related costs		
Director remuneration & allowance	584,147	409,536
Staff salaries and bonuses	2,911,493	2,684,433
CPF contribution	66,965	78,622
Staff amenities - internal	50,128	31,278
Staff recruitment expenses	1,351	-
	(4,603,388)	(3,877,327)
Finance cost		
Interest expenses on lease liabilities	24,212	36,774
	(24,212)	(36,774)

QUESS SELECTION & SERVICES PTE. LTD.

(Company Registration Number: 201715683K)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Joe Tan & Associates PAC
Chartered Accountants

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QUESS SELECTION & SERVICES PTE. LTD.
(Company Registration Number: 201715683K)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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QUESS SELECTION & SERVICES PTE. LTD.
(Company Registration Number: 201715683K)

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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 2024.

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 2024 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended; 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	(Resigned on 2/10/2023)
Guruprasad Srinivasan	(Resigned on 2/10/2023)
Vikas Kumar	
Pallipakkam Ramachandran Sridharan	
Vijay Sivaram	(Appointed on 2/10/2023)

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

None of the directors of the Company holding office at the reporting date had any interest in the share capital and debentures of the Company or any related corporations either at the beginning or end of the 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 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

.....
Pallipakkam Ramachandran Sridharan
Director

Singapore

08 MAY 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF

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 as at 31 March 2024, the statement of profit or loss and 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 material accounting policy information.

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 2024 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 a capital deficit of S$1,536,560 (2023: S$1,614,675) for the financial year ended 31 March 2024. As stated in Note 2.2, these events or conditions, indicate that a material uncertainty exist that may affect on the Company's ability to continue as a going concern. However, we have obtained the undertaking form the ultimate holding company, Quess Corp Limited, to provide continuing financial support to enable the Company to meet its liabilities as and when they fall due. 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.

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.

- 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

08 MAY 2024

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QUESS SELECTION & SERVICES PTE. LTD.
(Company Registration Number: 201715683K)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 S$	2023 S$
ASSETS			
Current assets			
Trade and other receivables	4	20,398	18,257
Contract assets	5	12,067	10,900
Cash and cash equivalents	6	633,019	96,305
		665,484	125,462
Total assets		665,484	125,462
EQUITY AND LIABILITIES			
Equity			
Share capital	7	200,000	200,000
Accumulated losses		(1,736,560)	(1,814,675)
Deficit attributable to owners of the company		(1,536,560)	(1,614,675)
Current liabilities			
Trade and other payables	8	2,202,044	1,740,137
		2,202,044	1,740,137
Total liabilities		2,202,044	1,740,137
Total equity and liabilities		665,484	125,462

The accompanying notes form an integral part of these financial statements.

QUESS SELECTION & SERVICES PTE. LTD.
(Company Registration Number: 201715683K)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	2024 S$	2023 S$
Revenue	9	968,653	197,502
Cost of services		(501,123)	(69,654)
Gross Profit		467,530	127,848
Other income		-	-
Administrative expenses		(389,415)	(352,246)
Profit/(loss) before tax	11	78,115	(224,398)
Income tax expense	12	-	-
Profit/(loss) for the year, representing total comprehensive income/(loss) for the year		78,115	(224,398)

The accompanying notes form an integral part of these financial statements.

QUESS SELECTION & SERVICES PTE. LTD.
(Company Registration Number: 201715683K)

STATEMENT OF CHANGE IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Share capital S$	Accumulated losses S$	Total S$
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)
At 1 April 2023	200,000	(1,814,675)	(1,614,675)
Profit for the year, representing total comprehensive income for the year	-	78,115	78,115
At 31 March 2024	200,000	(1,736,560)	(1,536,560)

The accompanying notes form an integral part of these financial statements.

QUESS SELECTION & SERVICES PTE. LTD.
(Company Registration Number: 201715683K)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	2024 S$	2023 S$
Cash flows from operating activities			
Profit/(loss) before tax		78,115	(224,398)
Changes in working capital:			
Trade and other receivables		(2,141)	31,843
Contract assets		(1,167)	(10,900)
Trade and other payables		461,907	160,335
Net cash generated from/(used in) operating acivities		536,714	(43,120)
Cash flows from financing activities			
Pledged deposits		(60,000)	-
Net cash used in financing acivities		(60,000)	-
Net increase/(decrease) in cash and cash equivalents		476,714	(43,120)
Cash and cash equivalents at 1 April		36,305	79,425
Cash and cash equivalents at 31 March	6	513,019	36,305

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. CORPORATE INFORMATION

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 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. MATERIAL ACCOUNTING POLICY INFORMATION

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. 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 S$1,536,560 and S$1,614,675 as at 31 March 2024 and 31 March 2023 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. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.3 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 2023. The adoption of these standards did not have any material effect on the financial statements of the Company.

2.4 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 2023 which are effective for annual reporting periods beginning after 1 January 2023.

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 2024
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 7 *Statement of Cash Flows and FRS 107 Financial Instruments*: Disclosures: Supplier Finance Arrangements	1 January 2024
Amendments to FRS 21 *The Effects of Changes in Foreign Exchange Rates*: Lack of Exchangeability	1 January 2025
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.

2.5 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. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.6 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.

2.7 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.7 Financial instruments (Continued)

(a) Financial assets (Continued)

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.

2.8 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.8 Impairment of financial assets (Continued)

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.

2.9 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.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks which are subject to an insignificant risk of changes in value.

2.11 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.

2.12 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. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.13 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.

2.14 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.

Rendering of services

The Company is providing employment agencies services.

Revenue from services is recognised when consultancy services have been performed and rendered.

2.15 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. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.15 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.

2.16 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)

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. TRADE AND OTHER RECEIVABLES

	2024 S$	2023 S$
Trade receivables:		
- Third parties	19,274	11,771
	19,274	11,771
Other receivables:		
- Deposits	-	6,000
- Prepayments	1,124	486
	20,398	18,257

Trade receivables are unsecured, non-interest bearing and are generally settled on 30 to 90 (2023: 30 to 90) days' term. They are recognised at their original invoices amounts which represents their fair values on initial recognition.

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:

	2024 S$	2023 S$
Unbilled revenue	12,067	10,900

6. CASH AND CASH EQUIVALENTS

	2024 S$	2023 S$
Cash at bank	513,019	36,305
Pledged security deposit (Note 18)	120,000	60,000
	633,019	96,305

The banker's guarantee has a maturity term of 6 to 42 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.

6. 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:

	2024 S$	2023 S$
Cash and cash equivalents – total	633,019	96,305
Less: pledged security deposit	120,000	60,000
	513,019	36,305

7. SHARE CAPITAL

	2024		2023	
	Number of shares	S$	Number 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

	2024 S$	2023 S$
Trade payables:		
- Related company	753,033	57,170
	753,033	57,170
Other payables:		
- Salaries, CPF and FWL payables	118,095	1,517
- Accruals	21,167	19,299
- Amount due to related company (non-trade)	1,259,033	1,662,066
- GST payables	50,716	85
	2,202,044	1,740,137

Trade payables are non-interest bearing and are generally settled on 30 to 90 (2023: 30 to 90) days' term.

Other payables are non-trade in nature, unsecured, interest free and have no fixed term of repayments.

The amounts due to related company are unsecured, non-trade in nature, interest-free and repayable on demand.

9. REVENUE

	2024 S$	2023 S$
Service rendered (at the point in time)	968,653	197,502

10. EMPLOYEE BENEFITS

	2024 S$	2023 S$
Salaries and bonuses	327,913	303,625
CPF contribution	33,824	21,427
Foreign worker levy	9,000	-
Incentives	640	7,547
Recruitment expenses	1,535	-
Staff welfare	1,369	6,166
	374,281	338,765

11. PROFIT/(LOSS) BEFORE TAX

	2024 S$	2023 S$
Profit/(loss) before taxation has been arrived at after charging:		
Employee benefits (Note 10)	374,281	338,765

12. INCOME TAX EXPENSE

The major components of income tax expense recognised in profit or loss for the financial period ended 31 March 2024 and 31 March 2023 were:

	2024 S$	2023 S$
Current income tax		
- Current year	-	-
Income tax expense recognised in profit or loss	-	-

12. INCOME TAX EXPENSE (CONTINUED)

Relationship between tax expense and accounting profit/(loss)

A reconciliation between tax expense and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the financial period ended 31 March 2024 and 31 March 2023 were as follows:

	2024 S$	2023 S$
Profit/(loss) before tax	78,115	(224,398)
Tax at the statutory tax rate at 17% (2023: 17%)	13,280	(38,148)
Tax effect on non-taxable income	-	-
Tax effect on non-deductible expenses	-	35
Utilisation of unabsorbed losses brought forward	(13,280)	-
Group relief	-	-
Deferred tax assets not recognised	-	-
Loss transferred to holding company	-	38,113
	-	-

13. SIGNIFICANT RELATED PARTIES 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:

	2024 S$	2023 S$
Transactions with fellow subsidiary:		
- Sub-contractor fee	137,639	64,125

14. 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.

14. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

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.

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 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

15. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (Continued)

- 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 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

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	Loss allowance	Net carrying amount
				S$	S$	S$
31 March 2024						
Trade receivables	7	Note 1	Lifetime ECL (simplified)	19,274	-	19,274
Other receivables [(i)]	7	Note 1	12-month ECL	-	-	-
					-	
31 March 2023						
Trade receivables	7	Note 1	Lifetime ECL (simplified)	11,771	-	11,771
Other receivables [(i)]	7	Note 1	12-month ECL	6,000	-	6,000
					-	

[(i)] This excludes 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.

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 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
	S$	S$	S$
2024			
Financial Assets			
Trade and other receivables [i]	19,274	19,274	19,274
Contract assets	12,067	12,067	12,067
Cash and cash equivalents	633,019	633,019	633,019
	664,360	664,360	664,360
Financial Liabilities			
Trade and other payables [ii]	2,151,328	2,151,328	2,151,328
	2,151,328	2,151,328	2,151,328
Total net undiscounted financial liabilities	(1,486,968)	(1,486,968)	(1,486,968)
2023			
Financial Assets			
Trade and other receivables [i]	17,771	17,771	17,771
Contract assets	10,900	10,900	10,900
Cash and cash equivalents	96,305	96,305	96,305
	124,976	124,976	124,976
Financial Liabilities			
Trade and other payables [ii]	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)

[i] The amount excludes prepayments.

[ii] The amount excludes GST payables.

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 and 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.

(ii) Foreign currency risk

The Company is not exposed to foreign currency risk as it has no transactions denominated in foreign currencies.

16. 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:

	2024	2023
	S$	S$
Financial assets measured at amortised cost		
Trade and other receivables [(i)] (Note 4)	19,274	17,771
Contract assets (Note 5)	12,067	10,900
Cash and cash equivalents (Note 6)	633,019	96,305
Total financial assets measured at amortised cost	664,360	124,976
Financial liabilities measured at amortised cost		
Trade and other payables [(ii)] (Note 8)	2,151,328	1,740,052
Total financial liabilities measured at amortised cost	2,151,328	1,740,052

(i) The amount excluded prepayments.

(ii) The amount excluded GST payables.

17. 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 to the objectives, policies or processes during the financial years ended 31 March 2024 and 31 March 2023. The Company's overall strategy remains unchanged during the financial period.

18. CONTINGENT LIABILITIES

At the end of the reporting period, there were unsecured contingent liabilities not provided in the financial statements as follows:

	2024	2023
	S$	S$
Banker's guarantee (Note 6)	120,000	60,000

The banker's guarantee is a security deposit placed with an insurance company, guaranteed by the bank on behalf of the Company, to ensure the performance of its obligations under the contract with the customer.

19. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 08 MAY 2024

QUESS SELECTION & SERVICES PTE. LTD.

(Company Registration Number: 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.
(Company Registration Number: 201715683K)

DETAILED OF STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

Appendix A

	2024 S$	2023 S$
Revenue		
Consultancy income	968,653	197,502
Less: Cost of services		
Consultants' salaries	347,461	-
Consultant bonus and incentive	9,448	-
FWL & SDL	447	5,093
Insurance expenses	-	436
Recruitment expenses	6,000	-
Welfare	128	-
Sub-contractor fees	137,639	64,125
	(501,123)	(69,654)
Gross profit	467,530	127,848
Less: Administrative expenses **(Appendix B)**	(389,415)	(352,246)
Profit/(loss) before tax	78,115	(224,398)

Appendix B

	2024 S$	2023 S$
Administrative expenses		
Audit fees	7,200	7,800
Bank charges	1,707	661
Insurance	1,709	-
Legal and professional fees	2,726	3,240
Penalty	1,792	550
Other travel expense	-	1,026
Miscellaneous expenses	-	204
Salaries and related costs		
Staff salaries	327,913	303,625
Staff CPF contribution	33,824	21,427
Foreign worker levy	9,000	-
Incentives	640	7,547
Recruitment expenses	1,535	-
Staff welfare	1,369	6,166
	389,415	352,246

ComtelInk Sdn Bhd

(MN MYR)

Statement of profit and loss	Note	For the period ended 31 Mar 2024	31 Mar
Income			
Revenue from operations	28	-	-
Other income	29	-	-
Total income		-	-
Expenses			
Cost of material and stores and spare parts consumed	30	-	-
Employee benefit expenses	31	-	-
Finance costs	32	-	-
Depreciation and amortisation expense	33	-	-
Other expenses	34	-	0.02
Total expenses		-	**0.02**
Profit before exceptional items		-	**(0.02)**
Exceptional items		-	-
Profit before share of profit of equity accounted investees and income tax		-	**(0.02)**
Share of profit of equity accounted investees (net of income tax)		-	-
Profit before tax		-	**(0.02)**
Tax expense			
Current tax		-	0.01
Adjustments of tax relating to earlier periods		-	-
Deferred tax		-	-
Income tax expenses		-	**0.01**
Profit for the year		-	**(0.03)**
			-
Profit attributable to			
Owners of the Company		-	(0.03)
Non-controlling interests		-	-
Total profit for the year		-	**(0.03)**
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		-	(0.03)
Non-controlling interests		-	-

Jinendra Jain 8/5/24

Jinendra Jain
Group finance Controller

Comtellnk Sdn Bhd

(MN MYR)

Balance Sheet as at	Note	31 Mar 2024	31 Mar
ASSETS			
Non-current assets			
Property, plant and equipment		-	-
Investments in equity accounted investees		-	-
Financial assets			
(i) Investments	1	-	-
(ii) Non-current loans	2	-	-
(iii) Other non-current financial assets	3	-	-
Deferred tax assets (net)	4	-	-
Income tax assets (net)	5	-	-
Other non-current assets	6	-	-
Total non-current assets		-	-
Current assets			
Financial assets			
(i) Investments	8	-	-
(ii) Trade receivables	9	1.00	1.00
(iii) Cash and cash equivalents	10	0.07	0.07
(iv) Bank balances other than cash and cash equivalents above	11	-	-
(v) Current loans	12	(0.00)	(0.00)
(vii) Other current financial assets	13	0.12	0.12
Other current assets	14	0.01	0.01
Total current assets		**1.20**	**1.20**
Total assets		**1.20**	**1.20**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1.00	1.00
Other equity	16	0.19	0.19
Total equity attributable to equity holders of the Company		**1.19**	**1.19**
Non-controlling interests	17	-	-
Total equity		**1.19**	**1.19**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Non-current borrowings	18	-	-
(ii) Lease Liabilities		-	-
(iii) Other non-current financial liabilities	19	-	-
Deferred tax liabilities (net)	20	-	-
Non-current provisions	21	-	-
Total non current liabilities		-	-
Current liabilities			
Financial liabilities			
(i) Borrowings	22	-	-
(ii) Lease Liabilities		-	-
(iii) Trade payables	23	-	-
(iv) Other current financial liabilities	24	0.03	0.03
Income tax liabilities (net)	25	(0.00)	(0.00)
Current provisions	26	-	-
Other current liabilities	27	(0.02)	(0.02)
Total current liabilities		**0.01**	**0.01**
Total Liabilities		**(0.00)**	**0.01**
Total Equity and Liabilities		**1.20**	**1.20**

Jinendra Jain
Group finance Controller

MFXCHANGE HOLDINGS, INC.

CONSOLIDATED FINANCIAL STATEMENTS

Years Ended March 31, 2024 and 2023

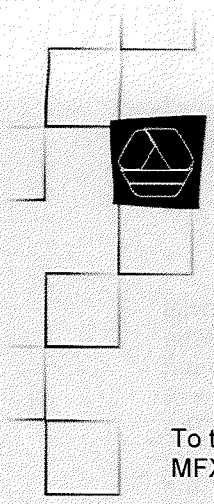


Williams Overman Pierce, LLP

CPAs • Advisors

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Williams Overman Pierce, LLP
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
MFXchange Holdings, Inc. and Subsidiary

Adverse Opinion

We have audited the accompanying consolidated financial statements of MFXchange Holdings, Inc. and Subsidiary (the "Company"), which comprise the consolidated balance sheets as of March 31, 2024 and 2023, and the related consolidated statements of operations, stockholders' deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion section of our report, the consolidated financial statements referred to in the first paragraph do not present fairly the consolidated financial position of MFXchange Holdings, Inc. and Subsidiary as of March 31, 2024 and 2023, or the results of its operations or its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse Opinion

As more fully described in Note 1 to the consolidated financial statements, the Company has not consolidated its subsidiary, Brainhunter Systems Ltd. In our opinion, accounting principles generally accepted in the United States of America require such investment to be consolidated in these consolidated financial statements. The investment in Brainhunter Systems Ltd. is accounted for on a cost basis. Had Brainhunter Systems Ltd. been consolidated, many elements in the accompanying consolidated financial statements would have been materially affected. The effects on the consolidated financial statements of the failure to consolidate have not been determined.

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 Consolidated 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 adverse audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 consolidated financial statements are available to be issued.

Auditor's Responsibilities 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 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 consolidated financial statements.

In performing audits in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.

Williams Overman Pierce, LLP

Raleigh, North Carolina
May 15, 2024

MFXCHANGE HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS
AS OF MARCH 31, 2024 AND 2023

	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 486,552	$ 2,099,444
Accounts receivable	4,214,646	2,760,845
Contract assets	1,245,722	970,608
Prepaid expenses	776,287	828,419
Loan receivable related party, current portion	4,014,247	3,953,894
Total current assets	10,737,454	10,613,210
Property and equipment, net	1,740,977	3,089,044
Software in development	307,104	-
Right-of-use assets, net	111,201	-
Software costs, net	488,223	908,193
Loan receivable related party, long-term portion	-	288,032
Investment in unconsolidated subsidiary	2,690,101	2,690,101
Deferred tax assets	442,000	442,000
Other investments	250,000	250,000
Total assets	$ 16,767,060	$ 18,280,580
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 4,045,949	$ 2,478,779
Accrued expenses	2,225,682	3,826,903
Contract liabilities	-	427,415
Other liabilities	73,458	-
Finance lease, current portion	184,196	721,238
Lease liability, current portion	55,474	-
Term loan facility, current portion	4,654,156	5,278,859
Total current liabilities	11,238,915	12,733,194
Term loan facility, long-term portion	-	1,031,287
Lease liability, long-term portion	61,102	-
Total liabilities	11,300,017	13,764,481
Commitments and Contingencies (See Note 11)		
Equity:		
Class A redeemable preferred stock, unlimited shares authorized, 1 share issued and outstanding as of March 31, 2024 and 2023	7,123	7,123
Class B redeemable preferred stock, unlimited shares authorized, 1 share issued and outstanding as of March 31, 2024 and 2023	2,690,101	2,690,101
Redeemable noncontrolling interest	3,551,412	3,551,412
Stockholders' deficit:		
Common stock, unlimited authorized, 1,211 issued and outstanding, par value $2,101	2,544,492	2,544,492
Additional paid-in-capital	37,019,210	37,019,210
Accumulated deficit	(40,345,295)	(41,296,239)
Total stockholders' deficit	(781,593)	(1,732,537)
Total liabilities and stockholders' deficit	$ 16,767,060	$ 18,280,580

See accompanying notes to the consolidated financial statements.

MFXCHANGE HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
AS OF MARCH 31, 2024 AND 2023

	2024	2023
Revenue, net	$ 29,596,481	$ 32,285,626
Operating expenses:		
Salaries and related benefits	9,588,225	10,349,153
Outside services	10,277,963	10,891,028
Hardware and software costs	4,994,467	5,448,615
Depreciation and amortization	1,994,193	1,830,867
General and administrative	1,361,308	1,581,507
Facility costs	93,583	320,598
Total operating expenses	28,309,739	30,421,768
Income from operations	1,286,742	1,863,858
Other expense:		
Financing expenses, net	(188,623)	(143,725)
Income before provision for income taxes	1,098,119	1,720,133
Provision for income taxes	(147,175)	(193,567)
Net income	$ 950,944	$ 1,526,566

See accompanying notes to the consolidated financial statements.

MFXCHANGE HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED MARCH 31, 2024 AND 2023

	Common Stock		Additional	Accumulated	
	Shares	Amount	Paid-in Capital	Deficit	Total
Balance as of April 1, 2022	1,211	$ 2,544,492	$ 37,019,210	$ (42,822,805)	$ (3,259,103)
Net income	-	-	-	1,526,566	1,526,566
Balance as of March 31, 2023	1,211	2,544,492	37,019,210	(41,296,239)	(1,732,537)
Net income	-	-	-	950,944	950,944
Balance as of March 31, 2024	1,211	$ 2,544,492	$ 37,019,210	$ (40,345,295)	$ (781,593)

See accompanying notes to the consolidated financial statements.

MFXCHANGE HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 950,944	$ 1,526,566
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,994,193	1,830,867
Non-cash operating lease expense	5,375	(43,240)
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(1,453,801)	(998,424)
Contract assets	(275,114)	57,744
Prepaid expenses	52,132	96,264
Deferred tax assets	-	133,558
Increase (decrease) in:		
Accounts payable	1,567,170	975,078
Accrued expenses	(1,601,222)	(691,400)
Contract liabilities	(427,415)	(451,922)
Other liabilities	73,458	
NET CASH PROVIDED BY OPERATING ACTIVITIES	885,720	2,435,091
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net proceeds from loans to related party	301,136	1,235,228
Purchase of property and equipment	(311,181)	(28,944)
Purchase of software	-	(651,920)
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	(10,045)	554,364
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of term loan	(1,655,990)	(1,784,031)
Principal payments on notes payable and capital lease obligations	(832,577)	(860,755)
NET CASH USED IN FINANCING ACTIVITIES	(2,488,567)	(2,644,786)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,612,892)	344,669
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	2,099,444	1,754,775
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 486,552	$ 2,099,444
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Interest paid	$ -	$ 390,448
Income taxes paid	$ -	$ 39,253
SUPPLEMENTAL DISCLOSURES OF NON-CASH FINANCING ACTIVITIES:		
Operating right-of-use assets obtained in exchange for operating lease liabilities	$ 166,803	$ -
Finance right-of-use asset obtained in exchange for finance lease liabilities	$ 226,160	$ -

See accompanying notes to the consolidated financial statements.

MFXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business and Organization

MFXchange Holdings, Inc., (the "Company") a Canadian corporation, was incorporated on December 17, 2001. The Company, together with its subsidiary MFXchange US, Inc., provides customized datacenter and infrastructure services including private cloud offerings, across various industries. In addition, the Company provides end-to-end commercial technology applications and business process outsourcing solutions to the property and casualty insurance industry. On January 24, 2019, the Company acquired 100% of the equity interest in Brainhunter Companies LLC ("Brainhunter"), from a related party. Brainhunter was organized on December 19, 2012 in the United States, and provides primarily staffing and consulting services in the information technology and engineering sectors.

A summary of the significant accounting policies applied in the preparation of the accompanying consolidated financial statements are as follows:

Basis of Presentation

The consolidated financial statements include the Company and its wholly-owned subsidiaries, and reflect all adjustments (all of which are normal and recurring in nature) that, in the opinion of management, are necessary for a fair presentation of the periods presented. All inter-company balances and transactions have been eliminated in consolidation.

Investment in Unconsolidated Subsidiary

On April 1, 2019, the Company acquired an eighty-one percent (81%) interest in Brainhunter Systems Ltd. from Quess Corp (USA), a related party, for one share of Class B redeemable preferred stock. On the date of acquisition, the investment was valued at $2,690,101. As of March 31, 2024 and 2023, the carrying value of this investment was $2,690,101.

Accounting principles generally accepted in the United States ("U.S. GAAP") require that majority-owned subsidiaries should be consolidated in the financial statements. The Company has not consolidated Brainhunter Systems Ltd. and its subsidiaries. The investment in Brainhunter Systems Ltd. is accounted for on a cost basis. Had Brainhunter Systems Ltd. been consolidated, many elements in the accompanying consolidated financial statements would have been materially affected. The effects on the consolidated financial statements of the failure to consolidate have not been determined.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of the accompanying consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions about future events that affect the amounts of assets and liabilities reported, disclosures about contingent assets and liabilities, and reported amounts of revenues and expenses. Significant items subject to such estimates include revenue recognition, the useful lives of property and equipment, contract assets (unbilled revenue), allowance for credit losses, valuation allowance for deferred tax assets, capitalized software, investments, long-lived assets, contract liabilities (deferred revenue), fair value of right-of-use assets, and commitments and contingencies. These estimates and assumptions are based on management's best estimates and judgment. Management regularly evaluates its estimates and assumptions using historical experience and other factors; however, actual results could differ significantly from these estimates.

Revenue Recognition

The Company recognizes revenue in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 606, *Revenue Recognition* ("Topic 606"). A five-step analysis must be met as outlined in Topic 606 before revenue can be recognized: (1) identify the contract with the customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations, and (5) recognize revenue when (or as) performance obligations are satisfied. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded. The Company defers any revenue for which the product has not been delivered or is subject to refund until such time that the Company and the customer jointly determine that the product has been delivered or no refund will be required.

The Company derives a significant amount of its revenues from recurring revenue streams, consisting primarily of (1) co-location, which includes the licensing of cabinet space and power; (2) interconnection offerings; (3) managed infrastructure services and (4) application management services. The remainder of the Company's revenues are from non-recurring revenue streams which primarily consist of professional services.

The Company's customers generally execute contracts with terms of one year or longer, which are referred to as recurring revenue contracts or long-term contracts. These contracts generally commit the customer to a minimum monthly level of usage with additional charges applicable for actual usage above the monthly minimum commitment. The Company defines usage as customer data sent or received using its content delivery service, or content that is hosted or cached by the Company at the request or direction of its customer. The Company recognizes the monthly minimum as revenue each month provided that an enforceable contract has been signed by both parties, the service has been delivered to the customer, the fee for the service is fixed or determinable, and collection is reasonably assured. Should a customer's usage of the Company's services exceed the monthly minimum commitment, the Company recognizes revenue for such excess in the period of the usage. For annual or other non-monthly period revenue commitments, the Company recognizes revenue monthly based upon the customer's actual usage each month of the commitment period and only recognizes any remaining committed amount for the applicable period in the last month thereof.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from bandwidth and equipment sales is recognized on a gross basis in accordance with the accounting standard related to reporting revenue gross as a principal versus net as an agent, primarily because the Company acts as the principal in the transaction, takes title to products and services and bears inventory and credit risk. To the extent the Company does not meet the criteria for recognizing bandwidth and equipment services as gross revenue, the Company records the revenue on a net basis.

The Company occasionally guarantees certain service levels, such as uptime, as outlined in individual customer contracts. To the extent that these service levels are not achieved, the Company reduces revenue for any credits given to the customer as a result. The Company generally has the ability to determine such service level credits prior to the associated revenue being recognized, and historically, these credits have generally not been significant. There were no significant service level credits issued during the years ended March 31, 2024 and 2023.

Contract liabilities (deferred revenue) consist of payments received in advance of revenue recognition and are recognized as the revenue recognition criteria are met. Amounts are recorded as contract liabilities, and accounts receivable when the Company has a legal right to enforce the contract.

Cost of Revenue

Cost of revenues consists primarily of outside services and hardware costs related to fees paid to network providers for bandwidth and backbone, costs incurred for non-settlement free peering and connection to internet service provider networks and fees paid to data center operators for housing network equipment in third-party network data centers, also known as co-location costs. Cost of revenues also includes leased warehouse space and utilities, depreciation of network equipment used to deliver the Company's content delivery services, payroll and related costs, and share-based compensation for its network operations, and professional services personnel.

The Company enters into contracts for bandwidth with third-party network providers. These contracts generally commit the Company to pay minimum monthly fees plus additional fees for bandwidth usage above contracted minimums. A portion of the global computing platform traffic delivery is completed through direct connection to internet service provider networks, called peering.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash, cash equivalents and accounts receivable. The Company maintains its cash and cash equivalents with high quality financial institutions. The Company is exposed to credit risk for cash held in financial institutions in the event of a default to the extent that such amounts are in excess of amounts that are insured by the Federal Deposit Insurance Corporation ("FDIC"). The Company had $334,941 and $2,179,178 of uninsured cash as of March 31, 2024 and 2023, respectively.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity date of three months or less to be cash equivalents.

Accounts Receivable and Allowance for Credit Losses

The Company performs ongoing credit evaluations of its customers. Accounts receivable are recorded at invoiced amounts, net of the Company's estimated allowances for credit losses. The allowance for estimated credit losses is estimated based on an assessment of the Company's ability to collect on customer accounts receivable. The Company regularly reviews the allowance by considering certain factors such as historical experience, industry data, credit quality, age of accounts receivable balances, and current economic conditions that may affect a customer's ability to pay. In cases where the Company is aware of circumstances that may impair a specific purchaser's ability to meet their financial obligations, the Company records a specific allowance against amounts due from the customer and thereby reduces the net recognized receivable to the amount the Company reasonably believes will be collected. There is judgment involved with estimating the Company's allowance for estimated credit losses and if the financial condition of its customers were to deteriorate, resulting in their inability to make the required payments, the Company may be required to record additional allowances or charges against revenues. The Company writes off accounts receivable against the allowance when it determined a balance is uncollectible and no longer actively pursues collection of the receivable. The Company's accounts receivables are not collateralized by any security. Based upon review of the outstanding accounts receivable, the Company has not recorded any reserve for allowance for credit losses as of March 31, 2024 and 2023 as it is considered immaterial.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Maintenance and repairs that do not extend the life or improve an asset are expensed in the period incurred. The estimated useful lives of property and equipment are as follows:

Computer hardware	3 - 7 years
Furniture and fixtures	5 - 7 years
Leasehold improvements	Shorter of lease term or estimated useful life

Fair Value of Financial Instruments

The Company's short-term financial instruments, including cash, accounts receivable, contract assets, prepaid expenses, other assets, accounts payable, accrued expenses, and contract liabilities, consist primarily of instruments without extended maturities, the fair value of which, based on management's estimates, reasonably approximate their book value. The fair value of the Company's capital leases and other debt obligations are based on management estimates and reasonably approximates their book value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Software Costs

In accordance with ASC 985-20, *Accounting for the Costs of Computer Software to be Sold, Leased or Otherwise Marketed*, the Company capitalizes certain costs related to the development of new software products or the enhancement of existing software products for use in our product offerings. These costs are capitalized from the point in time that technological feasibility has been established, as evidenced by a working model or detailed working program design to the point in time that the product is available for general release to customers. Capitalized development and software purchased costs are amortized on a straight-line basis over the estimated economic lives of the products, beginning when the product is placed into service. The estimated useful life of software is three years. The Company periodically evaluates whether events or circumstances have occurred that indicate that the remaining useful lives of the capitalized software development costs should be revised or that the remaining balance of such assets may not be recoverable.

Investments

The Company holds an investment in a privately held company which has no readily determinable fair value. Since the Company does not have significant influence, the investment is accounted for using the cost method. The Company assesses its long-term investments for other-than-temporary impairment by considering factors including, but not limited to, current economic and market conditions, operating performance of the companies, including current earnings trends and undiscounted cash flows, and other company-specific information. The fair value determination, particularly for investments in privately-held companies, requires significant judgment to determine appropriate estimates and assumptions. Changes in these estimates and assumptions could affect the calculation of the fair value of the investments and determination of whether any identified impairment is other-than-temporary. As of March 31, 2024 and 2023, the carrying value of this investment was $250,000 and included in other investments in the accompanying consolidated balance sheet. There were no impairments recorded during the years ended March 31, 2024 and 2023.

Foreign Currency Translation

The Company translates the foreign currency financial statements of its foreign subsidiaries in accordance with the requirements of FASB ASC 830-10, *Foreign Currency Translation.* Assets and liabilities are translated at current exchange rates, and related revenue and expenses are translated at average exchange rates in effect during the period. Resulting translation adjustments are recorded as a separate component in stockholders' deficit, where applicable. Foreign currency transaction gains and losses are included in the accompanying consolidated statements of operations and were not material for the years ended March 31, 2024 and 2023.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Company follows FASB ASC Subtopic 740-10, *Income Taxes* ("ASC 740-10") for recording a provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expenses or benefits are based on the changes in the asset or liability during each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change. Deferred income taxes may arise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods.

As of March 31, 2024 and 2023, the Company does not believe that it has taken any positions that would require the recording of any additional tax liability, nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next year. The Company believes that its tax positions comply with applicable tax rates and that the Company has adequately provided for tax matters for the years ended March 31, 2024 and 2023.

The Company is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for tax years prior to the tax year ended 2021.

New Accounting Pronouncement

In June 2016, the FASB issued accounting standards update ("ASU") No. 2016-13, *Financial Instruments Credit Losses (Topic 326) Measurement of Credit Loses on Financials Instruments* ("ASU 2016-13" or "ASU 326"). ASU 2016-13 revised the accounting requirements related to the measurement of credit losses and requires organizations to measure all expected credit losses for financial assets based on historical experience, current conditions, and reasonable and supportable forecasts about collectibility. Assets must be presented in the consolidated financial statements at the end amount expected to be collected. During 2019, the FASB issued additional ASUs amending certain aspects of ASU 2016-13.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

On April 1, 2023, the Company adopted the new accounting standard and all of the related amendments using the modified retrospective method. The modified retrospective transaction allows application of the new standard at the adoption date and the recognition of a cumulative-effect adjustment to the opening balance of stockholder's equity in the period of adoption with no adjustments to previously reported results in accounting with the approach the Company's consolidated financial statements for the periods prior to April 1, 2023 were not revised to reflect the new accounting guidance. The adoption did not have a material impact on the Company's consolidated financial statements as of and for the year ended March 31, 2024.

NOTE 2 – SOFTWARE COSTS

Capitalized software costs primarily include third-party software. As of March 31, 2024 and 2023, the carrying value of software costs was $488,223 and $908,193, respectively. During the years ended March 31, 2024 and 2023, the Company recorded amortization expense related to software assets totaling $419,970 and $213,987, respectively.

NOTE 3- ACCOUNTS RECEIVABLE, CONTRACT ASSETS AND CONTRACT LIABILITTIES

Contract balances are included in the accompanying balance sheets under the following captions at:

	March 31, 2024	March 31, 2023	April 1, 2022
Accounts receivable	$ 4,214,646	$ 2,760,845	$ 1,762,421
Contract assets	$ 1,245,722	$ 970,608	$ 1,028,352
Contract liabilities	$ -	$ 427,415	$ 879,337

NOTE 4 – PROPERTY AND EQUIPMENT

As of March 31, 2024 and 2023, property and equipment consisted of the following:

	2024	2023
Computer hardware	$14,911,329	$14,685,669
Leasehold improvements	2,752,340	2,752,339
Furniture and fixtures	378,220	377,726
Total cost	18,041,889	17,815,734
Less: accumulated depreciation	(16,300,912)	(14,726,690)
Property and equipment, net	$ 1,740,977	$ 3,089,044

Depreciation expense was $1,574,223 and $1,616,880 for the years ended March 31, 2024 and 2023, respectively.

NOTE 5 – RIGHT-OF-USE ASSETS AND LEASE LIABILITY

The Company leases certain of its properties under leases that expire on various dates through November 2024.

In adopting ASC Topic 842, *Leases* ("Topic 842"), the Company has elected the 'package of practical expedients', which permit it not to reassess under the new standard its prior conclusions about lease identification, lease classification and initial direct costs. The Company did not elect the use-of-hindsight or the practical expedient pertaining to land easements; the latter is not applicable to the Company. In addition, the Company elected not to apply Topic 842 to arrangements with lease terms of 12 months or less. In determining the length of the lease term to its long-term lease, the Company determined not to consider embedded renewal options of 5 years and two consecutive periods of 5 years in the New Jersey lease primarily due to i) the renewal rate is at future market rate to be determined and ii) the Company does not have significant leasehold improvements that would restrict its ability to consider relocation.

At lease commencement dates, the Company estimates the lease liability and the right-of-use assets at present value using the Company's estimated incremental borrowing rate to determine their initial present values at inception.

	2024	2023
Office leases	$ 166,801	$ -
Right-of-use assets	166,801	-
Less: accumulated amortization	(55,600)	-
Right-of-use assets	$ 111,201	$ -

	2024	2023
Operating lease obligation	$ 116,576	$ -
Less: current portion of operating lease-current liability	(55,474)	-
Long-term portion- noncurrent liability	$ 61,102	$ -

Other supplemental information related to operating leases includes the following as of March 31:

	2024	2023
Weighted-Average Remaining Contractual Lease Term:		
Operating Leases	1.5	-
Weighted-Average Discount Rate:		
Operating Leases	7%	-
Operating cash outflows from operating leases	$ 15,078	$ -
Operating leases assets obtained in exchange for lease obligations	$ 166,803	$ -

NOTE 5 – RIGHT-OF-USE ASSETS AND LEASE LIABILITY (continued)

During the years ended March 31, 2024 and 2023, the Company recorded $77,159 and $324,310, respectively, as lease expense in facility costs on the accompanying consolidated statements of operations.

Lease expense consisted of the following as of March 31:

	2024	2023
Building lease expense	$ 77,159	$ 309,183
Equipment lease expense	-	15,127
Total lease expense	$ 77,159	$ 324,310

The maturity for the remaining term of the lease is as follows:

	2024	2023
2025	$ 61,877	$ -
2026	63,443	-
Future minimum lease payments	125,320	-
Less: interest	(8,744)	-
Present value of minimum lease payments	116,576	-
Less: current portion	(55,474)	-
Long-term portion	$ 61,102	$ -

NOTE 6 – ACCRUED EXPENSES

Accrued expenses consisted of the following as of March 31:

	2024	2023
Accrued salaries and benefits	$ 710,136	$ 716,601
Other accrued expenses	1,515,546	3,110,302
Total	$ 2,225,682	$ 3,826,903

NOTE 7 – TERM LOAN AND WORKING CAPITAL FACILITY

On November 22, 2019, the Company entered into a Term Loan ("Term Loan") and Working Capital Facility ("Facility") with ICICI Bank Canada. The Term Loan contains a maximum borrowing limit of 7,500,000 Canadian Dollars ("CND") and the Facility has a maximum borrowing limit of 12,500,000 CND, both maturing on November 30, 2024. Borrowings under the Term Loan are to be repaid quarterly starting at 2.5% to 6.25% over the term of the loan. Borrowings under the working capital facility are due on the maturity date. Interest is charged at a percentage per annum that is an aggregate of the Canadian Dollar Offered Rate ("CDOR") and CDOR plus 2.5%. As of March 31, 2024 and 2023, the balance outstanding under the Term Loan was $1,039,920 (1,415,669 CND) and $2,434,272 (32,97,056 CND), respectively and the balance outstanding under the Working Capital facility was $3,614,236 (4,920,151 CND) and $3,875,874 (5,249,606 CND), respectively. The Company advanced

NOTE 7 – TERM LOAN AND WORKING CAPITAL FACILITY (continued)

the proceeds received to Brainhunter Systems Ltd, a related party. At March 31, 2024 and 2023, the Company had loans receivable related to these advances from Brainhunter Systems Ltd. of $3,892,747 and $4,241,926. The Agreement contains certain customary events of default including a subjective acceleration clause if a "material adverse effect" occurs in the Company's business that could result in an event of default. The Company believes that the likelihood of the lender exercising this right is remote.

The future payments for the term loan and working capital facility are as follows:

Year ending March 31:	2024
2025	$ 4,640,301
Total term loan and working capital facility excluding interest accrual of $13,855 and $652,178, respectively	$ 4,640,301

NOTE 8 – FINANCE LEASE OBLIGATIONS

The Company has entered into several agreements to lease certain computer hardware and software that are classified as finance leases. As of March 31, 2024 and 2023, finance leases consisted of the following:

	2024	2023
Finance lease obligation	$ 184,196	$ 721,238
Less: current portion of finance lease- current liability	(184,196)	(721,238)
Long-term portion of finance lease- noncurrent liability	$ -	$ -

Other supplemental information related to finance leases includes the following as of and for the years ended March 31:

	2024	2023
Weighted-Average Remaining Contractual Lease Term:		
Finance Leases	0.75	2
Weighted-Average Discount Rate:		
Finance Leases	8%	8%

The maturity for the remaining term of the finance lease obligations is as follows:

Year ending March 31:	2024	2023
2025	$ 184,196	$ 721,238

NOTE 8 – FINANCE LEASE OBLIGATIONS (continued)

The right-of-use asset related to finance leases of $184,196 and $721,238 for the years ended March 31, 2024 and 2023 are included in property and equipment, net on the accompanying consolidated financial statements.

During the years ended March 31, 2024 and 2023, the Company recorded $826,060 and $930,550, respectively, in general and administrative expenses on the accompanying consolidated statements of operations. The Company paid $537,042 and $847,058, respectively in cash for finance leases included in the measurement of lease liabilities as of March 31, 2024 and 2023.

NOTE 9 – STOCKHOLDERS' DEFICIT

Common Stock

The Company has an unlimited number of authorized common shares. As of March 31, 2024, the Company has 1,211 shares of common stock issued and outstanding.

Class A Redeemable Preferred Stock

On January 24, 2019, the Company filed a Certificate of Amendment which authorizes the issuance of an unlimited number of shares of Class A redeemable preferred stock. The Class A preferred stock shall be entitled to receive non-cumulative annual dividends at the discretion of the directors and the shares do not have voting rights. The Company may redeem the Class A preferred stock upon giving ten (10) days written notice. The holder of the Class A preferred stock shall be entitled to require the Company to redeem at any time the whole or part of such holder's Class A preferred shares. Upon redemption, the Company shall pay to the holders of the Class A preferred stock to be redeemed, in respect of each share to be redeemed, an amount equal to the sum of (i) all dividends declared thereon and unpaid and (ii) the Class A preferred stock redemption amount defined as the amount equal to the aggregate net fair market value of the consideration received by the Company on the issuance of all Class A preferred shares, divided by the number of all such shares issued as consideration therefore, provided that if, after the date on which the Class A preferred stock was issued, the Company pays to the holder of the Class A preferred stock a return of capital (otherwise than on redemption of such shares), the Class A preferred stock redemption amount of each Class A preferred share shall thereafter be reduced by the amount resulting from dividing the amount so paid to the holder as a return of capital, by the number of Class A preferred shares issued and outstanding on the date of such return of capital.

On January 24, 2019, the Company issued 1 share of Class A redeemable preferred stock upon the acquisition of Brainhunter.

Class B Redeemable Preferred Stock

On March 20, 2019, the Company amended its Articles to authorize the issuance of an unlimited number of shares of Class B redeemable preferred stock. The Class B preferred stock shall be entitled to receive non-cumulative annual dividends at the discretion of the directors. The holders of the Class B preferred stock have voting rights. The Company may redeem the Class B preferred stock upon

NOTE 9 – STOCKHOLDERS' DEFICIT (continued)

giving ten (10) days written notice. The holder of the Class B preferred stock shall be entitled to require the Company to redeem at any time the whole or part of such holder's Class B preferred shares. Upon redemption, the Company shall pay to the holders of the Class B preferred stock to be redeemed, in respect of each share to be redeemed, an amount equal to the sum of (i) all dividends declared thereon and unpaid and (ii) the Class B preferred stock redemption amount defined as the amount equal to the aggregate net fair market value of the consideration received by the Company on the issuance of all Class B preferred shares, divided by the number of all such shares issued as consideration therefore, provided that if, after the date on which the Class B preferred stock was issued, the Company pays to the holder of the Class B preferred stock a return of capital (otherwise than on a redemption of such shares), the Class B preferred stock redemption amount of each Class B preferred share shall thereafter be reduced by the amount resulting from dividing the amount so paid to the holder as a return of capital, by the number of Class B preferred shares issued and outstanding on the date of such return of capital.

On April 1, 2019, the Company issued 1 share of Class B redeemable preferred stock upon the acquisition of Brainhunter Systems Ltd.

Class C Redeemable Preferred Stock

On March 20, 2019, the Company amended its Articles to authorize the issuance of an unlimited number of shares of Class C redeemable preferred stock. The Class C preferred stock shall be entitled to receive non-cumulative annual dividends at the discretion of the directors and the shares do not have voting rights. The Company may redeem the Class C preferred stock upon giving ten (10) days written notice. The holder of the Class C preferred stock shall be entitled to require the Company to redeem at any time the whole or part of such holder's Class C preferred shares. Upon redemption, the Company shall pay to the holders of the Class C preferred stock to be redeemed, in respect of each share to be redeemed, an amount equal to the sum of (i) all dividends declared thereon and unpaid and (ii) the Class C preferred stock redemption amount defined as the amount equal to the aggregate net fair market value of the consideration received by the Company on the issuance of all Class C preferred shares, divided by the number of all such shares issued as consideration therefore, provided that if, after the date on which the Class C preferred stock was issued, the Company pays to the holder of the Class C preferred stock a return of capital (otherwise than on a redemption of such shares), the Class C preferred stock redemption amount of each Class C preferred share shall thereafter be reduced by the amount resulting from dividing the amount so paid to the holder as a return of capital, by the number of Class C preferred shares issued and outstanding on the date of such return of capital.

As of March 31, 2024 and 2023, there were no shares of Class C redeemable preferred stock issued and outstanding.

Liquidation Rights

If the Company is liquidated, dissolved or wound-up or its assets are otherwise distributed among the stockholders by way of repayment of capital, whether voluntary or involuntary (a) the holders of the Class A, Class B and Class C preferred stock shall be entitled to receive all declared and unpaid dividends, and the redemption amount applicable to each Class of preferred stock prior to any distribution of assets of the Company among the common stockholders, (b) the holders of the Class

NOTE 9 – STOCKHOLDERS' DEFICIT (continued)

A, Class B and Class C preferred stock shall not be entitled to share any further in the distribution of the assets of the Company, (c) if there are insufficient assets to satisfy (a) then (i) the holders of the Class A preferred stock shall receive their entitlement prior to the holders of the Class B and Class C preferred stock, (ii) the holders of the Class B preferred stock shall receive their entitlement prior to the holders of the Class C preferred stock, and (iii) the holders of the Class C preferred stock receive their entitlement, and (d) thereafter the common stockholders shall be entitled to receive any remaining assets of the Company.

NOTE 10 – OTHER RELATED PARTY TRANSACTIONS

Accounts Payable

The Company uses a related party vendor, MFX Infotech Private Limited, to provide infrastructure and database technology services. As of March 31, 2024 and 2023, accounts payable and accrued expenses of $2,622,903 and $241,533 and $1,348,173 and $378,770 respectively, were the total outstanding amounts payable to MFX Infotech Private Limited.

Loan Receivable Related Party

The Company has a loan receivable of $3,892,747 and $4,241,926 as of March 31, 2024 and 2023, respectively, from Brainhunter Systems, Ltd. for the advance of proceeds received from the Term Loan & Working Capital Facility (see Note 7).

As of March 31, 2024 and 2023, the Company also had related party balances as follows:

	2024	2023
Loan and advance to Brainhunter System Ltd.	$ 3,892,747	$ 4,241,926
Advance receivable from Heptagon	121,500	-
Accounts receivable from Quess Corp (USA)	40,306	40,306
Accounts receivable from Quess NA	24,371	20,863
Advance payable from Allsec Technolgoies, Ltd.	(8,761)	(142,669)
Accounts payable from Quess Limited	(80,804)	(81,280)
Advance payable from Brianhunter System Ltd.	(73,458)	-
Accounts payable from Brainhunter System	(16,192)	37,141
Due from related parties, net	$ 3,899,709	$ 4,116,287

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Redeemable Noncontrolling Interest

On March 27, 2020, MFXchange US, Inc. ("MFXUS"), a subsidiary of the Company, entered into a debt conversion agreement with Brainhunter Systems, Ltd. ("Holder") to convert $3,551,412 in

NOTE 11 – COMMITMENTS AND CONTINGENCIES (continued)

amounts owed into 100 shares of Series B Preferred Stock of MFXUS. The Series B Preferred Stock is redeemable by the MFXUS or the Holder for $3,551,412 along with any dividends declared. The Series B is not entitled to any mandatory dividends and is not convertible into MFXUS common stock or any other security. The Company has 81% ownership in the Holder (see Note 1).

Concentrations

The Company had three customers that accounted for approximately 32% and 36% of the Company's revenues for the years ended March 31, 2024 and 2023, respectively. The Company had four and three customers that accounted for approximately 53% and 44% of total accounts receivable as of March 31, 2024 and 2023, respectively.

The Company utilized three major suppliers for outside services totaling approximately 43% of the Company's total expenditures for outside services for the year ended March 31, 2024 and two major suppliers totaling approximately 44% for the year ended March 31, 2023. The Company's major suppliers noted above accounted for approximately 59% and 32% of total accounts payable and accrued expenses as of March 31, 2024 and 2023, respectively.

NOTE 12 – INCOME TAXES

As of March 31, 2024 and 2023, the tax effects of temporary differences and carryforwards that gave rise to significant portions of deferred tax assets were as follows:

	2024	2023
Net operating loss carry forwards	$ 3,328,000	$ 4,004,000
Accrual and reserves	3,772,000	3,772,000
Total assets	7,100,000	7,776,000
Less: valuation allowance	(6,658,000)	(7,334,000)
Net deferred tax assets	$ 442,000	$ 442,000

As of March 31, 2024, MFXchange US, Inc. had federal net operating loss carryforwards ("NOL's") of approximately $12.8 million that will be available to reduce future taxable income, if any. At March 31, 2024, MFXchange Holdings, Inc. had Canadian NOL's of $0 and capital loss allowance deductions of approximately $11.68 million available to reduce future taxable income, if any. The Company performs an analysis each year to determine whether the expected future income will more likely than not be sufficient to realize the deferred tax assets. The Company's recent operating results and projections of future income weighed heavily in the Company's overall assessment. A net tax benefit of $442,000 has been reported in the balance sheets on the accompanying consolidated financial statements at March 31, 2024 and 2023.

NOTE 12 – INCOME TAXES (continued)

Pursuant to the Internal Revenue Code Section 382 ("Section 382"), certain ownership changes may subject the net operating loss carryforwards ("carryforwards") to annual limitations which could reduce or defer the tax benefits recorded as of March 31, 2024 and 2023. Section 382 imposes limitations on a corporation's ability to utilize carryforwards if it experiences an ownership change. An ownership change may result from transactions increasing the ownership of certain stockholders in the stock of a corporation by more than 50 percentage points over a three-year period. In the event of an ownership change, utilization of the carryforwards would be subject to an annual limitation under Section 382 determined by multiplying the value of its stock at the time of the ownership change by the applicable long-term tax-exempt rate. Any unused annual limitation may be carried over to later years. The imposition of this limitation on its ability to use the carryforwards to offset future taxable income could cause the Company to pay U.S. federal income taxes earlier than if such limitation were not in effect and could cause such carryforwards to expire unused, reducing or eliminating the benefit of such carryforwards. The Company has not completed a Section 382 study on the net operating loss carryforwards of Brainhunter Ltd. as of January 24, 2019, the date of acquisition, and has not included the net operating losses in the calculation of deferred tax assets as they would be offset by a full valuation allowance.

The Company's income tax provision for the years ended March 31 consisted of the following:

	2024	2023
Current tax expense	$ 147,175	$ 93,267
Deferred income tax expense	-	100,300
	$ 147,175	$ 193,567

The Company applies the standard relating to accounting for uncertainty in income taxes (ASC 740-10), which prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The Company is required to recognize in the consolidated financial statements the impact of a tax position, if that position is more likely than not of being sustained on audit, based on the technical merits of the position. There were no significant unrecognized tax benefits recorded as of March 31, 2024 and 2023.

NOTE 13 – FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Assets and liabilities that are measured at fair value are reported using a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy maximizes the use of observable inputs and minimizes the use of unobservable inputs.

NOTE 13 – FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The three levels of inputs used to measure fair value are as follows:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date of identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

As of March 31, 2024 and 2023, the fair value of the Company's investments was determined based on the following:

		Fair Value Measurements Using:		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments	$ -	$ -	$ -	$ 250,000

NOTE 14 – SUBSEQUENT EVENTS

The Company has evaluated events and transactions for potential recognition or disclosure through May 15, 2024, which is the date the consolidated financial statements were available to be issued. No subsequent events were noted.

QLPL	6 unt in LKR millions)	
Consolidated Balance Sheet as at	**Mar FY24**	**Mar FY23**
ASSETS		
Non-current assets		
Property, plant and equipment	5.83	4.63
Capital work-in-progress	-	-
Right-of-use assets	-	-
Investment properties	-	-
Goodwill	-	-
Other intangible assets	0.01	0.02
Intangible assets under development	-	-
Investments in equity accounted investees	-	-
Financial assets		
Investments	-	-
Loans	-	-
Other financial assets	0.47	0.54
Deferred tax assets (net)	26.79	3.84
Income tax assets (net)	(21.54)	2.86
Other non-current assets	8.09	8.09
Total non-current assets	**19.65**	**19.98**
Current assets		
Inventories	-	-
Financial assets		
Investments	-	-
Trade receivables	213.49	195.21
Cash and cash equivalents	89.03	255.09
Bank balances other than cash and cash equivalents	100.46	-
Loans	9.24	3.06
Unbilled revenue	181.66	241.72
Other financial assets	15.48	-
Other current assets	3.21	2.11
Total current assets	**612.57**	**697.19**
Total assets	**632.22**	**717.17**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	12.17	12.16
Other equity	238.13	424.09
Total equity attributable to equity holders of the C	**250.30**	**436.25**
Non-controlling interests	-	-
Total equity	**250.30**	**436.25**
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	-	-
Lease liabilities	-	-
Other financial liabilities	-	-
Deferred tax liabilities (net)	-	-
Non-current provisions	119.01	89.01
Total non current liabilities	**119.01**	**89.01**
Current liabilities		
Financial liabilities		
Borrowings	89.28	97.09
Trade payables	-	(9.14)
Lease liabilities	-	-
Other financial liabilities	72.44	53.80
Income tax liabilities (net)	(22.83)	(36.29)
Current provisions	1.14	1.14
Other current liabilities	123.00	85.54
Total current liabilities	**263.03**	**192.14**
Total Liabilities	**382.04**	**281.15**
Total Equity and Liabilities	**632.34**	**717.40**

Jinendra Jain

Jinendra Jain - -
Group Finance Controller 8/5/24

QLPL *(Amount in LKR millions)*

6

Particulars	Note	Year ended Mar FY24	Year ended Mar FY23
Income			
Revenue from operations	34	2,081.52	2,150.15
Other income	35	49.29	1.84
Total income		**2,130.81**	**2,151.99**
Expenses			
Cost of material and stores and spare parts consumed	36	-	0.50
Employee benefit expenses	37	1,862.06	1,928.82
Finance costs	38	2.15	3.96
Depreciation and amortisation expense	39	2.37	1.86
Other expenses	40	237.18	112.05
Total expenses		**2,103.76**	**2,047.19**
Profit before share of profit/ (loss) of equity accounted investees, excep		**27.05**	**104.80**
Share of profit of equity accounted investees (net of income tax)		-	-
Profit before exceptional items and tax		**27.05**	**104.80**
Exceptional items		-	-
Profit before tax		**27.05**	**104.80**
Tax expense			
Current tax		24.90	23.23
Adjustments of tax relating to earlier periods		39.75	-
Deferred tax		(20.86)	0.01
Income tax expenses		**43.79**	**23.24**
Profit for the year		**(16.74)**	**81.56**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(6.96)	-
Income tax relating to items that will not be reclassified to profit or loss		2.09	-
Share of Other Comprehensive Income in Associates and Joint Venture		-	-
Items that will be reclassified to profit or loss			
operations		-	0.02
Total comprehensive income for the period		**(21.61)**	**81.58**
Profit attributable to			
Owners of the Company		(16.74)	81.56
Non-controlling interests		-	-
Total profit for the year		**(16.74)**	**81.56**

Jinendra Jain

Group Finance Controller

Jinendra Jain

8/5/24

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 2024

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Company Registration No: 201501001731 (1127063 A)

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

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 2024.

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	Company
	RM	RM
Net loss for the financial year after taxation		
- attributable to owners of the Company	(510,676)	(713,748)

DIVIDENDS

The directors did not propose any final dividends for the financial year ended 31st March 2024.

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
Mok Mei Shien

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' Remuneration section 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 1.4.2023	Bought	Sold	As at 31.3.2024
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
Director's emoluments	223,407
EPF paid to a director	23,798
	247,205

None of the directors of the Company have received any other benefits otherwise than in cash from the Company during the year.

No indemnities have been given or insurance premium paid for directors or officers of the Company during the financial 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.

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
Audit fee		
- current year's provision	28,500	24,000
- underprovision in prior year	2,500	1,500
	31,000	25,500

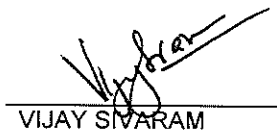
There are no indemnity and insurance purchased for the auditors of the Company during the financial year.

AUDITORS

The auditors, Messrs HALS & Associates have expressed their willingness to accept re-appointment as auditors.

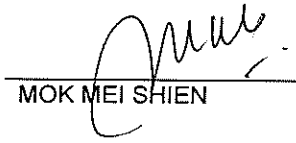
This report was approved by the Board of Directors on 09 MAY 2024

Signed in accordance with a resolution of the directors:



VIJAY SIVARAM

Directors



MOK MEI SHIEN

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2024

	Note	Group		Company	
		2024	2023	2024	2023
ASSETS		RM	RM	RM	RM
NON-CURRENT ASSETS					
Property, plant and equipment	7	42,542	19,756	42,542	19,756
Investment in subsidiary	8	-	-	250,000	250,000
Goodwill on investment	9	139,860	157,343	-	-
Total non-current assets		182,402	177,099	292,542	269,756
CURRENT ASSETS					
Trade and other receivables	10	13,003,224	12,873,390	12,886,845	13,552,880
Deposits and prepayments		543,096	511,943	540,854	261,943
Tax recoverable		843,303	338,976	843,303	338,976
Cash and cash equivalents	11	1,323,809	3,747,072	1,212,980	3,187,133
Total current assets		15,713,432	17,471,381	15,483,982	17,340,932
TOTAL ASSETS		15,895,834	17,648,480	15,776,524	17,610,688
EQUITY AND LIABILITIES					
EQUITY					
Share capital	12	500,000	500,000	500,000	500,000
Retained earnings		10,510,495	11,021,171	10,324,906	11,038,654
Total equity		11,010,495	11,521,171	10,824,906	11,538,654
CURRENT LIABILITIES					
Trade and other payables	13	4,811,339	6,096,185	4,951,618	6,072,034
Current tax liabilities		74,000	31,124	-	-
Total current liabilities		4,885,339	6,127,309	4,951,618	6,072,034
TOTAL LIABILITIES		4,885,339	6,127,309	4,951,618	6,072,034
TOTAL EQUITY AND LIABILITIES		15,895,834	17,648,480	15,776,524	17,610,688

The above statement is to be read in conjunction with the notes to the financial statements on pages 12 to 30.

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST MARCH 2024

	Note	Group		Company	
		2024	2023	2024	2023
		RM	RM	RM	RM
REVENUE	14	41,408,960	49,804,683	41,085,093	49,804,683
Less: COST OF SALES		(37,428,808)	(45,963,306)	(37,428,808)	(45,963,306)
GROSS PROFIT		3,980,152	3,841,377	3,656,285	3,841,377
Other operating income		18,429	2,910	18,429	2,910
Administrative expenses		(4,353,202)	(4,283,135)	(4,305,306)	(4,265,652)
Loss from operations	15	(354,621)	(438,848)	(630,592)	(421,365)
Finance cost	16	(61,589)	(84,526)	(61,589)	(84,526)
Loss before taxation		(416,210)	(523,374)	(692,181)	(505,891)
Taxation	17	(94,466)	(62,300)	(21,567)	(62,300)
Loss for the year		(510,676)	(585,674)	(713,748)	(568,191)
Loss for the year attributable to:-					
Owners of the Company		(510,676)	(585,674)	(713,748)	(568,191)
Total comprehensive loss for the year attributable to:-					
Owners of the Company		(510,676)	(585,674)	(713,748)	(568,191)

The above statement is to be read in conjunction with the notes to the financial statements on pages 12 to 30.

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2024

	----Attibutable to Owners of the Company----			
Group	**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
Non-owner changes in equity				
Loss for the year	-	(510,676)	(510,676)	(510,676)
Total comprehensive loss for the year	-	(510,676)	(510,676)	(510,676)
Balance at 31st March 2024 of the Group	500,000	10,510,495	11,010,495	11,010,495

The above statement is to be read in conjunction with the notes to the financial statements on pages 12 to 30.

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST MARCH 2024

Company	Share Capital RM	Retained Earnings RM	Total Equity RM
Balance at 1st April 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
Non-owner changes in equity			
Loss for the year	-	(713,748)	(713,748)
Total comprehensive loss for the year	-	(713,748)	(713,748)
Balance at 31st March 2024	500,000	10,324,906	10,824,906

The above statement is to be read in conjunction with the notes to the financial statements on pages 12 to 30.

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2024

	Note	Group 2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
CASH FLOW FROM OPERATING ACTIVITIES					
Loss before taxation		(416,210)	(523,374)	(692,181)	(505,891)
Adjustments for:					
Amortisation of goodwill		17,483	17,483	-	-
Interest expenses		61,589	84,526	61,589	84,526
Interest income		(340)	(1,257)	(340)	(1,257)
Depreciation		12,476	32,028	12,476	32,028
Allowance for doubtful debts		918,423	590	918,423	590
OPERATING GAIN/(LOSS) BEFORE WORKING CAPITAL CHANGES		593,421	(390,004)	299,967	(390,004)
(Increase)/Decrease in receivables		(160,987)	5,166,917	(531,299)	5,150,419
Decrease in payables		(2,203,269)	(1,656,712)	(1,120,416)	(1,640,214)
CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES		(1,770,835)	3,120,201	(1,351,748)	3,120,201
Interest received		340	1,257	340	1,257
Interest paid		(61,589)	(84,526)	(61,589)	(84,526)
Tax paid		(555,917)	(704,213)	(525,894)	(704,213)
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES		(2,388,001)	2,332,719	(1,938,891)	2,332,719
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		(35,262)	-	(35,262)	-
NET CASH (USED IN)/GENERATING FROM INVESTING ACTIVITIES		(35,262)	432,439	(35,262)	(127,500)

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2024

	Note	Group		Company	
		2024	2023	2024	2023
		RM	RM	RM	RM
Net (decrease)/increase in cash and cash equivalents		(2,423,263)	2,765,158	(1,974,153)	2,205,219
Cash and cash equivalents at beginning of the year		3,747,072	981,914	3,187,133	981,914
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	11	1,323,809	3,747,072	1,212,980	3,187,133

The above statement is to be read in conjunction with the notes to the financial statements on pages 12 to 30.

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

AND ITS SUBSIDIARY

NOTES TO THE FINANCIAL STATEMENTS - 31ST MARCH 2024

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 09 MAY 2024

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.

(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. 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 2024 Cost:	At 1st April 2023 RM	Addition RM	At 31st March 2024 RM
Computer	121,465	35,262	156,727
Software	34,668	-	34,668
Furniture and fittings	185,184	-	185,184
Renovation	87,956	-	87,956
Total	429,273	35,262	464,535

Accumulated Depreciation:	At 1st April 2023 RM	Charge for the year RM	At 31st March 2024 RM	Carrying amount at 31st March 2024 RM	Carrying amount at 31st March 2023 RM
Computer	105,347	8,896	114,243	42,484	16,118
Software	33,034	1,664	34,698	(30)	1,634
Furniture and fittings	183,180	1,916	185,096	88	2,004
Renovation	87,956	-	87,956	-	-
Total	409,517	12,476	421,993	42,542	19,756

8. INVESTMENT IN SUBSIDIARY

	Company 2024 RM	2023 RM
At cost		
Unquoted shares in Malaysia	250,000	250,000

8.1 The details of subsidiary are as follows:-

Name of Entity	Country of Incorporation	Principal activities	Effective ownership interest 2024 %	2023 %
Agensi Pekerjaan Quess Recruit Sdn Bhd [Company Registration No. 201801003383 (1265396 M)]	Malaysia	Private employment agency	100	100

9. GOODWILL ON INVESTMENT

	Group 2024 RM	Group 2023 RM
At beginning of the year	157,343	-
Acquisition through business combinations	-	174,826
	157,343	174,826
Less: Amortisation of goodwill	(17,483)	(17,483)
At end of the year	139,860	157,343

10. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Current:				
Trade receivables	13,892,787	12,328,635	13,776,408	12,387,236
Amount due from subsidiary company	-	-	-	620,889
Other receivables	29,450	272,255	29,450	272,255
Amount due from related companies	-	273,090	-	273,090
Total at cost	13,922,237	12,873,980	13,805,858	13,553,470
Less:				
Accumulated impairment losses (**)	(919,013)	(590)	(919,013)	(590)
	13,003,224	12,873,390	12,886,845	13,552,880

** Movement of impairment losses:

Balance at beginning of the year	590	-	590	-
Recognised during the year	918,423	590	918,423	590
Balance at end of the year	919,013	590	919,013	590

The other receivables balances represent non trade advances/loan made and are unsecured, interest free and repayable on demand.

Amount due from related companies are unsecured, repayable on demand and carries interest rate of 2.25% per annum.

Included in trade receivables are amounts due from the related companies as follows:-

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Ultimate holding company	130,501	134,500	130,501	134,500
Subsidiary company	-	-	1	120,135
Related companies	193,625	45,063	193,625	45,063
	324,127	299,698	324,127	299,698

11. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Cash in hand	5,713	6,420	5,713	6,420
Cash at bank	1,318,096	3,740,652	1,207,267	3,180,713
Cash and cash equivalents	1,323,809	3,747,072	1,212,980	3,187,133

11.1 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"). This facility was not utilized during the year.

12. SHARE CAPITAL

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Issued and fully paid:				
500,000 Ordinary shares	500,000	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.

13. TRADE AND OTHER PAYABLES

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Other payables and accruals	3,045,800	2,891,102	3,029,915	2,866,951
Amount due to holding company	1,645,539	3,085,083	1,645,539	3,085,083
Amount due to subsidiary company	-	-	156,164	-
Amount due to a related company	120,000	120,000	120,000	120,000
	4,811,339	6,096,185	4,951,618	6,072,034

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.

Amount due to subsidiary company represent advances made, are unsecured, interest free and repayable on demand.

Amount due to a related company represent advances made, are unsecured, interest free and repayable on demand.

14. REVENUE

Revenue represents the invoiced value of services rendered net of discounts.

15. LOSS FROM OPERATIONS

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Loss from operations before taxation is stated after charging/(crediting):-				
Audit fee				
- current year's provision	28,500	23,000	24,000	23,000
- underprovision in prior year	2,500	10,500	1,500	10,500
Employee salary and allowances				
- included in cost of sales	32,967,506	41,491,939	32,967,506	41,491,939
- included in administrative expenses	2,035,950	2,243,086	2,014,717	2,243,086

15. LOSS FROM OPERATIONS (CONTINUED)

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Contribution to defined plan ("EPF")				
- included in cost of sales	3,232,740	3,054,750	3,232,740	3,054,750
- included in administrative expenses	225,736	261,276	224,344	261,276
Directors emoluments	223,407	384,657	223,407	384,657
Amortisation of goodwill on investment	17,483	17,483	-	-
Realised loss on foreign exchange	2,154	-	2,154	-
Realised gain on foreign exchange	-	(1,653)	-	(1,653)
Unrealised loss on foreign exchange	9,123	-	9,123	-

16. FINANCE COST

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Interest charges	61,589	84,526	61,589	84,526

17. TAXATION

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Current year's provision	74,000	62,300	-	62,300
Underprovision in prior year	20,466	-	21,567	-
	94,466	62,300	21,567	62,300

A reconciliation of income tax expense applicable to 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:-

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Loss before taxation	(416,210)	(523,374)	(692,181)	(505,891)
Taxation at Malaysian Statutory tax rate at 24% (2023: 24%)	(99,890)	(125,610)	(166,123)	(121,414)
Expenses not deductible for tax purposes	98,477	184,880	90,710	180,684
Underprovision of tax in prior year	20,466	-	21,567	-
Deferred tax assets not recognised	75,413	3,030	75,413	3,030
Tax expense for the year	94,466	62,300	21,567	62,300

The Company has available unabsorbed tax losses and capital allowances of approximately RM301,700 (2023: RM Nil) and RM28,900 (2023: RM Nil) respectively for utilization against future taxable income.

Pursuant to the Finance Act 2021 (Act 833), the 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 tax losses that will expire in year of assessment 2034 amount to RM301,700.

Deferred tax assets have not been recognized in respect of the following item:-

	Group		Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Unabsorbed tax losses	72,400	-	72,400	-
Unabsorbed capital allowance	6,900	-	6,900	-
(Deficit)/Excess of depreciation over the capital allowance	(3,900)	2,370	(3,900)	2,370
	75,400	2,370	75,400	2,370

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.

18. FINANCIAL INSTRUMENTS

18.1 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 2024 Financial assets	Carrying Amount RM	AC RM
Trade and other receivables	13,003,224	13,003,224
Deposit	175,280	175,280
Cash and cash equivalents	1,323,809	1,323,809
	14,502,313	14,502,313
Financial liability		
Trade and other payables	4,714,752	4,714,752

2023 Financial assets	Carrying Amount RM	AC RM
Trade and other receivables	12,873,390	12,873,390
Deposit	360,538	360,538
Cash and cash equivalents	3,747,072	3,747,072
	16,981,000	16,981,000
Financial liability		
Trade and other payables	6,096,185	6,096,185

Company 2024 Financial assets	Carrying Amount RM	AC RM
Trade and other receivables	12,886,845	12,886,845
Deposit	173,038	173,038
Cash and cash equivalents	1,212,980	1,212,980
	14,273,285	14,272,863
Financial liability		
Trade and other payables	4,951,618	4,951,618

2023 Financial assets	Carrying Amount RM	AC RM
Trade and other receivables	13,552,880	13,552,880
Deposit	110,538	110,538
Cash and cash equivalents	3,187,133	3,187,133
	16,850,551	16,850,551
Financial liability		
Trade and other payables	6,072,034	6,072,034

19. RELATED PARTIES

The significant related parties transactions of the Company are disclosed below:-

	2024 RM	2023 RM
Key management personnel compensation		
Directors:-		
- Emoluments	223,407	384,657
Quesscorp Holdings Pte Ltd, holding company		
- Interest charges	61,589	84,526

19. **RELATED PARTIES (CONTINUED)**

	2024 RM	2023 RM
Quess Corp Limited, ultimate holding company		
- Sales	90,630	58,135
Agensi Perkerjaan Quess Recruit Sdn Bhd, subsidiary company		
- Sales	145,646	253,288
Agensi Pekerjaan Monster Malaysia Sdn Bhd, related company		
- Sales	-	16,544
Monster.com SG Pte Ltd, related company		
- Login expenses	4,686	-
Quess Corp Singapore Pte Ltd, related company		
- Sales	252,228	341,565
Quess Lanka Pvt Ltd, related company		
- Sales	125,248	-

Related party balances are disclosed in Notes 10 and 13 to the financial statements.

20. **EMPLOYEES**

The number of employees at the end of the financial year are as follows:-

	Group		Company	
	2024 No.	2023 No.	2024 No.	2023 No.
Directors	3	3	2	2
Employees	808	940	807	939
	811	943	809	941

21. COMPARATIVE FIGURES

The following comparative figures in the Statement of Financial Position and Statement of Cash Flows have been reclassified to conform with current year's presentation.

2023

	Group		Company	
	As reclassified RM	As previously stated RM	As reclassified RM	As previously stated RM
STATEMENT OF FINANCIAL POSITION				
Trade and other receivables	12,873,390	12,856,892	13,552,880	13,536,382
Trade and other payables	6,096,185	6,079,687	6,072,034	6,055,536
STATEMENT OF CASH FLOWS				
Decrease in receivables	5,150,419	5,166,917	5,150,419	5,166,917
Decrease in payables	(1,640,214)	(1,656,712)	(1,640,214)	(1,656,712)

Company Registration No: 201501001731 (1127063 A)

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 30 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 2024 and financial performance of the Group and the Company for the financial year ended 31st March 2024 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

09 MAY 2024

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 30 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

09 MAY 2024

Before me,

PESURUHJAYA SUMPAH
W 725
ABDUL SHUKOR MD NOOR
01.01.2024 - 31.12.2[illegible]
MALAYSIA

MOK MEI SHIEN

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 2024 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 30.

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 2024 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: 09 MAY 2024

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 2024

	2024 RM	2023 RM
REVENUE	41,085,093	49,804,683
Less: COST OF SALES		
Associate staff cost		
- Salary and sub-contractor cost	32,927,506	41,491,939
- EPF, Socso and EIS	3,791,319	3,750,582
- Background verification	16,069	11,014
- Insurance	492,927	486,936
- Levy	46,332	-
- Medical expenses	55,325	30,531
- Staff welfare	608	-
- Work permit	91,560	114,601
Consumption cost	-	11,098
Miscellaneous expenses	6,320	19,819
Travelling and conveyance	842	46,786
	(37,428,808)	(45,963,306)
GROSS PROFIT	3,656,285	3,841,377
Add: OTHER INCOME		
Interest income	340	1,257
Gain on foreign exchange		
- realised	-	1,653
Reimbursement income	18,089	-
	18,429	2,910
	3,674,714	3,844,287
Less:		
ADMINISTRATIVE EXPENSES (Schedule I)	(4,305,306)	(4,265,652)
FINANCE COST (Schedule II)	(61,589)	(84,526)
	(4,366,895)	(4,350,178)
LOSS BEFORE TAXATION	(692,181)	(505,891)

Schedule I

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31ST MARCH 2024

	2024 RM	2023 RM
Advertisement	-	21,563
Allowance for doubtful debts	918,423	590
Audit fee		
- current year's provision	24,000	23,000
- underprovision in prior year	1,500	10,500
Bad debts written off	316,368	634,239
Bank charges	13,857	14,233
Certification services	2,836	-
Depreciation	12,476	32,028
Directors' emoluments	223,407	384,657
Electricity	6,779	5,260
EPF and Socso	248,498	281,822
General expenses	(53)	(113)
Interest income overaccrued	-	33,172
Login cost	86,658	38,881
Loss on foreign exchange - realised	2,154	-
Loss on foreign exchange - unrealised	9,123	-
Maintenance	82,070	23,644
Office rental	173,878	174,818
Printing and stationery	1,266	8,145
Professional and legal fee	39,174	144,808
Rates	4,488	97,761
Salary, bonus and EIS	2,014,717	2,243,086
Secretarial fee	-	4,952
Sub-contractor cost	50,400	-
Staff welfare	10,957	12,621
Telephone	48,846	75,143
Travelling expenses	17,228	842
Withholding tax written back	(3,744)	-
	4,305,306	4,265,652

Schedule II

QUESSGLOBAL (MALAYSIA) SDN. BHD.
(Incorporated in Malaysia)

FINANCE COST
FOR THE YEAR ENDED 31ST MARCH 2024

	2024	2023
	RM	RM
Interest charges	61,589	84,526

Joe Tan & Associates 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 2024

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Member of PrimeGlobal, representing in more than 100 countries

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Email: enquiry@jdt.com.sg website: www.jdt.com.sg
Incorporated with Limited Liability Regn No. 200801266N

MONSTER.COM.SG PTE LIMITED
(Company Reg. No.: 200004227N)

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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MONSTER.COM.SG PTE LIMITED
(Company Reg. No.: 200004227N)

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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 2024.

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 2024 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. This is because the immediate holding company has agreed to provide continuing financial support to the Company notwithstanding the deficiency in net assets.

2. DIRECTORS

The directors of the Company in office at the date of this statement are:

Sandro Lang
Vijay Sivaram
Keckeis Roman Werner
Chandra Sekhar Reddy Garisa

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

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		Deemed Interest	
Name of the Company	2023	2024	2023	2024
Ultimate Holding Company				
– Ordinary Shares				
Vijay Sivaram	74,559	88,120	-	-
Chandra Sekhar Reddy Garisa	36,464	36,464	-	-

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

.....
Vijay Sivaram
Director

.....
Chandra Sekhar Reddy Garisa
Director

Singapore

Date: 13 MAY 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

MONSTER.COM.SG PTE LIMITED

Report on 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 as at 31 March 2024, 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, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, 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 2024 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Qualified Opinion

As disclosed in Note 4 to the financial statements, except for the Company's investment in Monster HK Limited and Agensi Pekerjaan Monster Malaysia Sdn. Bhd., foreign subsidiaries, is carried at S$433,000 and S$2,500,000, respectively on the statement of financial position as at 31 March 2024. Due to the limitation of scope, we are unable to ascertain whether it is necessary and appropriate to consider impairment assessment on the cost of these investments. Therefore, we are unable to ascertain whether any impairment allowance on investment in these two subsidiaries is necessary. Consequently, we are unable to satisfy ourselves as to the fairness of the investment in subsidiaries stated in the financial statements. Any adjustment to the carrying amount of the investment in subsidiaries might have a consequential effect on the net assets of the Company as at 31 March 2024 and on the results of the Company for the reporting period then ended.

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 qualified opinion.

Other Matters

The financial statements of the Company for the financial year ended 31 March 2023 were audited by another firm of auditors, who expressed an unmodified opinion on those financial statements in their report dated 8 May 2023.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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Email: enquiry@jdt.com.sg website: www.jdt.com.sg
Incorporated with Limited Liability Regn No. 200801266N

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. As described in the *Basis for Qualified Opinion* section above, we were unable to obtain sufficient appropriate evidence about the carrying amount of the Company's investment in Monster HK Limited and Agensi Pekerjaan Monster Malaysia Sdn. Bhd. as at 31 March 2024. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

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 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.

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Incorporated with Limited Liability Regn No. 200801266N

- 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.

Joe Tan & Associates Pac

JOE TAN & ASSOCIATES PAC
Public Accountants and
Chartered Accountants

Singapore

Date: 13 MAY 2024

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MONSTER.COM.SG PTE LIMITED
(Company Reg. No.:200004227N)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 S$	2023 S$
ASSETS			
Non-current assets			
Investment in subsidiaries	4	2,933,000	2,933,000
Plant and equipment	5	13,779	22,555
Intangible assets	6	165,722	190,997
Total non-current assets		3,112,501	3,146,552
Current assets			
Trade and other receivables	7	1,374,274	1,070,416
Cash and cash equivalents	8	768,148	628,710
Total current assets		2,142,421	1,699,126
TOTAL ASSETS		5,254,922	4,845,678
EQUITY AND LIABILITIES			
Equity			
Share capital	9	2,933,002	2,933,002
Accumulated losses		(2,250,550)	(1,950,221)
Equity surplus attributable to the owners of the company		682,452	982,781
Current liabilities			
Trade and other payables	10	4,572,470	3,862,897
Total current liabilities		4,572,470	3,862,897
TOTAL EQUITY AND LIABILITIES		5,254,922	4,845,678

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 2024

	Note	2024 S$	2023 S$
Revenue	11	2,461,780	3,319,183
Other income	12	13,918	368,670
		2,475,698	3,687,853
Item of expenses:			
Subcontractor charges		(205,036)	(888,221)
Employee benefits	13	(1,537,144)	(1,986,290)
Selling and distributions costs		(734,535)	(1,082,942)
Administrative expenses		(299,312)	(1,582,192)
Loss before income tax	14	(300,329)	(1,851,792)
Income tax benefits	15	-	2,029
Loss for the year, representing total comprehensive loss for the year		(300,329)	(1,849,763)

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 2024

	Note	Share capital S$	Accumulated losses S$	Total S$
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
Balance as at 1 April 2023		2,933,002	(1,950,221)	982,781
Loss for the year, representing total comprehensive loss for the year		-	(300,329)	(300,329)
Balance as at 31 March 2024		2,933,002	(2,250,550)	682,452

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 2024

	Note	2024 S$	2023 S$
Cash flows from operating activities			
Loss before income tax		(300,329)	(1,851,792)
Adjustments for:			
Amortisation of intangible assets	6	42,385	41,490
Depreciation of plant and equipment	5	8,776	3,775
Allowance for expected credit loss on trade receivables		-	(1,662)
		(249,168)	(1,808,189)
Changes in working capital:			
Trade and other receivables		(303,858)	633,686
Trade and other payables		709,574	854,468
Cash generated from/(used in) operations		156,548	(320,035)
Income tax refund		-	-
Net cash generated from/(used in) operating activities		156,548	(320,035)
Cash flows from investing activities			
Acquisition of intangible assets	6	(17,110)	(7,052)
Acquisition of plant and equipment		-	(26,330)
Net cash used in investing activities		(17,110)	(33,382)
Net increase/(decrease) in cash and cash equivalents		139,438	(353,417)
Cash and cash equivalents at 1 April		628,710	982,127
Cash and cash equivalents at 31 March	8	768,148	628,710

The accompanying notes form an integral part of these financial statements.

1. CORPORATE INFORMATION

Monster.com.sg Pte Limited (the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business at 36 Carpenter Street, #04-00 Carpenter Haus, Singapore, 059915.

The immediate holding and ultimate holding companies are Monster.com (India) Private Limited, and Quess Corp Limited, both companies incorporated in India, respectively.

The principal activities of the Company are those of advertising activities and management consultancy services. 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. MATERIAL ACCOUNTING POLICY INFORMATION

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 1 April 2023. 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 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 March 2024 which are effective for annual reporting periods beginning after 1 April 2023:

2. MATERIAL ACCOUNTING POLICY INFORMATION - CONTINUED

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE - CONTINUED

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 2024
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 7 *Statement of Cash Flows and FRS 107 Financial Instruments: Disclosures:* Supplier Finance Arrangements	1 January 2024
Amendments to FRS 21 *The Effects of Changes in Foreign Exchange Rates:* Lack of Exchangeability	1 January 2025
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 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 ina public market; and
(d) its ultimate parent produces consolidated financial statements that are available for public use.

2. MATERIAL ACCOUNTING POLICY INFORMATION - 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION - CONTINUED

2.5 FINANCIAL INSTRUMENTS - CONTINUED

a) **Financial assets - continued**

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 - continued**

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. MATERIAL ACCOUNTING POLICY INFORMATION - CONTINUED

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.

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 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.

2.8 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. MATERIAL ACCOUNTING POLICY INFORMATION - CONTINUED

2.9 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.

2.10 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.

2.11 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.

2.12 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.

2.13 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 recognizes lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

2. MATERIAL ACCOUNTING POLICY INFORMATION – CONTINUED

2.13 LEASES – CONTINUED

(a) As lessee- continued

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. MATERIAL ACCOUNTING POLICY INFORMATION – CONTINUED

2.13 LEASES – CONTINUED

(a) As lessee- continued

Short-term leases and leases of low-value assets

The Company applies the s hort- 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 s hort- term leases and leases of low value assets are recognised as expense ona straight-line basis over the lease term.

2.14 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.

2.15 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 ona 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. MATERIAL ACCOUNTING POLICY INFORMATION - CONTINUED

2.16 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)
Computer and office equipment	3-4

Fully depreciated assets still in use are retained in the financial statements.

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.

2.17 IMPAIRMENT OF 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 anestimate 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.

2. MATERIAL ACCOUNTING POLICY INFORMATION - CONTINUED

2.17 IMPAIRMENT OF FINANCIAL ASSETS - CONTINUED

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.

2.18 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 recognized 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.

2.19 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. MATERIAL ACCOUNTING POLICY INFORMATION - CONTINUED

2.20 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.

2.21 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 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);

2. MATERIAL ACCOUNTING POLICY INFORMATION - CONTINUED

2.21 RELATED PARTIES - CONTINUED

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.

2.22 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.

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.

2. MATERIAL ACCOUNTING POLICY INFORMATION - CONTINUED

2.22 TAXES - CONTINUED

(c) Goods and Service Tax

Revenues, expenses and assets are recognised net of the amount of sales tax 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.

2.23 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.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES - CONTINUED

3.1 Judgements 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.

(a) Useful lives of plant and equipment

The useful lives of an item of plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Company's plant and equipment as at 31 March 2024 were S$13,779 (2023: S$22,555).

(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 may 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 exists, the recoverable amount (i.e. higher of the fair value less cost to sell and value in use) of these assets is estimated to determine 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.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES - CONTINUED

3.2 Key sources of estimation uncertainty - continued

(b) Impairment of plant and equipment - continued

As at 31 March 2024, no allowance for impairment loss of the plant and equipment was made for the financial year ended 31 March 2024 as the recoverable amount was in excess of the carrying amount.

(c) 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 17(a).

The carrying amount of the Company's trade receivables as at 31 March 2024 was S$1,083,553 (2023:S$892,882) respectively.

(d) Impairment of investments in subsidiaries

At the end of the financial year, an assessment is made on whether there is indication that the investment in a subsidiary 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 2024 was S$2,933,000 (2023: S$2,933,000).

4. INVESTMENT IN SUBSIDIARIES

	2024 S$	2023 S$
Unquoted equity shares, at cost	2,933,000	2,933,000
Less: Allowance for impairment loss	-	-
	2,933,000	2,933,000

	2024 S$	2023 S$
The movement in allowance for impairment loss:		
At 1 April	-	-
Provision for impairment loss	-	-
At 31 March	-	-

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
		2024 %	2023 %	2024 S$	2023 S$	
Monster HK Limited (1)	Hong Kong	100	100	433,000	433,000	Various recruitment services
Agensi Perkerjaan Monster Malaysia Sdn. Bhd.(2)	Malaysia	49	49	2,500,000	2,500,000	Online recruitment solutions and employment placement
				2,933,000	2,933,000	

(1) Audited by H.F.Leung & Co. Certified Public Accountants
(2) Audited by HALS & Associates Chartered Accountants

5. PLANT AND EQUIPMENT

	Computers and office equipment S$	Total S$
Cost		
At 1 April 2022	8,569	8,569
Additions	26,330	26,330
At 31 March 2023	34,899	34,899
Additions	-	-
At 31 March 2024	34,899	34,899
Accumulated depreciation		
At 1 April 2022	8,569	8,569
Depreciation	3,775	3,775
At 31 March 2023	12,344	12,344
Depreciation	8,776	8,776
At 31 March 2024	21,120	21,120
Carrying amount		
At 31March 2023	22,555	22,555
At 31 March 2024	13,779	13,779

6. INTANGIBLE ASSETS

	Software S$	Domain S$	Total S$
Cost			
At 1 April 2022	245,991	-	245,991
Additions	-	7,051	7,051
At 31 March 2023	245,991	7,051	253,042
Additions	17,110	-	17,110
At 31 March 2024	263,101	7,051	270,152
Accumulated depreciation			
At 1 April 2022	20,555	-	20,555
Depreciation	40,998	492	41,490
At 31 March 2023	61,553	492	62,045
Depreciation	40,975	1,410	42,385
At 31 March 2024	102,528	1,902	104,430
Carrying amount			
At 31 March 2023	184,438	6,559	190,997
At 31 March 2024	160,573	5,149	165,722

7. TRADE AND OTHER RECEIVABLES

	2024 S$	2023 S$
Trade receivables		
- Third parties	1,083,602	892,931
- Less: Allowance for expected credit loss	(49)	(49)
	1,083,553	892,882
Related parties	178,528	94,915
	1,262,081	987,797
Other receivables	-	5,460
Deposits	18,406	18,406
Prepayments	27,054	11,190
Deferred commission	66,733	47,563
	1,374,274	1,070,416

Trade receivables are non-interest bearing, unsecured and are generally on 30 to 120 (2023: 30 to 120) days' term. They are recognized at their original invoice amounts which represents their fair value on initial recognition.

Amount due from related parties are trade in nature, unsecured, interest-free and recoverable on demand.

Commission expenses incurred and relating to future periods are carried forward to future periods as deferred commission.

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:

	2024 S$	2023 S$
At 1 April	49	1,711
(Reversal)/provision for expected credit losses	-	(1,662)
At 31 March	49	49

8. CASH AND CASH EQUIVALENTS

	2024 S$	2023 S$
Cash at bank	768,148	628,710

The carrying amounts of cash and cash equivalents approximate their fair values.

9. SHARE CAPITAL

	2024		2023	
	No. of shares	S$	No. of shares	S$
Issued and fully paid ordinary shares				
At 1 April and 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

	2024 S$	2023 S$
Trade receivables		
- Third parties	29,110	123,566
- Related parties	1,824,891	1,527,629
	1,854,001	1,651,195
Contract liabilities	2,251,408	1,880,834
Other payables	58,831	-
Accrued operating expenses	313,155	288,331
GST payables	95,075	42,537
	4,572,470	3,862,897

Trade payables are unsecured, non-interest bearing and are normally settled on 30 (2023: 30) days' term.

Amounts due to related parties are trade in nature, unsecured, non-interest bearing and are repayable on demand.

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company performs the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer.

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

	2024 S$	2023 S$
Service income	2,461,780	3,319,183

The Company's revenue is recognised at a point in time.

12. OTHER INCOME

	2024 S$	2023 S$
Foreign exchange gain, net	13,918	362,525
Fixed deposits Interest income	-	6,145
	13,918	368,670

13. EMPLOYEE BENEFITS

	2024 S$	2023 S$
Compensation of key management personnel		
- Defined contribution plan (Note 16)	16,256	12,240
- Salaries and other short-term benefits (Note 16)	383,871	271,598
- Commission (Note 16)	40,404	59,014
Staff salaries and other related costs		
- Defined contribution plan	69,550	72,599
- Salaries and bonus	1,004,042	1,456,128
- Commission	10,813	92,480
- Staff welfare	12,208	22,231
	1,537,144	1,986,290

14. LOSS BEFORE INCOME TAX

	2024 S$	2023 S$
Loss before income tax has been arrived at after charging/(crediting) :		
Amortisation of intangible assets (Note 6)	42,385	41,490
Reversal of allowance for expected credit loss	-)	(1,662)
Advertisement and marketing costs	734,535	1,082,748
Consultancy fees (Note 7)	-	1,252,666
Depreciation of plant and equipment (Note 5)	8,776	3,775
Professional fees	90,114	202,976
Employee benefits (Note 13)	1,537,144	1,986,290
Rent expense	95,930	39,560

15. INCOME TAX BENEFIT

The major components of income tax benefit recognised in loss for the financial years ended 31 March 2024 and 31 March 2023 were:

	2024 S$	2023 S$
Income tax		
- Over provision in respect of prior years	-	(2,029)
Income tax benefit recognised in profit or loss	-	(2,029)

Relationship between tax benefit and accounting loss

A reconciliation between tax benefit and the product of accounting loss multiplied by the applicable corporate tax rate for the financial year ended 31 March 2024 and 31 March 2023 were as follows

	2024 S$	2023 S$
Loss before income tax	(300,329)	(1,851,792)
Income tax using the statutory tax rate of 17% (2023: 17%)	(51,056)	(314,805)
Adjustments:		
Non-deductible expenses	7,695	7,695
Non-taxable income	(2,366)	(62,956)
Deferred tax assets not recognised	49,021	375,921
Over provision in respect of prior years	-	(2,209)
Others	(3,294)	(3,646)
	-	-

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$1,302,125 (2022: S$1,039,039) 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. 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:

	2024 S$	2023 S$
Sales transferred from subsidiaries	515,669	885,265
Subcontractor charges by subsidiaries	205,036	1,252,666
Sales to subsidiary	55,048	28,414
Consultancy fee charged by subsidiary	-	859,374
Collection on behalf for subsidiaries	10,523	10,523

	2024 S$	2023 S$
Compensation of key management personnel		
- Defined contribution plan (Note 13)	16,256	12,240
- Salaries and other short-term benefits (Note 13)	383,871	271,598
- Commission (Note 13)	40,404	59,014

17. 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.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

(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.

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.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

(a) Credit risk - continued

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 OBJECTIVES AND POLICIES - 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 2024						
Trade receivables [(i)]	7	I	Lifetime ECL (simplified)	1,262,130	(49)	1,262,081
Other receivables	7	I	12-month ECL	18,406	-	18,406
				1,280,536	(49)	1,280,487
31 March 2023						
Trade receivables [(i)]	7	I	Lifetime ECL (simplified)	987,846	(49)	987,797
Other receivables	7	I	12-month ECL	23,866	-	23,866
				1,011,712	(49)	1,011,663

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. However, there is no material impact on the Company trade receivables.

The Company's credit risk exposure in related to trade receivables from third parties customers as at 31 March 2024 and 31 March 2023 are set out in the provision matrix as follows:

2024

	Current	1 to 30 days	31 to 60 days	61 to 90 days	More than 90 days	Total receivables
ECL rate	0%	0%	0%	3%	0%	
Estimated total gross carrying amount at default	1,102,057	57,437	87,646	14,990	-	1,262,130
ECL	-	-	-	(49)	-	(49)
	1,102,057	57,437	87,646	14,941	-	1,262,081

2023

	Current	1 to 30 days	31 to 60 days	61 to 90 days	More than 90 days	Total receivables
ECL rate	0%	0%	0%	4%	0%	
Estimated total gross carrying amount at default	94,915	789,151	91,284	12,496	-	987,846
ECL	-	-	-	(49)	-	(49)
	94,915	789,151	91,284	12,447	-	987,797

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

(a) Credit risk - continued

There is no material credit loss allowance for financial assets at amortised cost as at 31 March 2024 and 31 March 2023.

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.

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.

(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.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES - CONTINUED

(b) Liquidity risk - continued

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.

	2024		
	Carrying amount S$	Contractual cash flows S$	One year or less S$
Financial assets			
Trade and other receivables [a]	1,280,487	1,280,487	1,280,487
Cash and cash equivalents	768,148	768,148	768,148
Total undiscounted financial assets	2,048,635	2,048,635	2,048,635
Financial liabilities			
Trade and other payables [b]	2,225,987	2,225,987	2,225,987
Total undiscounted financial liabilities	2,225,987	2,225,987	2,225,987
Total net undiscounted Financial liabilities	(177,352)	(177,352)	(177,352)

	2023		
	Carrying amount S$	Contractual cash flows S$	One year or less S$
Financial assets			
Trade and other receivables [a]	1,011,663	1,011,663	1,011,663
Cash and cash equivalents	628,710	628,710	628,710
Total undiscounted financial assets	1,640,373	1,640,373	1,640,373
Financial liabilities			
Trade and other payables [b]	2,225,987	2,225,987	2,225,987
Total undiscounted financial liabilities	2,225,987	2,225,987	2,225,987
Total net undiscounted financial liabilities	(585,614)	(585,614)	(585,614)

[a] This amount excludes prepayment and deferred commission
[b] This amount excludes GST payables and contract liabilities

17. 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.

(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), Indian Rupee (INR), Hong Kong Dollar (HKD) and Malaysia Ringgit (MYR).

The Company's currency exposures to the USD, INR, HKD and MYR at the reporting date were as follows:

	2024			
	USD S$	INR S$	HKD S$	MYR S$
Financial assets				
Trade and other receivables	-	-	123,272	-
Cash and cash equivalents	54,130	-	-	-
	54,130	-	123,272	-
Financial liabilities				
Other payables	-	-	317,647	1,507,243
	-	-	317,647	1,507,243
Foreign currency exposure	54,130	-	(194,375)	(1,507,243)

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES – CONTINUED

c) Market risk - continued

(ii) Foreign currency risk - continued

	2023			
	USD S$	INR S$	HKD S$	MYR S$
Financial assets				
Trade and other receivables	-	-	94,915	-
Cash and cash equivalents	8,976	-	-	-
	8,976	-	94,915	-
Financial liabilities				
Trade and other payables	55,846	3,225	332,045	1,195,584
	55,846	3,225	332,045	1,195,584
Foreign currency exposure	(46,870)	(3,225)	(237,130)	(1,195,584)

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.

	Loss after income tax	
	2024 S$	2023 S$
United States Dollar	4,493	(3,890)
Indian Rupee	-	(268)
Hong Kong Dollar	(16,133)	(19,682)
Malaysia Ringgit	(125,101)	(99,233)

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.

18. 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.

19. 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:

	2024 S$	2023 S$
Financial assets measured at amortised cost		
Trade and other receivables (Note 7) [(a)]	1,280,487	1,006,203
Cash and cash equivalents (Note 8)	768,148	634,170
Total financial assets measured at amortised cost	2,048,635	1,640,373
Financial liabilities measured at amortised cost		
Trade and other payables (Note 10) [(b)]	2,167,157	1,939,526
Total financial liabilities measured at amortised cost	2,167,157	1,939,526

[(a)] This amount excludes prepayment and deferred commission
[(b)] This amount excludes GST payables 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 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 2024 and 31 March 2023.

21. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2024 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on the date of the Directors' Statement.

MONSTER.COM.SG PTE LIMITED
(Company Reg. No.: 200004227N)

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

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 2024

Appendix A

	2024 S$	2023 S$
Revenue		
Service income	2,461,780	3,319,183
Other income		
Fixed deposit interest income	-	6,145
Foreign exchange gain	13,918	362,525
	13,918	368,670
Less:		
Sub-contractor charges	205,036	888,221
Employee benefits (Appendix B)	1,537,144	1,986,290
Selling and distribution costs (Appendix B)	734,535	1,082,942
Administrative expenses (Appendix B)	299,312	1,582,192
	(2,776,027)	(5,539,645)
Loss before income tax	(300,329)	(1,851,792)

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 2024

Appendix B

	2024 S$	2023 S$
Employee benefits		
Other key management personnel:		
Defined contribution plan	16,256	13,738
Salaries and other short term benefits	383,871	271,598
Commission	40,404	59,014
Staffs' salaries and other related costs:		
Defined contribution plan	69,550	71,101
Salaries and bonus	1,004,042	1,456,128
Commission	10,813	92,480
Staffs' welfare	12,208	22,231
	(1,537,144)	(1,986,290)
Selling and distribution costs		
Advertisements and marketing costs	734,535	1,082,748
Entertainment	-	194
	(734,535)	(1,082,942)
Administrative expenses		
Amortisation of intangible assets	42,385	41,490
Bank charges	26,473	27,907
Communication expenses	3,978	6,306
Consultancy fee	-	1,252,666
Depreciation of plant and equipment	8,776	3,775
(Reversal)/allowance for expected credit loss on trade receivables	-	(1,662)
Internet expenses	-	38
Miscellaneous expenses	719	5,246
Other office expenses	8,054	2,376
Printing and stationery	791	1,286
Professional fees	90,114	202,976
Rent expenses	95,930	39,560
Repair and maintenance	-	190
Insurances	22,092	238
Utilities	-	(200)
	(299,312)	(1,582,192)

MONSTER.COM.HK LIMITED

REPORTS AND FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2024

H.F. LEUNG & CO.

CERTIFIED PUBLIC ACCOUNTANTS

MONSTER.COM.HK LIMITED

REPORTS AND FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2024

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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 2024.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of online recruitment website, "www.foundit.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 2024 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
Garisa Chandra Sekhar Reddy

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 2024, 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, 23rd April 2024

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 2024, 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 2024, 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 2024, the Company had net current liabilities of HK$2,085,683. (2023: HK$1,693,450.) and capital deficiency of HK$2,085,683. (2023: HK$1,693,450.). 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.

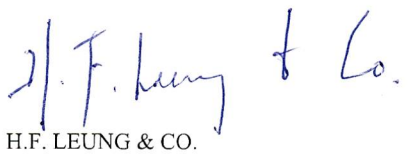
Auditor's Responsibilities for the Audit of the Financial Statements

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 : 23rd April 2024

MONSTER.COM.HK LIMITED
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31ST MARCH 2024

	Note	2024 HK$	2023 HK$
Revenue	4	379,124	551,262
Less: Staff Costs	6	(556,990)	(550,898)
Less: Operating Lease Payments		(2,100)	(2,100)
Less: Administrative expenses		(212,267)	(440,711)
Profit/(Loss) before taxation	7	(392,233)	-442,447
Taxation	8	-	-
Profit/(Loss) for the year		(392,233)	-442,447

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 2024

	Note	2024 HK$	2023 HK$
Current assets			
Amout due from related Companies	9	-	22,514
Trade & Other receivables	10	10,000	2,000
Deposits and Prepayments	10	32,713	42,929
Pre-Paid Taxation		-	26,408
Cash and cash equivalents		454,659	423,271
		497,372	517,122
Current liabilities			
Accounts payable and accurals		203,307	160,058
Amout due to related Companies	9	2,046,349	1,882,536
Deferred Revenue	11	333,399	167,978
		2,583,055	2,210,572
Net current liabilities		(2,085,683)	(1,693,450)
NET LIABILITIES		(2,085,683)	(1,693,450)
CAPITAL AND RESERVES			
Share capital	13	38,700,002	38,700,002
Retained profits		(40,785,685)	(40,393,452)
TOTAL EQUITY		(2,085,683)	(1,693,450)

Approved on behalf of the Board by : 23rd April 2024

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 2024

	Share capital	Accumulated Loss	Total
	HK$	HK$	HK$
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)
Loss for the year	-	(392,233)	-392,233
BALANCE AT 31ST MARCH 2024	38,700,002	(40,785,685)	(2,085,683)

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 2024

	2024 HK$	2023 HK$
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	(392,233)	(442,447)
Changes in working capital:		
Increase/Decrease in trade receivables	(8,000)	1,234,837
Increase/Decrease in deposits and prepayments	10,216	(40,570)
Increase /Decrease in amount due from a related Companies	22,514	(22,514)
Increase /Decrease in accounts payables and accurals	43,249	(93,602)
Increase/Decrease in Deferred revenue	165,421	(47,079)
Increase /Decrease in amount due to a related Companies	163,813	(760,811)
CASH GENERATED FROM OPERATIONS	4,980	(172,186)
Income Tax (Paid)/Refunded	26,408	(40,703)
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	31,388	(212,889)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	31,388	(212,889)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	423,271	636,160
CASH AND CASH EQUIVALENTS CARRIED FORWARD	454,659	423,271
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	454,659	423,271

MONSTER.COM.HK LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2024

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.foundit.hk", which offers various recruitment services, including placement of job postings, access to resume database and other career related contents.

As at 31st March 2024, 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 2024 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:

	2024	2023
	HK$	HK$
Revenue	419,654	883,287
Exchange difference	33,508	122,841
	453,162	1,006,128

5. DIRECTORS' EMOLUMENTS

The directors did not receive any fees or emoluments in respect of their to the Company during the year (2023 : Nil)

6. STAFF COSTS

Employee costs (including directors) comprise:

	2024	2023
	HK$	HK$
Wages and Salaries	534,024	530,604
Staff insurance	4,966	2,294
MPF	18,000	18,000
	556,990	550,898

7. PROFIT BEFORE TAXATION

Profit before taxation is stated after charging the followings:

	2024	2023
	HK$	HK$
Audit Fee	85,000	75,000
Secretarial and taxation service fees	45,000	47,061
Rent	2,100	2,100
Staff costs (Note 6)	556,990	550,898

8. INCOME TAX

No Hong Kong profits tax has been provided for in the financial statements as the Company has no assessable profits for the year.

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.

	2024 HK$	2023 HK$
Monster.com India Pvt Limited	(51,524)	22,514
Monster.com.sg Pte Ltd	(713,902)	(560,308)
Agensi Pekerjaan Monster Malaysia Sdn. Bhd.	(1,280,923)	(1,322,228)

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 2024, 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

	2024 HK$	2023 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 and balances detailed elsewhere in these financial statements, the Company had the following material transactions with related parties during the year:

	2024 HK$	2023 HK$
Sub-Contracting fees Paid to related company	74,038	454,866
Sub- Contracting fees received from related company	21,143	-
Trade Mark fee paid to related company	9,326	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 23rd April 2024

MONSTER.COM.HK LIMITED

DETAILED INCOME STATEMENT

YEAR ENDED 31ST MARCH 2024
(FOR MANAGEMENT INFORMATION ONLY)

	SCHEDULE	2024 HK$	2023 HK$
INCOME		419,654	883,287
DIRECT COST	1	(74,038)	(454,866)
GROSS PROFIT		345,616	428,421
OTHER REVENUE	2	33,508	122,841
		379,124	551,262
ADMINISTRATIVE EXPENSES	3	(771,357)	(993,709)
PROFIT/ (LOSS) BEFORE TAXATION		(392,233)	(442,447)

MONSTER.COM.HK LIMITED

DETAILED INCOME STATEMENT

YEAR ENDED 31ST MARCH 2024

(For management information purposes only)

	2024	2023
SCHEDULE 1	HK$	HK$
DIRECT COST		
Sub-Contracting Cost	74,038	454,866
	74,038	454,866
SCHEDULE 2		
OTHER INCOME		
Exchange difference	33,508	122,841
	33,508	122,841
SCHEDULE 3		
ADMINISTRATIVE AND GENERAL EXPENSES		
Advertising	55,098	280,775
Audit fee	85,000	75,000
Bank charges	5,254	9,805
MPF	18,000	18,000
Postage and courier	220	1,220
Printing and stationery	1,000	1,000
Rent	2,100	2,100
Salaries	534,024	530,604
Staff insurance	4,966	2,294
Stamp duty	-	1,170
Secretarial and taxation service fees	45,000	47,061
Sundry expenses	2,705	3,883
Storage Service Fees	6,562	5,768
Trade mark usage exp	9,326	9,326
Telephone, fax and internet expenses	1,598	5,703
Travelling expenses	504	-
	771,357	993,709

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 2024

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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 2024.

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	(915,850)

DIVIDENDS

The directors did not propose any final dividends for the financial year ended 31st March 2024.

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
Chandra Sekhar Reddy Garisa
Elaine Natalie Fortescue

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 1.4.2023	Bought	Sold	As at 31.3.2024
Elaine Natalie Fortescue	255,000	-	-	255,000

Shares held by Elaine Natalie Fortescue are 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 Singapore, 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	20,400

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 07 MAY 2024

Signed in accordance with a resolution of the directors:



CHANDRA SEKHAR REDDY GARISA

Directors



ELAINE NATALIE FORTESCUE

AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2024

	Note	2024 RM	2023 RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	186,941	247,514
Website domain	8	19,490	24,826
Total non-current assets		206,431	272,340
CURRENT ASSETS			
Trade and other receivables	9	3,592,401	3,325,164
Tax recoverable		590,549	1,672,939
Cash and cash equivalents	10	847,743	688,222
Total current assets		5,030,693	5,686,325
TOTAL ASSETS		5,237,124	5,958,665
EQUITY			
Share capital	11	500,000	500,000
Accumulated losses		(1,262,999)	(347,149)
Total equity		(762,999)	152,851
CURRENT LIABILITIES			
Trade and other payables	12	3,588,206	3,744,292
Deferred revenue	13	2,411,917	2,061,522
Total current liabilities		6,000,123	5,805,814
TOTAL LIABILITIES		6,000,123	5,805,814
TOTAL EQUITY AND LIABILITIES		5,237,124	5,958,665

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 2024

	Note	2024 RM	2023 RM
REVENUE	14	3,526,983	4,424,752
Other operating income		18,610	-
		3,545,593	4,424,752
Less:			
Administrative expenses		(4,461,443)	(7,639,782)
Loss before taxation	15	(915,850)	(3,215,030)
Taxation	16	-	-
Loss for the year		(915,850)	(3,215,030)

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 2024

	Share Capital RM	Accumulated losses RM	Total Equity RM
Balance at 1st April 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
Non-owner changes in equity			
Loss for the year	-	(915,850)	(915,850)
Total comprehensive loss for the year	-	(915,850)	(915,850)
Balance at 31st March 2024	500,000	(1,262,999)	(762,999)

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 2024

	Note	2024 RM	2023 RM
CASH FLOW FROM OPERATING ACTIVITIES			
Loss before taxation		(915,850)	(3,215,030)
Adjustments for:-			
(Recovery)/Allowance from doubtful debts		(10,335)	10,276
Bad debts written off		-	513
Depreciation		65,909	62,195
Unrealised (gain)/loss on foreign currency		(8,275)	137,883
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES		(868,551)	(3,004,163)
(Increase)/Decrease in receivables		(256,902)	112,867
Increase in payables		194,310	2,437,029
CASH USED IN OPERATIONS		(931,143)	(454,267)
Tax refund		1,338,980	-
Tax paid		(256,591)	(291,336)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES		151,246	(745,603)
CASH FLOW FROM INVESTING ACTIVITY			
Purchase of property, plant and equipment		-	(61,703)
NET CASH USED IN INVESTING ACTIVITY		-	(61,703)
Unrealised gain/(loss) in cash and cash equivalents		8,275	(137,883)
Net increase/(decrease) in cash and cash equivalents		151,246	(807,306)
Cash and cash equivalents at beginning of the year		688,222	1,633,411
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	10	847,743	688,222

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 2024

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 D22, D23A & D25, 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..... 07 MAY 2024

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:-

2024 Cost:	At 1st April 2023 RM	Addition RM	At 31st March 2024 RM
Computer	150,961	-	150,961
Computer software	13,349	-	13,349
Office equipment	1,479	-	1,479
Software	290,575	-	290,575
Total	456,364	-	456,364

Accumulated Depreciation:	At 1st April 2023 RM	Charge for the year RM	At 31st March 2024 RM	Carrying amount at 31st March 2024 RM	Carrying amount at 31st March 2023 RM
Computer	121,308	12,169	133,477	17,484	29,653
Computer software	13,349	-	13,349	-	-
Office equipment	1,479	-	1,479	-	-
Software	72,714	48,404	121,118	169,457	217,861
Total	208,850	60,573	269,423	186,941	247,514

8. WEBSITE DOMAIN

	2024 RM	2023 RM
At 1st April	24,826	-
Add : Addition	-	26,683
	24,826	26,683
Less : Depreciation during the year	(5,336)	(1,857)
At 31st March	19,490	24,826

9. TRADE AND OTHER RECEIVABLES

	2024 RM	2023 RM
Current:		
Trade receivables	1,378,519	1,189,958
Other receivables	17,749	26,934
Deposits and prepayments	308,512	274,132
Amount due from related companies	1,887,621	1,844,988
Total at cost	3,592,401	3,336,012
Less:		
Bad debts written off - trade receivables	-	513
Accumulated impairment losses (**) - trade receivables	-	10,335
	3,592,401	3,325,164

** Movement of impairment losses:

	2024 RM	2023 RM
Balance at beginning of the year	10,335	59
(Recovery)/Allowance of doubtful debts	(10,335)	10,276
Balance at end of the year	-	10,335

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

	2024 RM	2023 RM
Cash and bank balances	847,743	688,222

11. SHARE CAPITAL

	2024 RM	2023 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

	2024 RM	2023 RM
Trade payables	369,964	261,120
Other payables and accruals	416,936	798,407
Amount due to penultimate holding company	2,801,306	2,684,765
	3,588,206	3,744,292

Included in other payables is an amount of RM40,189 (2023: RM63,896) that is owing to a director as commission payable.

Amount due to penultimate holding company 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 FROM OPERATIONS

	2024 RM	2023 RM
Loss from operations before taxation is stated after charging/(crediting):-		
Audit fee	20,400	25,800
Employee benefits:-		
- salaries and other benefits	1,715,324	1,718,916
- EPF	116,001	139,832
Unrealised (gain)/loss on foreign exchange	(8,275)	137,883

16. TAXATION

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 before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company is as follows:-

	2024 RM	2023 RM
Loss before taxation	(915,850)	(3,215,030)
Taxation at Malaysian Statutory tax rate at 24%	(219,804)	(771,607)
Expenses not deductible for tax purposes	94,385	104,175
Deferred tax asset not recognised	125,419	667,432
Tax expense for the year	-	-

The Company has unabsorbed losses of approximately RM3,457,000 (2023:RM3,000,000) and unabsorbed capital allowances of approximately RM21,000 (2023:RM14,000) 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 RM2,108,000.

The unabsorbed losses up to YA 2024 will be expire in year of assessment 2034 amount to RM457,000.

Deferred tax assets have not been recognised in respect of the following item:-

	2024 RM	2023 RM
Unabsorbed tax losses	829,680	720,000
Unabsorbed capital allowances	5,040	3,360
Excess of capital allowance over depreciation	(46,181)	(60,318)
	788,539	663,042

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").

2024 Financial assets	Carrying Amount RM	AC RM
Deposits	267,910	267,910
Trade and other receivables	3,283,889	3,283,889
Cash and cash equivalents	847,743	847,743
	4,399,542	4,399,542
Financial liability		
Trade and other payables	3,588,206	3,588,206

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

18. RELATED PARTIES

The significant related parties transactions of the Company are disclosed below:-

	2024 RM	2023 RM
a. Entities controlled by the penultimate holding company		
Monster India		
- Global revenue transfer to	511,368	819,943
- Professional fee	-	1,856,102
- Telecalling service cost	601,466	425,589

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 RM1,262,999 and its current liabilities exceeded its current assets by RM969,430 as at that date. The Company incurred a net loss of RM915,850 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:-

	2024 No.	2023 No.
Directors	3	3
Employees	7	8
	10	11

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 2024 and financial performance of the Company for the financial year ended 31st March 2024 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
07 MAY 2024

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
07 MAY 2024

Before me,

ELAINE NATALIE FORTESCUE

PESURUHJAYA SUMPAH
W737
MUHAMMAD FAIZ DHARMENDRA BIN ABDULLAH
COMMISSIONER FOR OATHS
01 JAN 2024 - 31 DEC 2028
MALAYSIA

No. 30, Tingkat Bawah, Blok B,
Fl. PKNS, Jalan Raja Muda Musa,
50300 Kg. Baru, Kuala Lumur

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 2024 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 2024 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: 07 MAY 2024

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 2024

	2024 RM	2023 RM
REVENUE	3,526,983	4,424,752
Add: OTHER INCOME		
Recovery of doubtful debts	10,335	-
Unrealised gain on foreign exchange	8,275	-
	3,545,593	4,424,752
Less:		
ADMINISTRATIVE EXPENSES (Schedule I)	(4,461,443)	(7,639,782)
LOSS BEFORE TAXATION	(915,850)	(3,215,030)

Schedule I

AGENSI PEKERJAAN MONSTER MALAYSIA SDN. BHD.
(Incorporated in Malaysia)

ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31ST MARCH 2024

	2024 RM	2023 RM
Accounting fee	-	19,899
Allowance for doubtful debts	-	10,276
Audit fee	20,400	25,800
Bank charges	7,328	7,136
Bad debts written off	-	513
Commission	60,518	308,643
Courier and postage	78	1,997
Depreciation	65,909	62,195
EPF and Socso	123,262	147,131
Insurance	38,041	20,496
Merchant bank charges	-	7,316
Miscellaneous expenses	1,149	6,858
Office maintenance	-	660
Office rental	98,105	94,253
Printing and stationery	1,704	2,642
Professional fee	50,117	1,856,102
Promotions and advertisement	1,795,565	2,644,996
Reseller distribution services purchase	511,368	819,943
Salaries, bonus and allowances	1,647,545	1,402,974
Secretarial fee	-	6,887
Service tax	1,021	1,279
Staff refreshment	7,805	-
Stamp and other duties	19,438	5,810
Taxation fee	-	31,505
Telephone and fax	7,992	5,919
Travelling expenses	4,098	10,669
Unrealised loss on foreign exchange	-	137,883
	4,461,443	7,639,782

ALLSECTECH, INC.

FINANCIAL STATEMENTS

MARCH 31, 2024 AND 2023

ALLSECTECH INC

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RAVI VENKATARAMAN, CPA LLC

CERTIFIED PUBLIC ACCOUNTANT
14 COURTSIDE LANE
PRINCETON, NJ 08540

TEL: (609) 452-7770 FAX: (732) 501-3532

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Allsectech, Inc.
Princeton, NJ

Opinion

We have audited the accompanying financial statements of Allsectech, Inc.(a Delaware Corporation), which comprise the balance sheets as of [March 31, 2024 and 2023 , 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, 2024 and 2023, 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 Allsectech Inc.'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
Princeton, New Jersey
April 28, 2024

ALLSECTECH, INC.
BALANCE SHEETS
AS OF MARCH 31

ASSETS	2024	2023
CURRENT ASSETS		
Cash and Cash Equivalents	$ 1,429,213	$ 644,777
Accounts Receivable	3,300,254	1,536,392
Restricted Cash	6,276	6,276
Security Deposit		8,322
Prepaid expenses	237,359	58,249
ROU Asset		32,875
Other Asset	1,957	223,433
Total Current Assets	**4,975,059**	**2,510,324**
PROPERTY AND EQUIPMENT		
Property and Equipment	1,258	-
Accumulated Depreciation	(35)	-
Net Property and Equipment	**1,223**	**-**
Total Assets	**$ 4,976,282**	**$ 2,510,324**
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts Payable	$ 175,889	$ 86,286
Accounts Payable - Affiliate	2,834,939	928,724
Accrued Expenses	1,265,156	869,845
Short Term Lease Liability		32,875
Total Current Liabilities	**4,275,984**	**1,917,730**
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	(1,609,702)	(1,717,406)
Total Stockholders' Equity	**700,298**	**592,594**
Total Liabilities and Equity	**$ 4,976,282**	**$ 2,510,324**

See Independent Auditor's Report and notes to financial statements

ALLSECTECH, INC.
STATEMENTS OF INCOME
FOR THE YEARS ENDED MARCH 31

	2024	2023
Operating Revenues	$ 22,432,139	$ 16,212,272
Cost of Revenues	(21,114,260)	(14,775,789)
Gross Profit	1,317,879	1,436,483
Operating Expenses (Schedule 1)	(1,204,197)	(1,328,534)
Income from operations	113,682	107,949
Interest Income and other income	2	1
Income before provision for income taxes	113,684	107,950
Provision for Income Taxes-State	(5,980)	(9,750)
Net Income/ (Loss)	**$ 107,704**	**$ 98,200**

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	2024	Common Stock	Retained Earnings	2023
Balance at April 1, 2023	$ 2,310,000	$ (1,717,406)	$ 592,594	$ 2,310,000	$ (1,815,606)	$ 494,394
Capital Contributions during the year						
Prior Period Adjustment		-	-		-	-
Balance at March 31, 2023	**2,310,000**	**(1,717,406)**	**592,594**	**2,310,000**	**(1,815,606)**	**494,394**
Capital Contributions during the year						
Earnings/(Loss)-FY2024		107,704	107,704		98,200	98,200
Prior year adjustment	-	-	-	-	-	-
Balance at March 31, 2024	**$ 2,310,000**	**$ (1,609,702)**	**$ 700,298**	**$ 2,310,000**	**$ (1,717,406)**	**$ 592,594**

See Independent Auditor's Report and notes to financial statements

ALLSECTECH, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	$ 107,704	$ 98,200
Depreciation	35	2,343
Adjustments to reconcile Net Income to net cash provided by operating activities:		
Restricted Cash	-	-
Accounts Receivable	(1,763,862)	(191,577)
Prepaid Expenses	(179,110)	26,172
Security Deposit-Rental	8,322	6,060
Other Asset	221,476	(148,312)
Accounts Payable	89,603	71,744
Accounts Payable-Affiliate	1,906,215	(368,303)
Accrued Expenses	395,311	664,270
Other Payable	-	-
Net Cash provided by Operating Activities	785,694	160,597
CASH FLOW FROM FINANCING ACTIVITIES		
Addition to Property and Equipment	(1,258)	(807)
Loan from parent	-	-
Net Cash used by Financing Activities	(1,258)	(807)
Net Cash increase for the Year	784,436	159,790
Cash And Cash Equivalents At Beginning Of Year	644,777	484,987
Cash And Cash Equivalents At End Of Year	**$ 1,429,213**	**$ 644,777**
Supplemental disclosure of cash flow information		
Cash paid during the years		
Interest	$ -	$ -
Income taxes	$ 5,980	$ 9,750

See Independent Auditor's Report and notes to financial statements

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.

It may be noted that the Conneqt Business Solutions Limited ("Conneqt"), a subsidiary of Quess Corp Limited, had entered into share purchase agreement dated April 17, 2029 with Mr. Jagadish R, Mr. Saravanan A and First Carlyle Ventures Mauritius to acquire 11,182,912 equity shares, representing 73.39% of the voting share capital of Allsec Technologies Limited and the effective date of acquisition of shares by Conneqt was June 3, 2019. Now, consequent to an order passed by Hon'ble National Company Law Tribunal (NCLT) approving the Scheme of Amalgamation involving Conneqt Business Solutions Limited, with the Quess Corp Limited and implementation of this Scheme of Amalgamation with effect from November 30, 2023, shareholding of 11,182,912 equity shares (73.39%) shall stand transmitted from "Conneqt" to "Quess Corp Limited" as a consequence of Amalgamation of entities. Accordingly, with effect from November 30, 2023, these 11,182,912 equity shares of the Company are held by Quess Corp Limited, which is our holding Company.

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 and Retreat Capital Management Inc, a California registered company having its facilities in Irving TX, USA 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.

See Independent Auditor's Report

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.

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, 2024.

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.

See Independent Auditor's Report

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.

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, 2024 and 2023, there were $6,276 and $6,276 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.

See Independent Auditor's Report

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.

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	**2024**	**2023**
Computers & Accessories	$ 1,258	$ 2,343
Furniture & Fixtures	-	-
Vehicles	-	-
Software Licenses	-	-
Network Equipments	-	-
Original Cost	**1,258**	**2,343**
Less: Accumulated Depreciation	**(35)**	**(2,343)**
Net Property & Equipment	$1,223	$0

The useful lives of property and equipment for the purpose of computing depreciation are three to seven years. Depreciation expense amounted to $ 35 and $ 2,343 for the years ended March 31, 2024 and 2023 respectively.

See Independent Auditor's Report

Note 4. Income Taxes

For the year ended March 31, 2024 the company has created an adhoc provision of $0 towards tax purpose.

Note 5. Going Concern

The Company has reported a profit of $ 1,07,704 and Profit of $ 98,200 for the years ended March 31, 2024 and 2023 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, 2024 consists of the following:

Prepaid Licenses and Permits	$ 11,868
Prepaid Rent	253
Prepaid Insurance	2,310
Other Travel Expenses	1,48,463
Other Prepaid Expenses	74,465
Total Prepaid Expenses	$ 2,37,359

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, 2024 and 2023, rent expense amounted to $ 67,716 and $175,746 respectively.

The Company recognizes and measures its leases in accordance with FASB ASC 842, Leases. The Company recognizes a lease liability and a right of use (ROU) asset at the commence date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments.

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 28, 2024. 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 2024, 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.

See Independent Auditor's Report

Schedule 1

ALLSECTECH, INC.
SCHEDULE OF OPERATING EXPENSES
FOR YEARS ENDED MARCH 31

Operating expenses	2024	2023
Automobile Expense		$ -
Bank Service Charges	626	4,965
Business Promotion Exp		121,158
Connectivity Charges	3,100	6,116
Depreciation Expense		2,343
Provision for Bad Debts	221,348	-
Security Charges	24,136	44,358
Insurance	27,134	41,492
Licenses and Permits	36,944	46,094
Office Supplies & Expense	1,378	3,924
Payroll Processing Fees		697
Professional Fees	606,211	708,429
Rent	67,716	175,746
Utilities	1,500	7,879
Repairs & Maintenance	55,583	72,130
Telephone	2,687	1,845
Recruitment Fee	14,789	58,000
Travel & Ent	141,045	33,358
Total	**$ 1,204,197**	**$ 1,328,534**

See Independent Auditor's Report and notes to financial statements

REGULATION 33 FORMAT

Allsectech Manila, Inc.
3F Market! Market! Bonifacio Global City Taguig City
March 31, 2024

S.No.	Particulars	Quarter ended 31 March 2024 Reviewed	Quarter ended 31 December 2023 Reviewed	Quarter ended 31 March 2023 Reviewed	Year ended 31 March 2024 Audited	Year ended 31 March 2023 Audited
1	Revenue From Services Rendered	269,044,057	230,493,821	175,813,496	900,487,784	652,580,592
2	Other Income	1,115,806	(2,275,276)	(6,853,470)	11,716,484	21,936,032
3	**Total income (1+2)**	270,159,863	228,218,545	168,960,026	912,204,268	674,516,624
4	Expenses:					
	Connectivity cost	3,041,906	3,000,082	1,847,847	10,448,294	7,519,296
	Employee benefits expense	152,397,405	125,851,264	81,991,280	478,064,451	306,757,264
	Finance costs	2,488,628	2,019,361	860,670	6,022,564	3,986,209
	Depreciation and amortization expense	20,891,763	19,315,830	9,724,677	62,822,674	38,565,194
	Other expenses	23,376,366	23,238,762	22,372,361	88,419,835	75,744,849
	Total expenses (4)	202,196,068	173,425,298	116,796,836	645,777,818	432,572,812
5	Profit/(loss) before exceptional items and tax (3-4)	67,963,796	54,793,246	52,163,190	266,426,450	241,943,812
6	Exceptional Items	-	-	-	-	-
7	Profit/(loss) before tax (5-6)	67,963,796	54,793,246	52,163,190	266,426,450	241,943,812
8	Tax expense: -Current tax -Deferred tax	8,568,684	7,654,520	6,886,253	31,433,026	27,956,129
9	Profit (Loss) for the period from continuing operations (7-8)	59,395,112	47,138,727	45,276,937	234,993,424	213,987,683
10	Profit/(loss) from discontinued operations					
11	Tax expense of discontinued operations					
12	Profit/(loss) from Discontinued operations after tax (10-11)	-	-	-		
13	Profit/(loss) for the period (9+12)	59,395,112	47,138,727	45,276,937	234,993,424	213,987,683
14	Other Comprehensive Income A (i) Items that will not be reclassified to profit or loss (ii) Income tax relating to items that will not be reclassified to profit or loss B (i) Items that will be reclassified to profit or loss (ii) Income tax relating to items that will be reclassified to profit or loss	(1,042,777)	-	291,895	(1,815,546)	1,265,766
15	Total Comprehensive Income for the period (13+14)(Comprising Profit (Loss) and Other Comprehensive Income for the period)	58,352,335	47,138,727	45,568,832	233,177,878	215,253,449
16	Earnings per equity share (for continuing operations) (1) Basic (2) Diluted	72 72	58 58	56 56	287 287	265 265
17	Earnings per equity share (for dis-continued operations) (1) Basic (2) Diluted	- -	- -	- -	- -	- -
18	Earnings per equity share (for dis-continued and continuing operations) (1) Basic (2) Diluted	72 72	58 58	56 56	287 287	265 265

SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date: 4th May 2024

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, 2024	As at March 31, 2023
Equity and liabilities			
Shareholders' funds			
Share capital	1	81,250,000	81,250,000
Reserves and surplus	2	257,615,382	296,503,448
		338,865,382	**377,753,448**
Non-current liabilities			
Lease Liability	3	93,406,436	23,964,760
Retirement Liability	3	12,770,062	8,884,435
		106,176,498	**32,849,195**
Current liabilities			
Sundry creditors - others	4	27,548,328	10,073,745
Sundry creditors - non Trade	4	568,446	385,548
Accrued salaries and benefits	4	7,983,857	4,496,894
Lease liability	4	47,609,893	27,724,780
Provision for taxation	4	8,568,580	12,269,506
Forward Contract Liabilities - net	4	-	-
Other liabilities	4	10,050,119	6,197,929
		102,329,223	**61,148,401**
Total		**547,371,103**	**471,751,044**
Assets			
Non-current assets			
Fixed assets	5	215,348,858	60,446,251
Other non-current assets	6	16,863,560	9,192,096
		232,212,418	**69,638,347**
Current assets			
Cash and bank balances	8	93,352,641	300,430,499
Trade receivables	7	212,948,440	94,013,694
Short-term loans and advances	9	962,114	480,369
Prepayments and other current assets	10	7,895,490	5,548,389
Forward Contract Assets - net	11	-	1,639,746
		315,158,685	**402,112,697**
Total		**547,371,103**	**471,751,044**

As per our Report of even date

For Allsectech Manila Inc.

SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date: 4th May 2024

Navarro Amper & Co.
For Identification Only
Deloitte

Allsectech Manila Inc.
Schedules to the Financial Statements
(Amounts in PHP)

		As at March 31, 2024	As at March 31, 2023
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	296,503,448	288,743,332
	Profit for the period	234,993,424	213,987,683
	Dividends	(272,065,944)	(207,493,333)
	Remeasurement gain on retirement liability - OCI	(1,815,546)	1,265,766
	Net reserves and surplus in the statement of profit and loss	**257,615,382**	**296,503,448**
3	**Other Long-Term Liabilities**		
	Lease Liability	93,406,436	23,964,760
	Retirement liability	12,770,062	8,884,435
		106,176,498	**32,849,195**
4	**Current liabilities**		
	Sundry creditors - non trade	568,446	385,548
	Sundry creditors - others	27,548,328	10,073,745
	Accrued salaries and benefits	7,983,857	4,496,894
	Lease liability	47,609,893	27,724,780
	Provision for taxation	8,568,580	12,269,506
	Other liabilities	10,050,119	6,197,929
		102,329,223	**61,148,401**
5	**Fixed Assets**		
	Property and equipment	263,006,664	181,901,326
	Right-of-use asset	212,949,814	49,459,279
	Intangible asset	11,608,148	5,122,491
	Accumulated depreciation	(272,215,768)	(176,036,845)
		215,348,858	**60,446,251**
6	**Other Non-current Assets**		
	Other financial assets - non current	16,863,560	9,192,096

Navarro Amper & Co.
For Identification Only
Deloitte

Allsectech Manila Inc.
Schedules to the Financial Statements
(Amounts in PHP)

	As at March 31, 2024	As at March 31, 2023
7 Current trade receivable (unsecured)		
Considered good	217,351,678	94,163,031
Allowance for expected credit losses	(4,403,238)	(149,337)
	212,948,440	**94,013,694**
8 Cash and bank balances		
Cash on hand	35,000	30,000
Balance with banks		
- in current accounts	93,317,641	300,400,499
	93,352,641	**300,430,499**
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	889,221	401,654
Loan to subsidiary	72,893	78,714
	962,114	**480,369**
10 Prepayments and other current assets		
Prepayments and other current assets	7,895,490	5,548,389
	7,895,490	**5,548,389**
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: 4th May 2024

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, 2024	For the year ended March 31, 2023
Income			
Revenue from operations(net)		900,487,784	652,580,592
Other income - net	12	11,716,484	21,936,032
Total revenue (I)		**912,204,268**	**674,516,624**
Expenses			
Employee cost and benefits	13	478,064,451	306,757,264
Other expenses	14	98,868,129	83,264,145
Total (II)		**576,932,580**	**390,021,409**
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		**335,271,688**	**284,495,215**
Finance costs	15	6,022,564	3,986,209
Depreciation and amortization expense		62,822,674	38,565,194
Profit before tax		**266,426,450**	**241,943,812**
Provision for taxation			
Current tax		31,433,026	27,956,129
Profit for the quarter		**234,993,424**	**213,987,683**
Item that will not be Reclassified Subsequently to Profit or Loss			
Remeasurement gain(loss) on defined benefit obligation	2	(1,815,546)	1,265,766
Total Comprehensive Income		**233,177,878**	**215,253,449**

As per our Report of even date

For Allsectech Manila Inc.

SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date: 4th May 2024

Navarro Amper & Co.
For Identification Only
Deloitte

Allsectech Manila Inc.
Schedules to the Financial Statements
(Amounts in PHP)

	For the year ended March 31, 2024	For the year ended March 31, 2023
12 Other Income - net		
Interest	962,205	635,463
Others	10,754,279	21,300,569
	11,716,484	**21,936,032**
13 Employee costs and benefits		
Salaries, wages and allowances	441,898,010	291,878,948
Recruitment and training	15,407,218	3,951,924
Staff welfare	20,759,223	10,926,392
	478,064,451	**306,757,264**
14 Other expenses		
Management and professional fee	-	917,874
Rent and amenities	15,277,251	7,930,975
Electricity	22,846,090	14,045,636
Professional and consultancy charges	2,600,659	5,336,647
Travel and conveyance	22,505,480	32,833,311
Telephone	10,448,294	7,519,296
Repairs and maintenance		
- Plant and machinery	3,041,520	2,571,566
- Others	8,495,217	5,216,475
Rates and taxes	5,360,215	2,839,919
Miscellaneous expenses	3,048,080	2,158,468
Other selling expenses	4,745,675	1,534,509
Insurance	499,648	359,469
	98,868,129	**83,264,145**
15 Finance costs		
Bank charges	90,949	68,746
Interest - others	5,931,615	3,917,463
	6,022,564	**3,986,209**

SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date: 4th May 2024

Navarro Amper & Co.
For Identification Only
Deloitte

Allsectech Manila, Inc.
Trial Balance
As at March 31, 2024 and 2023
(Amounts in PHP)

G/L Account	Particulars	Unadjusted	AJE	March 31, 2024	March 31, 2023
10000100	Furniture	17,864,667		17,864,667	-
10000110	Dep Cum. - Furniture	(14,155,173)		(14,155,173)	-
10000200	Office Equipments	18,269,570		18,269,570	19,669,101
10000210	Dep Cum. - Office Equipment	(6,411,316)		(6,411,316)	(18,329,438)
10000400	Leasehold Improvement	60,518,953		60,518,953	44,368,953
10000410	Dep Cum. - Leasehold Improvement	(44,783,339)		(44,783,339)	(44,266,453)
10000500	Computers	166,353,475		166,353,475	117,863,272
10000510	Dep Cum. - Computers	(123,280,768)		(123,280,768)	(110,700,916)
10001100	Computers Software	11,608,148		11,608,148	5,122,491
10001110	Dep Cum. - Software	(4,853,397)		(4,853,397)	(2,740,038)
10002000	Leasehold Improvement WIP	-		-	-
10002300	GB-ROU-Building-leases	160,481,793	52,468,021	212,949,814	49,459,279
10002302	AD-ROU-Building	(26,263,755)	(52,468,021)	(78,731,776)	-
10002400	Auc - Office Equipment	-		-	-
10002600	Auc- Computer equipmemnt	-		-	-
10002900	Auc-Furniture & Fixtures	-		-	-
10014300	Adv - Sundry Vendors	-		-	-
10014401	Advance - Imprest Account			-	-
10014707	Advance - Other	(47,905)		(47,905)	-
10014479	Other Advances	1,010,019		1,010,019	480,369
10014477	Other Security Deposit	16,863,560		16,863,560	9,192,096
10014477-1	Other Security Deposit	703,781		703,781	109,499
10014485	Forcign Currency Receivable	-		-	45,216,000
10014486	Premium on Forward Contract A/c	-		-	(33,054)
10014500	Prepaid Expenses Rent	2,168,154		2,168,154	364,205
10014508	Prepaid Expenses Insurance Others	118,461		118,461	153,030
10014503	Prepaid Expenses Other	4,905,094		4,905,094	4,921,655
10015005	Trade Drs Accrued	-		-	-
10015000	Provision for Unbilled Revenue | BS	62,864,702		62,864,702	18,354,434
10035142	Provision for Doubtful debts	(4,403,238)		(4,403,238)	(149,337)
10035230	Trade Receivables	171,624,048	(17,137,072)	154,486,976	75,808,597
10047000	Petty Cash	35,000		35,000	30,000
10056080	BDO Unibank Inc. 002060125878	28,158,538		28,158,538	30,894,641
10056100	BDO Unibank Inc. 102060452941	37,977,923	17,129,384	55,107,307	263,378,214
10056120	China Banking 0030002231611	10,051,797		10,051,797	6,127,644
20000001	Equity Share Capital	(81,250,000)		(81,250,000)	(81,250,000)
20010000	Profit and loss account	(22,448,894)		(22,448,894)	(80,527,158)
20010212	Accumulated Other Comprehensive Income	(1,988,608)		(1,988,608)	(1,988,608)
20022150	Trade Creditors - External	(10,334,217)		(10,334,217)	(2,420,921)
20022321	Imprest Account	(494,973)		(494,973)	-
20034621	Other Liab. Payable	(227,917)		(227,917)	-
20032273	Output Tax Philiphines	(2,911,649)		(2,911,649)	(2,643,311)
20032512	SSS EC Payable	(4,404,970)		(4,404,970)	(2,092,060)
20032513	SSS Loan Payable	(373,599)		(373,599)	(239,118)
20032514	HDMF Payable	(490,500)		(490,500)	(134,300)
20032515	HDMF Loan Payable	(194,847)		(194,847)	(146,430)
20032516	PHIC Payable	(1,340,914)		(1,340,914)	(500,391)
20032421	Withholding Tax Payable - Expanded	(737,207)		(737,207)	(366,455)
20032422	Withholding Tax Payable - Compensation	(164,879)		(164,879)	(461,411)
20033101	Provision for Expenses	(13,061,880)		(13,061,880)	(5,458,508)
20033103	Provisions for Income Tax	(8,567,469)	(1,111)	(8,568,580)	(12,269,506)
20033100	Provision for Leave & Gratuity	(12,770,062)		(12,770,062)	(8,884,435)
20036105	Unearned income	(87,400)		(87,400)	(100,000)
20034630	Foreign Currency Payable	-		-	(43,543,200)
20034637	13th Month Payable	(7,983,857)		(7,983,857)	(4,496,894)
20034638	Sick Leave Encashment Payable	(3,341,941)		(3,341,941)	(2,094,315)
20036103	Lease Liability Building	(93,406,436)		(93,406,436)	(23,964,760)
20036103-1	Current Lease Liability	(47,609,893)		(47,609,893)	(27,724,780)
30000028	Sales Export	(828,194,421)		(828,194,421)	-
30002008	Service Domestic	(72,293,363)		(72,293,363)	(652,580,592)
31000000	Interest on Temp Deposit	(96,841)		(96,841)	(133,790)
31009997	PV of FI SD Ind AS – Other Income	(865,364)		(865,364)	(501,673)
31009999	OCI	1,815,546		1,815,546	-
31001010	Foreign Exchange Real Gain Account	(1,009,999)	(22,227.86)	(1,032,227)	3,841,682
40021103	IDC : Foreign exchange loss	244,352		244,352	-
31001001	Foreign Exchange Gain	(9,995,027)	28,622.18	(9,966,405)	(25,142,251)
40002500	Core employee salary & remuneration	263,002,125		263,002,125	151,307,952
40002041	Direct : Salary	104,831,532		104,831,532	93,407,926
40003007	Associate Employee Socso Contributio	30,430,297		30,430,297	16,052,469
40002024	Direct : Communication expenses	9,567,115		9,567,115	6,688,438
40013200	Depreciation : ROU Building lease	45,375,526		45,375,526	27,605,172
40013050	Depreciation : Computer equipmemnt	12,579,737		12,579,737	8,974,338
40002020	Direct : Rent office / Guest House / Centre	44,337,919		44,337,919	28,626,244
40002021	Direct : Electricity expenses	22,741,040		22,741,040	13,965,760
40001017	Direct : Rent Ind AS 116 Leases	(44,337,969)		(44,337,969)	(28,626,241)
40012907	Interest expense Ind AS 116 leases	5,931,615		5,931,615	3,917,463
40013110	Depreciation : Computer Software	2,113,415		2,113,415	1,321,683
40002522	Core employee 13th month salaries	18,617,759		18,617,759	10,755,129
40002516	Compensated Absences	5,763,429		5,763,429	3,692,885

Navarro Amper & Co.
For Identification Only
Deloitte

G/L Account	Particulars	Unadjusted	AJE	March 31, 2024	March 31, 2023
40009999	Core Employee Gratuity	1,629,425		1,629,425	1,449,537
40002002	Associate Employee Salary	16,982,220		16,982,220	14,848,487
40003517	SSS/Philhealth/Pag-ibig Contribution	1,147,092		1,147,092	871,079
40004002	IDC : Staff Welfare others	18,689,141		18,689,141	9,058,251
40004007	IDC : Staff training expenses	-		-	26,200
40002204	Telephone Reimbursements	881,179		881,179	830,858
40016002	IDC : Rent guest house	1,005,605		1,005,605	1,847,921
40013010	Depreciation - Furniture and Fixtures	598,233		598,233	
40013020	Depreciation - Office Equipment	1,638,870		1,638,870	595,667
40013040	Depreciation - Leasehold Improvement	516,893		516,893	68,333
40017000	IDC : Rates & Taxes	5,360,215		5,360,215	2,839,919
40015004	IDC : Electricity Expenses	105,050		105,050	79,877
40015007	IDC : Repairs and maintainance	3,041,520		3,041,520	2,571,566
40019506	IDC : Other travel expense	22,389,654		22,389,654	32,741,550
40014001	IDC : Printing & stationery	2,944,060		2,944,060	2,146,628
40021105	IDC : Insurance	499,648		499,648	359,469
40022002	IDC : Sales Promotion	491,773		491,773	1,502,601
40015003	IDC : Other Office Expenses	14,271,696		14,271,696	6,083,051
40005007	IDC : Staff recruitment	15,407,218		15,407,218	3,925,724
40021106	IDC : Miscellaneous expenses	104,018		104,018	11,840
40012900	IDC : Bank Charges	89,655	1,294	90,949	68,746
40015006	IDC : Security expenses	5,336,598		5,336,598	3,123,453
40002050	Office Maintenance	3,158,619		3,158,619	2,093,022
40020000	IDC : Other professional fee	2,600,659		2,600,659	6,254,521
40014000	IDC : Postage & courier charges	115,826		115,826	91,761
40003004	Associate Employee Gratuity	440,656		440,656	418,604
40021000	IDC : Bad debts written off	4,253,901		4,253,901	31,908
40002075	Associate emp 13th month salaries	1,123,557		1,123,557	943,021
40019515	Income Tax Expense	31,431,915	1,111	31,433,026	27,956,129
		(0)	(0)	(0)	(0)

As per our Report of even date

SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date: 4th May 2024

Navarro Amper & Co.
For Identification Only
Deloitte

Quess Corp NA LLC
(Year ending March 31 2024)

(Amounts in USD)

Balance Sheet as at	Note	31 Mar 2024	31 Mar 2023
Other intangible assets		-	-
(i) Investments		-	-
(iii) Other non-current financial assets		-	-
Deferred tax assets (net)	1	-	2,74,198
Income tax assets (net)		-	-
Other non-current assets	2	4,363	4,363
Current assets			
Inventories		-	-
Financial assets			
(iii) Cash and cash equivalents	4	1,51,614	2,70,259
(v) Current loans		-	-
(vi) Unbilled revenue	5	21,241	11,452
Other current assets	6	32,889	22,488
Total current assets		**4,84,864**	**3,44,583**
Total Assets			
Total assets		**4,89,227**	**6,23,144**
EQUITY AND LIABILITIES			
Equity share capital	7	28,11,000	15,01,000
Instruments entirely equity in nature		-	-
Other equity	8	(27,47,822)	(10,36,908)
Total equity attributable to equity holders of the Company		**63,178**	**4,64,092**
Non-controlling interests		-	-
Total equity		**63,178**	**4,64,092**
Deferred tax liabilities (net)		-	-
Non-current provisions		-	-
Other non-current financial liabilities			
Total non current liabilities		-	-
Current liabilities			
Financial liabilities			
(ii) Trade payables	9	80,607	20,863
(iii) Other current financial liabilities	10	95,732	1,08,779
Income tax liabilities (net)		-	-
Current provisions	11	28	-
Other current liabilities	12	2,49,684	29,412
Total current liabilities		**4,26,051**	**1,59,054**
Total Liabilities		**4,26,051**	**1,59,054**
Total Equity and Liabilities		**4,89,228**	**6,23,145**

QUESS CORP NA LLC

Date **03-05-2024**
Place **Minnesota**

Akash Gupta
Finance Head- North America

Quess Corp NA LLC

(Year ending March 31 2024) *(Amounts in USD)*

Statement of profit and loss	Note	For the period ended 31 Mar 2024	31 Mar 2023
Income			
Revenue from operations	13	4,62,516	53,666
Other income		-	-
Total income		**4,62,516**	**53,666**
Expenses			
Cost of material and stores and spare parts consumed		-	-
Employee benefit expenses	14	8,54,812	1,59,991
Finance costs		-	-
Depreciation and amortisation expense		-	-
Other expenses	15	10,44,420	12,04,781
Total expenses		**18,99,232**	**13,64,772**
Profit before share of profit of equity accounted investees and income tax		**(14,36,716)**	**(13,11,106)**
Share of profit of equity accounted investees (net of income tax)		-	-
Profit before tax		**(14,36,716)**	**(13,11,106)**
Tax expense			
Current tax		-	-
Adjustments of tax relating to earlier periods		-	-
Deferred tax		2,74,198	(2,74,198)
Income tax expenses		**2,74,198**	**(2,74,198)**
Profit for the year		**(17,10,914)**	**(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		-	-
Share of Other Comprehensive Income in Associates and Joint Venture		-	-
Items that will be reclassified to profit or loss			
Exchange differences in translating financial statements of foreign operations		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
Total comprehensive income for the period		**(17,10,914)**	**(10,36,908)**
Profit attributable to			
Owners of the Company		(17,10,914)	(10,36,908)
Non-controlling interests		-	-
Total profit for the year		**(17,10,914)**	**(10,36,908)**
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		(17,10,914)	(10,36,908)
Non-controlling interests		-	-
		-	-

QUESS CORP NA LLC

Date **03-05-2024**
Place **Minnesota**

Akash Gupta
Finance Head- North America

Deferred tax assets (net)

Particulars	31 Mar 2024	31 Mar 2023
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset on liabilities:		
Deferred Tax others	-	2,74,198
Net deferred tax assets	**-**	**2,74,198**

Other non-current assets

Particulars	31 Mar 2024	31 Mar 2023
Prepaid expenses	4,363	4,363
	4,363	**4,363**

Trade receivables

Particulars	31 Mar 2024	31 Mar 2023
Unsecured		
Considered good*	2,79,120	40,384
Considered doubtful	-	-
	2,79,120	**40,384**

Cash and cash equivalents

Particulars	31 Mar 2024	31 Mar 2023
Cash and cash equivalents		
Cash in hand	-	-
Balances with banks		
In current accounts	1,51,614	2,70,259
Cash and cash equivalents in balance sheet	**1,51,614**	**2,70,259**
Bank overdraft used for cash management purpose	-	-
Cash and cash equivalent in the statement of cash flow	**1,51,614**	**2,70,259**

Unbilled revenue

Particulars	31 Mar 2024	31 Mar 2023
Unbilled revenue	21,241	11,452
Less: Provision for impairment of unbilled revenue	-	-
	21,241	**11,452**

Other current assets

Particulars	31 Mar 2024	31 Mar 2023
Advances other than capital advances		
Prepaid expenses	32,889	22,488
Balances with government authorities	-	-
	32,889	**22,488**



Issued, subscribed and paid-up

126,790,961 (31 March 2016: 113,335,056) equity shares of par value of Rs 10 each,	28,11,000	15,01,000
	28,11,000	**15,01,000**

Other equity*

Particulars	**31 Mar 2024**	**31 Mar 2023**
Retained earnings	(27,47,822)	(10,36,908)
	(27,47,822)	**(10,36,908)**

Trade payables

Particulars	**31 Mar 2024**	**31 Mar 2023**
Other trade payables	80,607	20,863
	80,607	**20,863**

Other current financial liabilities

Particulars	**31 Mar 2024**	**31 Mar 2023**
Other Payables		
Accrued salaries and benefits	(4,530)	-
Provision for expenses	1,00,262	1,08,779
	95,732	**1,08,779**

Current provisions

Particulars	**31 Mar 2024**	**31 Mar 2023**
Provision for employee benefits		
Provision for compensated absences	28	-
	28	**-**

Other current liabilities

Particulars	**31 Mar 2024**	**31 Mar 2023**
Income received in advance	-	-
Advance received from customers	1,70,440	-
Balances payable to government authorities	79,244	29,412
	2,49,684	**29,412**

QUESS CORP NA LLC

Date **03-05-2024**

Place **Minnesota**



Akash Gupta

Finance Head- North America

Quess Corp NA LLC
Notes to the financial statements for the period ended 31 Mar 2024

Revenue from operations

(Amounts in USD)

Particulars	For the period ended	
	31 Mar 2024	31 Mar 2023
Sale of services		
Staffing and recruitment services	4,62,516	53,666
Total sale of services	**4,62,516**	**53,666**

Employee benefits expense

Particulars	For the period ended	
	31 Mar 2024	31 Mar 2023
Salaries and wages	7,95,216	1,28,231
Contribution to provident and other funds	59,596	31,760
	8,54,812	**1,59,991**

Other expenses

Particulars	For the period ended	
	31 Mar 2024	31 Mar 2023
Sub-contractor charges	4,25,063	13,393
Recruitment and training expenses	1,484	-
Legal and professional fees (refer note 38.1)	4,53,193	11,55,053
Travelling and conveyance	12,308	2,045
Insurance	1,18,174	31,412
Database access charges	-	-
Bank charges	4,058	995
Foreign exchange loss, net	(5)	-
Expenditure on corporate social responsibility (refer note 38.2)	-	-
Miscellaneous expenses	30,145	1,884
Services reimbursement expenses	-	-
	10,44,420	**12,04,781**

QUESS CORP NA LLC

Date **03-05-2024**
Place **Minnesota**

Akash Gupta
Finance Head- North America

Quess Corp NA LLC:

Statement of Cash flow Statement for the period ended on 31 March 2024:

(Amount in USD)

Statement of Cash Flows	31-Mar-24	31-Mar-23
Cash flow from operating activities		
Profit for the period	(17,10,914.00)	(13,11,106.00)
Adjustments for:		
Depreciation and amortisation	-	
Other finance income	-	
Operating cash flows before working capital changes	**(17,10,914.00)**	**(13,11,106.00)**
(Increase)/Decrease in inventories, Trade receivables	17,218.00	
(Increase)/Decrease in Loans, other financial assets and other assets	(2,76,144.00)	(49,274.30)
Increase/(Decrease) in trade payables and other financial liabilities	1,25,270.00	20,862.00
Increase/(Decrease) in other liabilities and provisions	1,41,727.00	1,09,778.60
Cash generated from operations	**(17,02,843.00)**	**(12,29,739.70)**
Income taxes paid, net of refund	2,74,198.00	
Net cash (used in) / provided by operating activities (A)	**(14,28,645.00)**	**(12,29,739.70)**
Cash flows from investing activities		
Expenditure on property,plant and equipment and intangibles, net of sale proceeds		
Proceeds from issue of shares	**13,10,000.00**	**15,00,000.00**
Payments to acquire financial assets:		
Bank deposits (having original maturity of more than three months)	-	
Interest income on term deposits	-	
Net cash (used in) / provided by investing activities (B)	**13,10,000.00**	**15,00,000.00**
Cash flows from financing activities		
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)	(1,18,645)	2,70,260
Cash and cash equivalents at the beginning of the period	2,70,260	
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)	**1,51,615.30**	

QUESS CORP NA LLC

Date **03-05-2024**
Place **Minnesota**

Akash Gupta
Finance Head- North America

Related party disclosures **QUESS CORP NA LLC**

(Year ending March 31 2024)

(i) Name of related parties and description of relationship: (Please select the entities from the list shared herewith)

- Fellow Subsidiary	MFXchange US, INC.
-Ultimate parent	Quess Corp Limited
- Entity having common directors	-
- Entities in which key managerial personnel have significant influence	
Key executive management personnel	Pinaki Kar

(iii) Related party transactions

(Amount in Entity Currency)

Particulars	**For the year ended 31 March 2024**	**For the year ended 31 March 2023**

(iii) Balance receivable from and payable to related parties as at the balance sheet date:

(Amount in Entity Currency)

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Trade receivables (gross of loss allowance)		
	-	-
Trade and Other payables		
	-	21,862
	-	21,862

QUESS CORP NA LLC

Akash Gupta
Finance Head- North America

Date **03-05-2024**
Place **Minnesota**

Quess Corp NA LLC
(Year ending March 31 2024)

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	17.6	89.9	-	-	-	-	107.4
- Significant increase in credit	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables	-	-	-	-	-	-	-
- Considered good	-	-	-	-	-	-	-
- Significant increase in credit	-	-	-	-	-	-	-
- 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						
- Others		-	-	-	-	-
Disputed						
- Micro enterprises and small		-	-	-	-	-
- Others		-	-	-	-	-
Intercompany AP balance		-	-	-	-	-
MFXchange US, Inc.		-	-	-	-	-

QUESS CORP NA LLC



Date **03-05-2024**
Place **Minnesota**

Akash Gupta
Finance Head- North America

Quess Recruit Inc

(MN PHP)

Statement of profit and loss	Note	For the period ended 31 Mar 2024	31 Mar
Income			
Revenue from operations	28	1.93	-
Other income	29	-	-
Total income		**1.93**	-
Expenses			
Cost of material and stores and spare parts consumed	30	-	-
Employee benefit expenses	31	2.28	-
Finance costs	32	-	-
Depreciation and amortisation expense	33	-	-
Other expenses	34	0.20	-
Total expenses		**2.48**	-
Profit before exceptional items		**(0.55)**	-
Exceptional items		-	-
Profit before share of profit of equity accounted investees and income tax		**(0.55)**	-
Share of profit of equity accounted investees (net of income tax)		-	-
Profit before tax		**(0.55)**	-
Tax expense			
Current tax		0.43	-
Adjustments of tax relating to earlier periods		-	-
Deferred tax		-	-
Income tax expenses		**0.43**	-
Profit for the year		**(0.98)**	-
			-
Profit attributable to			
Owners of the Company		(0.98)	-
Non-controlling interests		-	-
Total profit for the year		**(0.98)**	-
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		(0.98)	-
Non-controlling interests		-	-

Jinendra Jain 8/8/24

Jinendra Jain
Group finance Controller

Quess Recruit Inc

(MN PHP)

Balance Sheet as at	Note	31 Mar 2024	31 Mar
ASSETS			
Non-current assets			
Property, plant and equipment		-	-
Investments in equity accounted investees		-	-
Financial assets			
(i) Investments	1	-	-
(ii) Non-current loans	2	-	-
(iii) Other non-current financial assets	3	0.10	-
Deferred tax assets (net)	4	-	-
Income tax assets (net)	5	-	-
Other non-current assets	6	-	-
Total non-current assets		**0.10**	-
Current assets			
Financial assets			
(i) Investments	8	-	-
(ii) Trade receivables	9	23.03	-
(iii) Cash and cash equivalents	10	4.14	-
(iv) Bank balances other than cash and cash equivalents above	11	-	-
(v) Current loans	12	3.64	-
(vii) Other current financial assets	13	-	-
Other current assets	14	0.05	-
Total current assets		**30.86**	-
Total assets		**30.96**	-
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1.00	-
Other equity	16	26.72	-
Total equity attributable to equity holders of the Company		**27.72**	-
Non-controlling interests	17	-	-
Total equity		**27.72**	-
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Non-current borrowings	18	-	-
(ii) Lease Liabilities		-	-
(iii) Other non-current financial liabilities	19	-	-
Deferred tax liabilities (net)	20	-	-
Non-current provisions	21	-	-
Total non current liabilities		-	-
Current liabilities			
Financial liabilities			
(i) Borrowings	22	-	-
(ii) Lease Liabilities		-	-
(iii) Trade payables	23	-	-
(iv) Other current financial liabilities	24	-	-
Income tax liabilities (net)	25	2.88	-
Current provisions	26	-	-
Other current liabilities	27	0.37	-
Total current liabilities		**3.24**	-
Total Liabilities		**3.23**	-
Total Equity and Liabilities		**30.97**	-

Jinendra Jain
Group finance Controller

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 2024

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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 2024.

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	220,555

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:

Vijay Sivaram
Mok Mei Shien
Lohit Bhatia

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 1.4.2023	Bought	Sold	As at 31.3.2024
The Company				
- Deemed interest				
Mok Mei Shien	62,500	-	-	62,500
Ultimate holding company				
- Quess Corp Limited				
-Direct interest				
Vijay Sivaram	66,889	-	-	66,889
Lohit Bhatia	36,528	-	-	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	4,500
Underprovision in prior year	1,000
	5,500

There are no indemnity and insurance purchased for the auditors of the Company during the financial year.

Company Registration No: 201801003383 (1265396 M)

AUDITORS

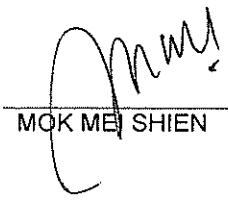
The auditors, Messrs HALS & Associates have expressed their willingness to accept re-appointment as auditors.

This report was approved by the Board of Directors on 09 MAY 2024

Signed on behalf of the Board of Directors



VIJAY SIVARAM)



MOK MEI SHIEN) Directors

AGENSI PEKERJAAN QUESS RECRUIT SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2024

	Note	2024 RM	2023 RM
ASSETS			
CURRENT ASSETS			
Trade receivables		116,237	166,158
Deposit		2,242	250,000
Amount due from holding company	7	156,306	-
Cash and cash equivalents	8	110,829	559,939
Total current assets		385,614	976,097
TOTAL ASSETS		385,614	976,097
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9	250,000	250,000
Retained earning/(Accumulated losses)		45,729	(174,826)
Total equity		295,729	75,174
CURRENT LIABILITIES			
Other payables and accruals		15,885	24,151
Amount due to holding company	7	-	845,648
Provision for taxation		74,000	31,124
Total current liabilities		89,885	900,923
TOTAL LIABILITIES		89,885	900,923
TOTAL EQUITY AND LIABILITIES		385,614	976,097

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 2024

	Note	2024 RM	2023 RM
REVENUE	10	469,513	529,421
Less : COST OF SERVICE		(145,646)	(253,288)
GROSS PROFIT		323,867	276,133
Administrative expenses		(30,413)	(52,732)
Profit before taxation	11	293,454	223,401
Taxation	12	(72,899)	(31,124)
Profit for the year		220,555	192,277

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 2024

	Share Capital RM	Accumulated Losses/ (Retained Earning) RM	Total Equity RM
Balance at 1st April 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
Non-owner changes in equity			
Profit for the year	-	220,555	220,555
Total comprehensive income for the year	-	220,555	220,555
Balance at 31st March 2024	250,000	45,729	295,729

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 2024

	Note	2024	2023
		RM	RM
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		293,454	223,401
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		293,454	223,401
Decrease/(Increase) in receivables		141,373	(112,216)
(Decrease)/Increase in payables		(853,914)	113,877
NET CASH (USED IN)/GENERATED FROM OPERATIONS		(419,087)	225,062
Tax paid		(30,023)	-
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES		(449,110)	225,062
Net (decrease)/increase in cash and cash equivalents		(449,110)	225,062
Cash and cash equivalents at beginning of the year		559,939	334,877
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	8	110,829	559,939

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 2024

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... 09 MAY 2024

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. AMOUNT DUE FROM/(TO) HOLDING COMPANY

The amount due from/(to) holding company represent trade and loan/advances made, are unsecured, interest free and payable on demand.

8. CASH AND CASH EQUIVALENTS

	2024 RM	2023 RM
Cash at bank	110,829	559,939

9. SHARE CAPITAL

	2024 RM	2023 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.

10. REVENUE

Revenue represents the invoiced value of services rendered net of discounts.

11. PROFIT BEFORE TAXATION

	2024 RM	2023 RM
Profit from operations before taxation is stated after charging/(crediting):-		
Audit fee		
- current year's provision	4,500	3,500
- under/(over)provision in prior year	1,000	(460)
Employee benefits		
- salary cost and others	21,233	34,237
- defined contribution plan ("EPF")	1,392	2,360

12. TAXATION

	2024 RM	2023 RM
Current year's provision	74,000	31,124
Overprovision in prior year	(1,101)	-
	72,899	31,124

The tax rate is 24% on the chargeable income of the Company.

A reconciliation of income tax expense applicable to 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:-

	2024 RM	2023 RM
Profit before taxation	293,454	223,401
Taxation at Malaysian Statutory tax rate of 24%	70,429	53,616
Expenses not deductible	3,571	7,440
Overprovision in prior year	(1,101)	-
Utilisation of unabsorbed business loss brought forward	-	(29,932)
Tax expense for the year	72,899	31,124

The above are subject to the approval of the tax authorities.

13. FINANCIAL INSTRUMENTS

13.1 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").

2024 Financial assets	Carrying Amount RM	AC RM
Trade receivables	116,237	116,237
Deposit	2,242	2,242
Amount due from holding company	156,306	156,306
Cash and cash equivalents	110,829	110,829
	385,614	385,614
Financial liabilities		
Other payables and accruals	15,885	15,885

2023 Financial assets	Carrying Amount RM	AC RM
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

14. EMPLOYEES

The number of employees at end of the financial year is as follows:

	2024 No.	2023 No.
Employee	1	1

15. RELATED PARTIES

The significant related parties transactions are disclosed below:-

	2024 RM	2023 RM
Sub-contract cost to holding company	145,646	253,288

The related party balance is disclosed in Note 7 to the financial statements.

Company Registration No: 201801003383 (1265396 M)

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 2024 and financial performance of the Company for the financial year ended 31st March 2024 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
09 MAY 2024

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
09 MAY 2024

Before me,

MOK MEI SHIEN

PESURUHJAYA SUMPAH
W 795
ABDUL SHUKOR BIN [illegible]
COMMISSIONER FOR OATHS
MALAYSIA

181-1-2, 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 2024 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 2024 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.

Suite 1602, 16th Floor, Wisma Lim Foo Yong, 86 Jalan Raja Chulan, 50200 Kuala Lumpur
Tel :03-21105545/27320322(Hunting) Fax :03-21423116

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: 09 MAY 2024

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 2024

	2024 RM	2023 RM
REVENUE	469,513	529,421
Less: COST OF SERVICES	(145,646)	(253,288)
GROSS PROFIT	323,867	276,133
Less: ADMINISTRATIVE EXPENSES		
Audit fee		
- current year's provision	4,500	3,500
- under/(over)provision in prior year	1,000	(460)
Advertisement expenses	-	1,749
Bank charges	134	73
EPF, Socso and EIS	1,590	2,693
Filing and secretarial fee	2,745	8,705
Office expenses	674	-
Penalty	2,102	-
Printing and stationery	1,035	592
Tax fee	(4,600)	1,643
Salary and allowance	21,233	34,237
	30,413	52,732
PROFIT BEFORE TAXATION	293,454	223,401

Deloitte
Haskins & Sells

Chartered Accountants
Prestige Trade Tower, Level 19
46, Palace Road, High Grounds
Bengaluru - 560 001
Karnataka, India

Tel: +91 80 6188 6000
Fax: +91 80 6188 6011

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 31 March 2024, 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, ("Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, 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 ("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 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 Board's Report including annexures to the Board's Report but does not include the financial statements and our auditor's report thereon. These are expected to be made available to us after the date of the Auditor's report.

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

- In connection with our audit of the 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 during the course of our audit or otherwise appears to be materially misstated.

- When we read the Board's report including annexures to the Board's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including 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 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 and 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 intend 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 based on 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 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 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.
- 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 financial controls 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 except for not complying with the requirement of audit trail as stated in below (h) (v) below. (Refer note 40 to the financial statements).

   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 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to 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 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:

      i. The Company has disclosed the impact of pending litigations on financial position in its financial statements – Refer note 34 to the 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 as disclosed in note 41 of 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.

(b) The management has represented that to the best of its knowledge and belief, as disclosed in note 42 of the financial statements, no funds have been received by the Company from any person or entity, 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 Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the year ended 31 March 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except for the instances mentioned below (Refer note 40 to the financial statements):

- In respect of one accounting software, audit trail feature was not enabled at the table and database level to log any direct data changes and
- In respect of one accounting software, audit trail feature was not enabled at the application level and the underlying database to log any direct data changes.

Additionally, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting softwares for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March 2024.

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:24110815BKFIDU9323)

Place: Bengaluru
Date: 06 May 2024

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 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 financial statements of Terrier Security Services (India) Private Limited ("the Company") as at 31 March 2024 in conjunction with our audit of the 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 financial statements based on the internal control over financial reporting criteria 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. 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 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 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 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 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 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 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.

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 financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2024, based on "the criteria for internal financial control with reference to financial statements established by the respective 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)

Anand Subramanian
Partner
Membership No. 110815
(UDIN:24110815BKFIDU9323)

Place: Bengaluru
Date: 06 May 2024

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 Property, plant and equipment and Intangible assets:

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) Some of the Property, plant and equipment, were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, at reasonable intervals having regard to the size of the company and the nature of its activities. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties and hence reporting under clause 3(i)(c) of the Order is not applicable.

(d) The Company has not revalued its Property, plant and equipment or Intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and 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 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 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 or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements comprising (stock statements, book debt statements, creditors details), filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company, of the respective quarters, except for the following.

For the quarter ended	Sanctioned amount to which discrepancy relates (Rs. million)	Details of Discrepancy					
		Nature of Current Asset	Nature of Discrepancy	Amount (Rs. Million)			
				As per quarterly returns and statements	As per unaudited books of account	Difference	Remarks (including subsequent rectification, if any)
30 June 2023	550	Trade receivables	Timing Difference	975.76	974.11	1.65	The statement and trial balance was generated at different points of time. The difference is due to additional entries recorded in books of accounts. Rectified statements have been submitted to the bank post books closure for every quarter.
30 September 2023	550	Trade receivables	Timing Difference	1,033.90	1,030.55	3.35	
31 December 2023	550	Trade receivables	Timing Difference	977.48	977.38	0.1	

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) Having regard to the nature of the Company's business / activities, reporting under clause 3(vi) of the Order is not applicable.

vii) In respect of statutory dues-

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in few cases.

Undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, and other material statutory dues in arrears as at 31 March 2024 for a period of more than six months from the date they became payable are as given below:

Name of Statute	Nature of Dues	Amount (Rs. Million)	Period to which the amount relates	Due Date	Date of Payment
The Employees Provident Funds and Miscelleneous Provisions Act, 1952 (PF Act, 1952)	Provident Fund	0.37	Prior to April 2023	15th of the Subsequent Month	Unpaid
The Employees Provident Funds and Miscelleneous Provisions Act, 1952 (PF Act, 1952)	Provident Fund	0.52	April 2023 to September 2023	15th of the Subsequent Month	Unpaid
Employee State Insurance Act 1948	Employee State Insurance Dues	0.55	Prior to April 2023	15th of the Subsequent Month	Unpaid
Employee State Insurance Act 1948	Employee State Insurance Dues	0.59	April 2023 to September 2023	15th of the Subsequent Month	Unpaid
Professional Tax Act, 1987	Professional Tax	0.46	Prior to April 2023	As decided by respective state legislation	Unpaid
Professional Tax Act, 1987	Professional Tax	0.64	April 2023 to September 2023	As decided by respective state legislation	Unpaid

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2024 on account of disputes are given below:

Name of the Statute	Nature of the dues	Amount (Rs. Million)	Period to which the Amount Relates (AY)	Forum where Dispute is Pending
Income Tax Act, 1961	Income Tax	14.17	2017-18	Commissioner of Income-tax (Appeals)
Income Tax Act, 1961	Income Tax	6.77	2018-19	Commissioner of Income-tax (Appeals)
Income Tax Act, 1961	Income Tax	56.94	2019-20	Commissioner of Income-tax (Appeals)
Income Tax Act, 1961	Income Tax	43.52	2020-21	Commissioner of Income-tax (Appeals)
Income Tax Act, 1961	Income Tax	6.83	2022-23	Commissioner of Income-tax (Appeals)

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) Loans amounting to Rs. 367.36 million outstanding as at 31 March 2024 are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. According to the information and explanations given to us, such loans and interest thereon have not been demanded for repayment 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 willful 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) The Company has not made any investment in or given any new loan or advances to any of its subsidiaries, associates, or joint ventures during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(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 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) 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 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.

xii) The Company is not a Nidhi company, 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 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 April 2023 to February 2024. We have considered the internal audit reports of the Company issued till date for the period covered by the 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) The Group does not have any core investment company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and hence 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) (a) The Company does not have 'Other than ongoing projects' and hence reporting under clause 3(xx)(a) is not applicable for the year.

(b) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amounts for the year requiring a transfer to a special account in compliance with the provision of sub-section (6) of the Section 135 of the said Act. Accordingly reporting under clause 3(xx)(b) 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: 24110815BKFIDU9323)

Place: Bengaluru
Date: 06 May 2024

Terrier Security Services (India) Private Limited
Registered Office : 32/4, Roopena Agrahara Village, Begur, Bengaluru - 560068
CIN : U74920KA2009PTC049810
(All amounts in INR millions unless otherwise stated)

Balance Sheet	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	2.30	3.45
Right-of-use assets	4(a)	6.44	3.56
Intangible assets	5	0.07	0.14
Deferred tax assets (net)	6	137.82	88.96
Income tax assets (net)	7	286.88	246.39
Total non-current assets		**433.51**	**342.50**
Current assets			
Inventories	8	6.91	5.37
Financial assets			
Trade receivables			
- Billed	9(i)	816.83	944.89
- Unbilled	9(ii)	423.56	521.42
Cash and cash equivalents	10	0.18	0.30
Bank balances other than cash and cash equivalents above	11	26.86	21.98
Other financial assets	12	13.77	15.66
Other current assets	13	58.36	38.19
Total current assets		**1,346.47**	**1,547.81**
Total assets		**1,779.98**	**1,890.31**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	8.90	8.90
Other equity	15	359.50	325.10
Total equity		**368.40**	**334.00**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	4(b)	3.98	1.95
Non-current provisions	16	194.35	143.97
Total non-current liabilities		**198.33**	**145.92**
Current liabilities			
Financial liabilities			
Lease liabilities	4(b)	2.73	1.70
Borrowings	17	396.84	513.59
Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises		4.78	0.60
Total outstanding dues of creditors other than micro enterprises and small enterprises		77.67	55.46
Other financial liabilities	19	502.16	582.80
Other current liabilities	21	170.03	156.89
Current provisions	20	59.04	99.35
Total current liabilities		**1,213.25**	**1,410.39**
Total Liabilities		**1,411.58**	**1,556.31**
Total Equity and Liabilities		**1,779.98**	**1,890.31**

The accompanying notes form an integral part of the financial statements.
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: 06 May 2024

for and on behalf of Board of Directors of
Terrier Security Services (India) Private Limited

Vijay Sivaram
Director
DIN : 07990452

Place: Bengaluru
Date: 06 May 2024

Madhu Damodaran
Director
DIN : 00424780

Place: Bengaluru
Date: 06 May 2024

Terrier Security Services (India) Private Limited
Registered Office : 32/4, Roopena Agrahara Village, Begur, Bengaluru - 560068
CIN : U74920KA2009PTC049810
(All amounts in INR millions unless otherwise stated)

Statement of profit and loss	Note No.	For the year ended 31 March 2024	31 March 2023
Income			
Revenue from operations	22	5,838.61	5,743.18
Other income	23	2.20	2.59
Total income		**5,840.81**	**5,745.77**
Expenses			
Cost of material and stores and spare parts consumed	24	6.72	25.29
Employee benefit expense	25	5,511.79	5,414.79
Finance costs	26	52.21	44.34
Depreciation and amortisation expense	27	4.43	10.67
Other expenses	28	180.68	166.27
Total expenses		**5,755.83**	**5,661.36**
Profit before exceptional items		**84.98**	**84.41**
Exceptional items	29	63.06	-
Profit before tax		**21.92**	**84.41**
Tax credit			
Current tax	30	-	-
Deferred tax		39.70	39.55
Total tax credit		**39.70**	**39.55**
Profit after tax		**61.62**	**123.96**
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(36.38)	2.92
Income tax relating to items that will not be reclassified to profit or loss		9.16	(0.73)
Other comprehensive income/(loss) for the year, net of income tax		**(27.22)**	**2.18**
Total comprehensive income for the year		**34.40**	**126.14**
Earnings per equity share (face value of Rs 10 each)			
Basic	35	69.23	139.28
Diluted		30.81	61.98

The accompanying notes form an integral part of the financial statements.
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: 06 May 2024

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: 06 May 2024

Madhu Damodaran
Director
DIN : 00424780

Place: Bengaluru
Date: 06 May 2024

Terrier Security Services (India) Private Limited ★ Bangalore

Terrier Security Services (India) Private Limited
Registered Office : 32/4, Roopena Agrahara Village, Begur, Bengaluru - 560068
CIN : U74920KA2009PTC049810
(All amounts in INR millions unless otherwise stated)

Statement of Changes in Equity

(A) Equity Share Capital

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
Opening Balance	14	8.90	8.90
Changes in equity share capital		-	-
Closing Balance		**8.90**	**8.90**

(B) Other Equity

Reserves and Surplus

Particulars	Note No.	Retained Earnings	Other Reserve	Other Comprehensive Income	Total
Balance as of 01 April 2022		**241.88**	**2.20**	**(45.12)**	198.96
Add: Profit after tax	15	123.96	-	-	123.96
Add: Re-measurement gains on defined benefit plans, net of tax effect		-	-	2.18	2.18
Balance as of 31 March 2023		**365.84**	**2.20**	**(42.94)**	**325.10**
Add: Profit after tax		61.62	-		61.62
Add: Re-measurement (losses) on defined benefit plans, net of tax effect		-	-	(27.22)	(27.22)
Balance as on 31 March 2024		**427.46**	**2.20**	**(70.16)**	**359.50**

The accompanying notes form an integral part of the financial statements.

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: 06 May 2024

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: 06 May 2024

Madhu Damodaran
Director
DIN : 00424780

Place: Bengaluru
Date: 06 May 2024

Terrier Security Services (India) Private Limited ★ Bangalore

Terrier Security Services (India) Private Limited
Registered Office : 32/4, Roopena Agrahara Village, Begur, Bengaluru - 560068
CIN : U74920KA2009PTC049810
(All amounts in INR millions unless otherwise stated)

Statement of Cash Flows	For the Year ended	
	31 March 2024	31 March 2023
Cash flow from operating activities		
Profit before tax	21.92	84.41
Adjustments for:		
Depreciation of property, plant and equipment	1.85	4.44
Amortisation of intangible assets	0.07	0.06
Depreciation of rights-of-use-assets	2.51	6.17
Loss/ (profit) on sale of property, plant and equipment, net	-	0.76
Bad debts written off	-	12.31
Exceptional items	63.06	-
Loss allowance on trade receivables and unbilled revenues	41.22	38.35
Interest income on term deposits	(1.69)	(1.20)
Finance costs	51.68	43.98
Finance costs on lease liabilities	0.53	0.36
Operating cash flows before working capital changes	**181.15**	**189.64**
Working capital adjustments:		
Changes in:		
Inventories	(1.54)	1.03
Trade receivables and unbilled revenue	121.62	(466.53)
Other financial assets	2.09	(3.73)
Other assets	(20.17)	(11.81)
Other non-current financial assets	-	1.36
Trade payables	26.39	20.51
Other financial liabilities	(83.13)	120.06
Other liabilities	13.13	28.52
Provisions	(26.31)	20.58
Cash generated from operations	**213.23**	**(100.37)**
Income taxes refund	(40.50)	(55.90)
Net cash (used in)/from operating activities (A)	**172.73**	**(156.27)**
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles	(0.70)	(0.17)
Proceeds from sale of fixed assets	-	0.86
Bank deposits (having original maturity of more than three months)	(3.24)	(1.52)
Net cash used in investing activities (B)	**(3.94)**	**(0.84)**
Cash flows from financing activities		
Proceeds from working capital loan	15.00	802.70
Repayments of working capital loan	(15.00)	(562.70)
Repayment of short term borrowings	(140.93)	(52.48)
Lease Payments	(2.86)	(6.96)
Finance cost paid	(25.12)	(23.45)
Net cash from/(used in) financing activities (C)	**(168.91)**	**157.11**
Net (Decrease)/Increase in cash and cash equivalents (A+B+C)	(0.12)	0.00
Cash and cash equivalents at the beginning of the year	0.30	0.29
Cash and cash equivalents at the end of the year (Refer note 10)	**0.18**	**0.30**

Components of cash and cash equivalents

Particulars	As at	
	31 March 2024	31 March 2023
Cash and cash equivalents		
Cash on hand	-	-
In current accounts	0.18	0.30
Cash and cash equivalents at the end of the year (Refer note 10)	**0.18**	**0.30**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

Terrier Security Services (India) Private Limited Bangalore

Terrier Security Services (India) Private Limited
Registered Office : 32/4, Roopena Agrahara Village, Begur, Bengaluru - 560068
CIN : U74920KA2009PTC049810
(All amounts in INR millions unless otherwise stated)

Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Borrowings
Debt as at 1 April 2023	513.59
Interest accrued but not due as at 1 April 2023	24.18
Cash flows	(140.93)
Other changes	
- Interest expense	51.68
- Interest and other borrowing cost paid	(25.12)
Interest accrued but not due as at 31 March 2024	(26.55)
Debt as at 31 March 2024	**396.84**

Particulars	Borrowings
Debt as at 1 April 2022	326.42
Interest accrued but not due as at 1 April 2022	3.29
Cash flows	187.52
Other changes	
- Interest expense	43.98
- Interest and other borrowing cost paid	(23.45)
Interest accrued but not due as at 31 March 2023	(24.18)
Debt as at 31 March 2023	**513.59**

The accompanying notes form an integral part of the financial statements.

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: 06 May 2024

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: 06 May 2024

Madhu Damodaran
Director
DIN : 00424780

Place: Bengaluru
Date: 06 May 2024

Terrier Security Services (India) Private Limited ★ Bangalore

3 Property, plant and equipment

Particulars	Leasehold improvements	Furniture and fixtures	Vehicles	Office equipment	Computer equipment	Total
Gross block						
Opening Balance as on 01 April 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)**
Closing gross carrying amount at 31 March 2023	**12.25**	**17.14**	**15.18**	**17.14**	**28.31**	**90.02**
Additions during the year	0.13	-	0.35	0.21	-	**0.70**
Closing gross carrying amount at 31 March 2024	**12.38**	**17.14**	**15.53**	**17.35**	**28.31**	**90.72**
Accumulated Depreciation						
Opening Balance as on 01 April 2022	11.57	16.38	15.15	13.58	27.28	**83.96**
Depreciation for the year	0.67	1.06	0.03	1.70	0.98	**4.44**
Depreciation on deletion	-	(0.99)	-	(0.85)	-	**(1.83)**
Closing accumulated depreciation as at 31 March 2023	**12.24**	**16.45**	**15.18**	**14.43**	**28.26**	**86.57**
Depreciation for the year	0.01	0.39	0.01	1.38	0.06	**1.85**
Closing accumulated depreciation as at 31 March 2024	**12.26**	**16.84**	**15.19**	**15.81**	**28.32**	**88.42**
Net Carrying amount						
As at 31 March 2024	**0.12**	**0.30**	**0.34**	**1.54**	--	**2.30**
As at 31 March 2023	**0.01**	**0.69**	-	**2.71**	**0.05**	**3.45**

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.

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * BENGALURU *

Terrier Security Services (India) Private Limited ★ Bangalore

4(a) Right-of-use assets

Particulars	Buidings	Vehicles	Total
Opening Balance as on 01 April 2023	3.56	-	3.56
Additions during the year	1.73	3.66	5.39
Depreciation for the year	(2.05)	(0.46)	(2.51)
Balance as at 31 March 2024	**3.24**	**3.20**	**6.44**

Particulars	Buidings	Vehicles	Total
Opening Balance as on 01 April 2022	5.83	-	5.83
Additions during the year	3.90	-	**3.90**
Depreciation for the year	(6.17)	-	**(6.17)**
Balance as at 31 March 2023	**3.56**	**-**	**3.56**

4(b) Lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current lease liabilities	3.98	1.95
Current lease liabilities	2.73	1.70
Total	**6.71**	**3.65**

The following is the movement in lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Balances as at beginning of the year	3.64	6.34
Add: Additions	5.39	3.90
Add: Finance cost accrued during the year	0.53	0.36
Less: Lease payments	(2.86)	(6.96)
Balance as at the end of the year	**6.71**	**3.64**

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

Particulars	As at 31 March 2024	31 March 2023
Less than one year	3.25	1.95
One to five years	4.37	2.13

5 Intangible Assets

Particulars	Computer Software
Gross carrying amount	
Opening Balance as on 01 April 2022	6.72
Additions during the year	-
Closing gross carrying amount at 31 March 2023	**6.72**
Additions during the year	-
Closing gross carrying amount at 31 March 2024	**6.72**
Opening Balance as on 01 April 2022	
Accumulated Amortization	
Opening Balance as on 01 April 2022	6.52
Amortisation for the year	0.06
Closing accumulated depreciation as at 31 March 2023	**6.58**
Amortisation for the year	0.07
Closing accumulated depreciation as at 31 March 2024	**6.65**
Net Carrying amount	
As at 31 March 2024	**0.07**
As at 31 March 2023	**0.14**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

Terrier Security Services (India) Private Limited Bangalore

6 Deferred tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets recognised on assets and liabilities are as follows:		
Deferred tax asset on assets:		
Property, Plant and Equipment	6.55	7.18
Deferred tax on employee benefits	51.53	28.34
Deferred tax on loss allowance	79.67	53.42
Deferred tax asset on liabilities:		
Deferred tax on lease liabilities, net of right of use assets	0.07	0.02
Net deferred tax assets	**137.82**	**88.96**

7 Income tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance income tax	286.88	246.39
	286.88	**246.39**

8 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
Valued at lower of cost and net realizable value		
Consumables	6.91	5.23
Stores and spares	-	0.14
	6.91	**5.37**

9 Trade receivables

i) Trade receivables - billed

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured		
Undisputed Trade receivables		
Trade receivable - Considered good	1,082.24	1,150.04
Credit impaired	-	-
Less: Allowance for expected credit loss	(265.41)	(205.15)
Trade receivable - Considered good	**816.83**	**944.89**
Disputed Trade receivables		
Trade receivable - Credit impaired	-	-
Less: Allowance for Credit impairment	-	-
Trade receivable - Credit Impaired	-	-
Total trade receivables	**816.83**	**944.89**

Of the above , trade receivables from related party are as below:

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables from related parties (Refer note 36)	98.44	74.06
Less: Loss allowance	-	-
Net trade receivables	**98.44**	**74.06**

ii) Unbilled revenue

Particulars	As at 31 March 2024	As at 31 March 2023
Unbilled revenue*	474.71	528.54
Less: Allowance for expected credit loss	(51.15)	(7.12)
	423.56	**521.42**
Total Trade Receivables and Unbilled Revenue	**1,240.39**	**1,466.31**

The Company's exposure to credit risk and loss allowances related to trade receivables are disclosed in Note 32.
*Includes unbilled revenue billable to related parties INR 46.99 million (Previous Year INR 24.80 million) Refer note 36.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

Terrier Security Services (India) Private Limited Bangalore

Trade receivable and Unbilled revenue ageing schedule for the year ended as at 31 March 2024:

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	474.71	577.03	260.47	51.24	80.40	34.27	78.83	1,556.95
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
Gross Trade receivables	**474.71**	**577.03**	**260.47**	**51.24**	**80.40**	**34.27**	**78.83**	**1,556.95**
Less: Allowance for expected credit loss								(316.55)
Net Trade receivable								**1,240.39**

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	56.02	1,678.58
- Credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- Considered good	-	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-	-
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								**1,466.31**

DELOITTE HASKINS & SELLS * CHARTERED ACCOUNTANTS * BENGALURU *

Terrier Security Services (India) Private Limited ★ Bangalore

10 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents		
Cash on hand*	0.00	0.00
Balances with banks		
In current accounts	0.18	0.30
Cash and cash equivalents in balance sheet	**0.18**	**0.30**

*Amount less than million

11 Other bank balances

Particulars	As at 31 March 2024	As at 31 March 2023
Deposit held as margin money towards guarantees issued	26.86	21.98
	26.86	**21.98**

12 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due	0.10	0.04
Security deposits	13.67	15.62
	13.77	**15.66**

13 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Advances other than capital advances		
Advances to suppliers	17.36	14.93
Advances to employees	5.29	4.82
Prepaid expenses	35.71	18.44
	58.36	**38.19**

14 Equity Share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised		
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**

SHARE CAPITAL	No. of Shares	No. of Shares
A. Authorised Share Capital		
Equity Shares of Rs. 10 each	1,850,000	1,850,000
1,850,000 (Previous year 1,850,000) equity shares of par value of Rs 10 each		
150,000 (Previous year 150,000) Optionally Convertible Redeemable Preference shares (OCRP Shares) of par value of Rs 10 each	150,000	150,000
B. Issued, Subscribed and Paid up Capital		
890,000 (Previous year 890,000) equity shares of par value of Rs 10 each	890,000	890,000
OCRP shares of par value of Rs 10 each (Refer note E)		
TOTAL	**890,000**	**890,000**

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C. Details of shareholding of promoters:

Promoter name	31 March 2024		31 March 2023	
	Number of shares	% held	Number of shares	% held
Equity Shares				
Quess Corp Limited	370,000	42%	370,000	42%
Terrier Employee Benefit Trust	520,000	58%	520,000	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.

D. 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

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.

3 No bonus shares are alloted during five years immediately preceeding the balance sheet date.

E. During the year ended 31 March 2022, 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.

15 Other equity*

Particulars	As at 31 March 2024	As at 31 March 2023
Retained earnings	427.46	365.84
Other reserves	2.20	2.20
Other comprehensive income	(70.16)	(42.94)
	359.50	**325.10**

* For detailed movement of reserves refer Statement of changes in Equity

16 Non-current provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Provision for gratuity (Refer note 37)	194.35	143.97
	194.35	**143.97**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

Terrier Security Services (India) Private Limited Bangalore

17 Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Loans from bank repayable on demand		
Secured		
Cash credit and overdraft facilities (Refer note 32)*	29.48	171.03
Loan from related parties, unsecured		
From Quess Corp Limited (Refer note 32 & 36)**	367.36	342.56
	396.84	**513.59**

* The Company has taken cash credit facility having interest rate at 1 month MCLR+1.00% (spread) with Yes Bank Limited and 3 month T-Bill+1.89% with HDFC Bank Limited. 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 year as declared on Quartely basis.

Borrowings secured against current assets with details of quarterly statement of current assets filed with the banks

For the quarter ended	Sanctioned amount to which discrepancy relates (Rs. million)	Details of discrepancies					Remarks (including subsequent rectification, if any)
		Nature of current asset	Nature of discrepancy	Amount (Rs. million)			
				As per quarterly statement	As per unaudited books of account	Difference	
30 June 2023	550	Trade receivables	Timing Difference	975.76	974.11	1.65	The statement and trial balance was generated at different points of time. The difference is due to additional entries recorded in books of accounts. Rectified statement has been submitted to the bank post books closure.
30 September 2023	550	Trade receivables	Timing Difference	1,033.90	1,030.55	3.35	
31 December 2023	550	Trade receivables	Timing Difference	977.48	977.38	0.10	

18 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Undiputed dues		
Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	10.51	35.54
Dues to micro, small and medium enterprises	4.78	0.60
Trade payables to related parties (Refer note 36)	67.16	19.92
	82.45	**56.06**

Trade payable ageing schedule as on 31 March 2024:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Not due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	4.50	0.28	-	-	-	**4.78**
- Others	24.14	34.74	10.00	7.06	1.73	**77.67**

Trade payable ageing schedule as on 31 March 2023:

Particulars	Outstanding for the following periods from due date of payment/ date of transaction					
	Not due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Undisputed						
- Micro enterprises and small enterprises	-	0.56	0.03	-	-	**0.60**
- Others	-	40.54	9.11	1.13	4.69	**55.46**

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Terrier Security Services (India) Private Limited Bangalore

18.1 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 2024	As at 31 March 2023
The principal amount and the interest thereon remaining unpaid to any supplier as at the end of the accounting year;		
- Principal	4.78	0.60
- 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;	-	-
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.	-	-

19 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Accrued salaries and benefits	443.06	516.72
Uniform deposits	6.93	13.77
Interest accrued and not due to related party (Refer note 36)	26.55	24.18
Accrued Expense*	24.51	27.02
Optionally Convertible Redeemable Preference shares OCRP Shares 111,000 of Rs. 10 each (Refer note 14E)	1.11	1.11
	502.16	**582.80**

*Includes accrued expenses payable to related parties INR 4.23 million (Previous Year NIL) (Refer note 36).

20 Current provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Provision for compensated absences (Refer note 37)	11.90	13.74
Provision for bonus and incentive	47.14	85.61
	59.04	**99.35**

21 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Advance received from customers	-	2.92
Balances payable to government authorities	170.03	153.97
	170.03	**156.89**

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Terrier Security Services (India) Private Limited Bangalore

22 Revenue from operations

Particulars	For the year ended	
	31 March 2024	31 March 2023
Manned guarding services	5,837.48	5,702.04
Electronic surveillance solutions	1.13	41.14
	5,838.61	**5,743.18**

(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	As at
	31 March 2024	31 March 2023
Receivables, which are included in 'Trade and other receivables'	816.83	944.89
Unbilled revenue	423.56	521.42

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 following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2024 and 31 March 2023:

Particulars	For the year ended	
	31 March 2024	31 March 2023
Balance at the beginning	521.42	352.11
Add : Revenue recognized during the year	5,845.73	5,750.30
Less : Invoiced during the year	5,892.44	(5,573.87)
Less: Allowance for expected credit loss	(51.15)	(7.12)
Balance at the end	**423.56**	**521.42**

(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).

23 Other income

Particulars	For the year ended	
	31 March 2024	31 March 2023
Interest income under the effective interest method on:		
Cash and cash equivalents	1.69	1.20
Interest income on present valuation of financial instruments	0.04	0.27
Miscellaneous income	0.47	1.12
	2.20	**2.59**

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24 Cost of material and stores and spare parts consumed

Particulars	For the year ended	
	31 March 2024	31 March 2023
Inventory at the beginning of the year	5.23	6.40
Add: Purchases	8.40	24.12
Less: Inventory at the end of the year	(6.91)	(5.23)
Cost of materials and stores and spare parts consumed	**6.72**	**25.29**

25 Employee benefits expense

Particulars	For the year ended	
	31 March 2024	31 March 2023
Salaries and wages	4,904.36	4,849.49
Contribution to provident and other funds (Refer note 37)	526.03	530.65
Gratuity expenses (Refer note 37)	38.22	39.03
Staff welfare expenses	43.18	(8.80)
	5,511.79	**5,410.37**

26 Finance costs

Particulars	For the year ended	
	31 March 2024	31 March 2023
Interest expense on financial liabilites measured at amortised cost*	51.68	43.98
Interest expense on lease liabilities (Refer note 4b)	0.53	0.36
	52.21	**44.34**

*Includes interest expenses to related parties INR 27.38 million (Previous Year INR 24.23 million) (Refer note 36).

27 Depreciation and amortisation expense

Particulars	For the year ended	
	31 March 2024	31 March 2023
Depreciation of property, plant and equipment (Refer note 3)	1.85	4.44
Depreciation of rights-of-use-assets (Refer note 4a)	2.51	6.17
Amortisation of intangible assets (Refer note 5)	0.07	0.06
	4.43	**10.67**

28 Other expenses

Particulars	For the year ended	
	31 March 2024	31 March 2023
Sub-contractor charges	1.77	4.42
Recruitment and training expenses	0.48	-
Rent	47.72	17.03
Power and Fuel	1.24	2.13
Repairs & maintenance		
- buildings	0.49	-
- plant and machinery	1.19	2.09
- others	5.12	7.55
Legal and professional fees (Refer note 28.1)	19.28	24.84
Rates and taxes	4.36	6.88
Printing and stationery	1.72	1.72
Travelling and conveyance	44.15	40.32
Communication expenses	1.19	1.27
Loss allowance on trade receivables and unbilled revenues	41.22	38.35
Equipment hire charges	2.12	4.42
Insurance	5.12	5.62
Bank charges	0.90	0.33
Bad debts written off	-	12.31
Business promotion and advertisement expenses	0.32	-
Expenditure on corporate social responsibility (Refer note 28.2)	1.44	-
Miscellaneous expenses	0.85	1.41
	180.68	**170.69**

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS BENGALURU

Terrier Security Services (India) Private Limited Bangalore

28.1 Payment to auditors (net of GST; included in legal and professional fees)

Particulars	For the year ended	
	31 March 2024	31 March 2023
Statutory audit fees	1.40	1.40
Limited review	1.20	1.20
Reimbursement of expenses	0.30	0.04
	2.90	**2.64**

28.2 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. The funds required to be spent and funds spent during the year are explained below:

Particulars	For the year ended	
	31 March 2024	31 March 2023
a) Gross amount required to be spent by the Company during the year	1.44	-
b) Amount spent during the year		
i) Construction/acquisition of any asset	-	-
ii) On purpose other than i) above	1.44	-
c) Shortfall at the end of the year	-	-
d) Total of previous years' shortfall	-	-

Nature of CSR activities
Quess Foundation

Quess Foundation is a CSR initiative of Quess Corp established in Jan, 2014 to act as a catalyst of change and create better lives, driven by the belief that education and health are the two major pillars to accelerate growth in a society.

Quess Foundation aims to build a healthy and educated workforce and provide sustainable livelihood for the weaker sections of society by actively contributing to the community and creating a positive impact in the lives of people, especially in the areas of health and education.

29 Exceptional items

Particulars	For the year ended	
	31 March 2024	31 March 2023
Impairment loss recognised on Trade receivables (billed and unbilled)*	63.06	-
	63.06	-

*During the year ended 31 March 2024, the company recorded additional expected credit loss allowance relating to certain government projects pursuant to a decision to discontinue these projects after management and Board review.

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30 Taxes

A. Amount recognised in the statement of profit and loss account

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current tax:		
In respect of the current period	-	-
Deferred tax:		
Attributable to:		
In respect of the current year	39.70	39.55
Income tax expense reported in the Statement of Profit and Loss	**39.70**	**39.55**

B. Amounts recognised in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Remeasurement of the net defined benefit liability/ asset		
Before tax	(36.38)	2.92
Tax (expense)/ Credit	9.16	(0.73)
Net of tax	**(27.22)**	**2.19**

C. Amounts recognised directly in equity

No tax expense has been recognised directly in equity

D. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	21.92	84.41
Computed expected tax expense	5.52	21.24
Effect of:		
Non-deductible expenses - CSR	0.37	-
80JJAA tax incentives	(30.59)	(42.38)
Deferred tax credit for earlier periods	(11.36)	(20.42)
Others	(3.64)	(4.38)
Income tax credit reported in the Statement of Profit and Loss	**(39.70)**	**(45.94)**

The tax rates under Indian Income Tax Act, for the year ended 31 March 2024 and 31 March 2023 is 25.17% respectively.

E. The following table provides the details of income tax assets and income tax liabilities as of 31 March 2024 and 31 March 2023

Non-current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets	286.88	246.39
Income tax liabilities	-	-
Net income tax assets at the end of the year	**286.88**	**246.39**

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F. Deferred tax assets, net

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax asset and liabilities are attributable to the following:		
Deferred tax asset on assets:		
Property, plant and equipment and intangible assets	6.55	7.18
Employee benefits	51.53	28.34
loss allowance on trade receivables & unbilled revenues	79.67	53.42
Deferred tax on liabilities:		
Deferred tax on lease liabilities, net of right of use assets	0.07	0.02
	137.82	**88.96**

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.

G. Recognised deferred tax assets and liabilities
Movement of deferred tax assets / liabilities presented in the balance sheet

For the year ended 31 March 2024	Opening balance	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax asset on assets:				
Property, Plant and Equipment	7.18	(0.63)	-	6.55
Employee Benefit	28.34	14.03	9.16	51.53
Loss allowances on Trade receivables and Unbilled revenue	53.42	26.25	-	79.67
Deferred tax on liabilities:				
Deferred tax on lease liabilities, net of right of use assets	0.02	0.05	-	0.07
	88.96	**39.70**	**9.16**	**137.82**

For the year ended 31 March 2023	Opening balance	Recognized in profit or loss	Recognized in OCI	Closing balance
Deferred tax asset on 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	**39.54**	**(0.73)**	**88.96**

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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 2024

Particulars	Note No.	Carrying value	Fair value		
Financial assets		**As at 31 March 2024**	**Level 1**	**Level 2**	**Level 3**
Amortised cost					
Trade and other receivables & Unbilled Revenue	9	1,240.39	-	-	-
Cash and cash equivalents	10	0.18	-	-	-
Other bank balances	11	26.86	-	-	-
Other financial assets	12	13.77	-	-	-
Total financial assets		**1,281.20**	-	-	-
Financial liabilities					
Amortised cost					
Lease liabilities	4(b)	6.71	-	-	-
Trade payables	18	82.45	-	-	-
Borrowings	17	396.84	-	-	-
Other financial liabilities	19	502.15	-	-	-
Total financial liabilities		**988.15**	-	-	-

As at 31 March 2023

Particulars	Note No.	Carrying value	Fair value		
Financial assets		**As at 31 March 2023**	**Level 1**	**Level 2**	**Level 3**
Amortised cost					
Trade and other receivables & Unbilled Revenue	9	1,466.31	-	-	-
Cash and cash equivalents	10	0.30	-	-	-
Other bank balances	11	21.98	-	-	-
Other financial assets	12	15.66	-	-	-
Total financial assets		**1,504.25**	-	-	-
Financial liabilities					
Amortised cost					
Lease liabilities	4(b)	3.64	-	-	-
Trade payables	18	56.06	-	-	-
Borrowings	17	513.59	-	-	-
Other financial liabilities	19	582.80	-	-	-
Total financial liabilities		**1,156.09**	-	-	-

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 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 and working capital loan. 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. 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 2024 and 31 March 2023 are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivables from customers. 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 for trade receivables and un billed revenue.

The movement in the allowance for impairment in respect of trade receivables and unbilled revenues during the year was as follows.

Particulars	For the year ended	
	31 March 2024	31 March 2023
Balance as at the beginning of the year	212.27	173.92
Impairment loss recognised	104.29	38.35
Balance as at the end of the year	**316.55**	**212.27**

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.

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32 Financial risk management (continued)

Financing arrangement

The Company maintains the following line of credit:

The Company has taken cash credit facilities having interest rate at 1 month MCLR+1.00% (spread) with Yes Bank Limited and 3 month T-Bill+1.89% with HDFC Bank Limited. . 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.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2024 and 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 2024

Particulars	Contractual cash flow				
	Carrying amount	Less than 1 year	1-2 years	2-5 years	5 years and above
Borrowings	396.84	396.84	-	-	-
Lease liabilities	7.63	3.25	2.42	1.95	-
Trade payables	82.45	82.45	-	-	-
Other financial liabilities	502.15	502.15	-	-	-

As at 31 March 2023

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	56.06	56.06	-	-	-
Other financial liabilities	582.80	582.81	-	-	-

32 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 payables. 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 2024		31 March 2023	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Variable rate borrowings	4.55	(4.55)	4.20	-4.20

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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 current borrowing and less cash

The Company's policy is to keep the ratio below 2.00. The Company's adjusted net debt to equity ratio were as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Gross debt	403.55	517.23
Less: Cash and cash equivalent	(0.18)	(0.30)
Adjusted net debt (total borrowings net of cash and cash equivalent)	403.37	516.93
Total equity	368.39	334.00
Net debt (Total external liabilities) to equity ratio	**1.09**	**1.55**

34 Contingent liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Direct tax matters [refer note 34.1]	109.87	73.89

34.1 Income Tax matters:

During the year ended 31 March 2024, the Company received assessment order under section 143(3) and section 147 of the Income Tax Act for fiscal year 2018-19 and 2021-22, resulting in disallowances primarily relating to deduction under section 80JJAA of the Income Tax Act. Further during the year ended 31 March 2023, the Company also received assessment order for fiscal year 2016-17, 2017-18, 2019-20 and 2020-21 under section 143(3) of the Income Tax Act in which primarily deduction under section 80JJAA of the Income Tax Act has been disallowed.

The Income Tax department disallowed the claim under section 80JJAA of the IT Act on the grounds of non-existence of employer – employee relationship in respect of associate employees of the Company. Additionally, the Income Tax Department also disputed the interpretations adopted by the Company for computing the deduction under section 80JJAA by disallowing claims for:

- additional employees whose emoluments exceed Rs.25,000 in a month but the average emoluments for these additional employees does not exceed Rs.25,000 in a month during the service period;
- additional employees who have served more than 240 days in a year but are not an employee on March 31 of the respective financial year for which the claim is availed; and
- employees for whom which the employer's contribution of provident fund for any part of the year is paid by the Government under Employee Pension Scheme (EPS) but the entire employers contribution is not reimbursed by the Government during the year.

The Company filed an appeal with the Commissioner of Income-tax (Appeals) against the assessment orders for fiscal years 2016-17, 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 and believes that the tax treatment availed by the Company for deductions under 80JJAA are valid and will be sustained on ultimate resolution supported by external opinions from legal counsel and other tax experts.

Pending resolution of these Income Tax disputes, the Company has disclosed a contingent liability of INR 109.87 million (Previous Year INR 73.89 million) towards demands including interest in the order for these fiscal years.

The Company continues to maintain its stand on the manner of claiming the 80JJAA deduction and accordingly 80JJAA deduction (reduced from taxable income) of INR 121.53 million for the year ended 31 March 2024. The Company believes that such deduction, including its quantum, has been validly and consistently claimed, in conformity with its interpretation of the statute.

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35 Earnings per share

Particulars	31 March 2024	31 March 2023
Nominal value of equity shares (Rs per share)	10	10
Net profit after tax for the purpose of earnings per share (Rs)	61.62	123.96
Weighted average number of shares used in computing basic earnings per share	0.89	0.89
Basic earnings per share (Rs)	**69.23**	**139.28**
Weighted average number of shares used in computing diluted earnings per share	2.00	2.00
Diluted earnings per share (Rs)	**30.81**	**61.98**

36 Related party disclosures

(i) Name of Holding Company — Quess Corp Limited

(i) Name of related parties and description of relationship:

- 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")

- -Subsidiaries of Quess Corp Ltd (Fellow Subsidiaries)
  - 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
  - Vedang Cellular Services Private Limited
  - Quess International Services Private Limited (formerly known as 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
  - Simpliance Technologies Private Limited (till 06 October 2022)
  - Quesscorp Management Consultancies
  - Quesscorp Manpower Supply Services LLC
  - Quess Services Limited (liquidated w.e.f 20 March 2024)
  - Allsec Technologies Limited
  - Allsectech Inc. USA
  - Allsectech Manila Inc. Philippines
  - Trimax Smart Infraprojects Private Limited
  - Quess East Bengal FC Private Limited (under liquidation effective 02 September 2020)
  - Billion Careers Private Limited
  - Heptagon Technologies Private Limited (w.e.f 1 March 2022) [refer note 5.1]
  - Quess Corp NA LLC (w.e.f 17 May 2022)
  - Stellarslog Technovation Private Limited (w.e.f 25 April 2022)
  - Quess Recruit, Inc. (w.e.f. 1 January 2024)
  - Agency Pekerjaan Quess Recruit SDN. BHD (w.e.f. 1 July 2023)
  - Digitide Solutions Limited (w.e.f 11 February 2024)
  - Bluspring Enterprises Limited (w.e.f 11 February 2024)
  - MFX Infotech Private Limited (merged w.e.f. 1 December 2023)
  - Greenpiece Landscapes India Private Limited (merged w.e.f. 1 December 2023)
  - Conneqt Business Solutions Limited (formerly known as Tata Business Support Services Limited) (merged w.e.f. 1 December 2023)

- -Associates of Holding Company (Quess Corp Ltd)
  - Quess Recruit, Inc (till 1 January 2024)
  - Agency Pekerjaan Quess Recruit SDN. BHD (till 1 July 2023)
  - Stellarslog Technovation Private Limited (till 24 April 2022)

- -Joint Ventures of Holding Company (Quess Corp Ltd) — Himmer Industrial Services (M) Sdn Bhd

- -Entity controlled by promoters and promoter group of Holding Company (Quess Corp Limited)
  - Careworks foundation
  - Iris Realty LLP
  - Isaac Healthcare Services LLP
  - Fairbridge Capital Private Limited
  - Thomas Cook (India) Limited
  - Net Resources Investments Private Limited
  - HWIC Asia Fund Class A Shares
  - Isaac Enterprises LLP
  - BDC Digiphoto Imaging Solutions Private Limited
  - TC Tours Limited
  - Sterling Holiday Resorts Limited
  - Travel Corporation (India) Limited
  - Sotc Travel Private Limited

- -Charitable Trust for CSR activities — Quess Foundation

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36 Related party disclosures (continued)

(ii) Related party transactions during the year

Particulars		For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations			
- Services (Man Guard Services)			
	Quess Corp Ltd	430.83	327.73
	Allsec Technologies Limited	27.57	28.45
	Golden Star Facilities and Services Pvt Ltd	(0.46)	33.43
	Thomas Cook (I) Ltd	47.40	-
	Vedang Cellular Services Private Limited	0.51	0.65
	Monster.com (India) Pvt Ltd	1.03	1.62
	Qdigi Services Limited	7.27	6.94
	Net Resources Investments Private limited	1.00	0.83
	Total	**515.15**	**399.65**
- Sale of Electronic Surveillance Goods	Quess Corp Ltd	(2.58)	-
	Total	(2.58)	-
Receiving of services			
- Contract cost			
	Quess Corp Ltd	0.38	-
- Food expenses			
	Quess Corp Ltd	0.02	-
- Other office expenses			
	Quess Corp Ltd	0.02	1.00
- Other professional fees			
	Quess Corp Ltd	2.38	3.57
- Software maintenance			
	Quess Corp Ltd	0.19	-
- Corporate allocation			
	Quess Corp Ltd	42.06	-
- SeQure visitor subscription charges (Other professional charges)			
	Heptagon Technologies Private Limited	0.02	0.03
- Payroll processing charges (Other professional charges)			
	Allsec Technologies Limited	-	0.10
	Total	**45.07**	**4.70**
Loans taken from related parties	Quess Corp Ltd	15.00	802.70
	Total	**15.00**	**802.70**
Loans repaid to related parties	Quess Corp Ltd	15.00	562.70
	Total	**15.00**	**562.70**
Interest expenses	Quess Corp Ltd	27.38	24.23
	Total	**27.38**	**24.23**

(iii) Balance receivable from and payable to related parties as at the balance sheet date:

Particulars		As at 31 March 2024	As at 31 March 2023
Trade receivables	Quess Corp Ltd	91.59	63.92
	Allsec Technologies Limited	3.19	3.60
	Golden Star Facilities and Services Pvt Ltd	-	5.51
	Net Resources Investments Private limited	0.29	0.04
	Thomas Cook (I) Ltd	2.97	-
	Monster.com (India) Pvt Ltd	0.10	-
	Vedang Cellular Services Private Limited	0.12	0.20
	Qdigi Services Limited	0.18	0.79
	Total	**98.44**	**74.06**

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36 Related party disclosures (continued)

(iii) Balance receivable from and payable to related parties as at the balance sheet date:

Particulars		As at 31 March 2024	As at 31 March 2023
Unbilled Revenue	Quess Corp Ltd	41.02	23.32
	Allsec Technologies Limited	1.45	0.82
	Net Resources Investments Private limited	0.12	0.03
	Vedang Cellular Services Private Limited	0.03	0.05
	Thomas Cook (I) Ltd	3.76	-
	Monster.com (India) Pvt Ltd	0.08	0.06
	Qdigi Services Limited	0.53	0.52
	Total	**46.99**	**24.80**
Trade payables	Quess Corp Ltd	67.16	19.89
	Allsec Technologies Limited	-	0.01
	Simpliance Technologies Private Limited	-	0.02
	Total	**67.16**	**19.92**
Borrowings	Quess Corp Ltd	367.36	342.56
	Total	**367.36**	**342.56**
Interest accrued but not due on borrowings	Quess Corp Ltd	26.55	24.18
	Total	**26.55**	**24.18**
Accrued expenses	Quess Corp Ltd	4.23	-
	Total	**4.23**	-

37 Defined contribution plans

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 406.29 (Year ended 31 March 2023 ₹ 400.93) for Provident Fund contributions and Superannuation Fund contributions. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined benefit plans

Assets and liabilities relating to employee benefits

Particulars	As at 31 March 2024	As at 31 March 2023
Net defined benefit liability, gratuity plan	194.35	143.97
Liability for compensated absences	11.90	13.74
Total employee benefit liability	**206.25**	**157.71**

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	As at 31 March 2024	As at 31 March 2023
Change in defined benefit obligation		
Reconciliation of present value of defined benefit obligation		
Obligation at the beginning of the year	156.05	154.98
Current service cost	27.76	32.78
Interest cost	11.33	10.04
Benefit settled	(24.23)	(38.88)
Actuarial (gains)/ losses recognised in other comprehensive income		
Actuarial (gain) / loss- Experience	34.34	13.36
Actuarial (gain) / loss- demographic assumptions	-	-
Actuarial (gain) / loss- financial assumptions	2.03	(16.22)
Obligation at end of the year	**207.29**	**156.05**
Reconciliation of present value of plan assets		
Plan assets at beginning of the year, at fair value	12.08	13.32
Interest income on plan assets	0.88	0.87
Return on plan assets, excluding amount recogonised in net interest expense	0.01	0.05
Contributions	23.80	35.11
Benefits settled	(23.82)	(37.26)
Plans assets at end of year, at fair value	**12.94**	**12.08**
Net defined benefit liability	**194.35**	**143.97**

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37 Assets and liabilities relating to employee benefits (continued)

Reconciliation of present value of the obligation and the fair value of the plan assets

Particulars	As at 31 March 2024	As at 31 March 2023
Fair value of plan assets at the end of the year	12.94	12.08
Present value of the defined benefit obligations at the end of the year	207.29	156.05
Liability recognised in the balance sheet	**194.35**	**143.97**
Current	-	-
Non-current	194.35	143.97

Expense recognised in statement of profit or loss

Particulars	For the year ended 31 March 2024	31/Mar/23
Current service cost	27.76	32.78
Interest cost, net	10.45	9.17
Re-measurement- actuarial (gain)/loss recognised on OCI	36.38	(2.92)
Net gratuity cost	**74.59**	**39.03**

Remeasurement recognised in other comprehensive income

Particulars	As at 31 March 2024	As at 31 March 2023
Remeasurement of the net defined benefit liability	36.37	(2.87)
Remeasurement of the net defined benefit asset	0.01	(0.05)
	36.38	**(2.92)**

Plan assets

Particulars	As at 31 March 2024	As at 31 March 2023
Funds managed by insurer	12.93	12.08
	12.93	**12.08**

Defined benefit obligation - Actuarial Assumptions

Particulars	Associate employees	
	As at 31 March 2024	As at 31 March 2023
Interest rate	7.2%-7.3%	5.5% - 6.5%
Discount rate	7.10%-7.15%	7.20%-7.25%
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 211.09 million (Previous Year INR 163.52 million) to its defined benefit plans during the next fiscal year
100% of the plan assets are 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 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	9.93	10.62	8.54	9.13
Future salary growth(1% movement)	10.58	9.96	9.10	8.56
Attrition rate (50% movement)	9.75	10.99	8.40	9.36
Mortality rate (10% movement)	10.26	10.26	8.83	8.83

Associate Employees

Particulars	31 March 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	178.71	219.52	128.35	170.45
Future salary growth(1% movement)	220.03	178.05	171.00	127.65
Attrition rate (50% movement)	190.68	213.94	146.50	157.92
Mortality rate (10% movement)	197.38	196.67	147.60	146.85

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38 Ratios

Ratios	Numerator	Denominator	Ratios			
			Year ended 31 March 2024	Year ended 31 March 2023	%variance	Reason for variance (greater than 25%)
Current ratio	Current Assets	Current Liabilities	1.11	1.10	1%	
Debt-equity ratio	Total Debt	Shareholder's Equity	1.10	1.55	(29%)	Note 1
Debt service coverage ratio	Earnings available for debt service	Debt Service	0.36	0.41	(14%)	
Return on equity ratio	Net profit after taxes	Average share holder equity	0.18	0.46	(62%)	Note 2
Inventory turnover ratio	Cost of material consumed	Average inventory	1.09	4.30	(75%)	Note 3
Trade receivables turnover ratio	Total sales	Average Trade receivables	4.31	4.56	(5%)	
Trade payables turnover ratio	Total purchases	Average Trade Payables	1.56	2.07	(25%)	Note 4
Net capital turnover ratio	Net revenue	Average Working Capital	43.15	49.62	(13%)	
Net profit ratio	Net Profit After Tax	Net Revenue	0.01	0.02	(51%)	Note 2
Return on capital employed	Earnings Before Interest and Tax	Capital Employed	0.09	0.19	(51%)	Note 5

(Earnings available for debt service = Net Profit After taxes + Non cash operating expenses (depreciation and other amortizations) + Interest + other adjustments (profit/(loss) on sale of Property Plant and Equipment and intangible assets)
(Debt Service = Interest and lease payments + Principle Repayments)

Note 1 In the current year, there has been decrease in cash credit and overdraft facilities availed from the bank on account of better collections and reduction in Days Sales Outstanding
Note 2 In the current year, Net Profit After Tax has decreased on account of 100% Expected Credit Loss Allowance against billed and unbilled receivables.
Note 3 Inventory turnover ratio has decreased because of changes in contract terms & conditions pertaining to certain projects.
Note 4 During the current year, the trade payables has increased in comparison to previous year there by leading to a reduction in purchase to average trade payables ratio.
Note 5 Return on Capital Employed for the year has reduced due the to reduction in current year earnings compared to previous year which is due to 100% Expected Credit Loss Allowance against billed and unbilled receivables.

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39 As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, Companies are required to maintain back-up of the 'books of account and other relevant books and papers' ('books of account') in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis.

The books of account of the Company is maintained in electronic mode on servers physically located in India and are readily accessible in India at all times.

40 The Company has used accounting softwares for maintaining its books of account, which has a feature for recording an audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except for the instances mentioned below:

- In respect of one accounting software, audit trail feature was not enabled at the table level to log any direct data changes, and
- In respect of one accounting software, audit trail feature was not enabled at the application level and the underlying database to log any direct data changes

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).

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 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)

44 The company does not have any transactions with the Companies struck off under Companies Act, 2013.

45 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 the Code becomes effective.

46 The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

47 Other disclosures

47.1 The company has not been declared wilful defaulter by any bank or financial institution or other lender.

47.2 The company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.

47.3 The company has not traded or invested in crypto currency or virtual currency during the financial year.

48 The Company evaluated subsequent events through May 06, 2024, 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 event or transaction that would require recognition or disclosure in the standalone financial statements.

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Notes to the financial statements for the year ended 31 March 2024

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 32/4, Old Bommanahalli, CMC Katha No. 299, Roopena Agrahara Village, Begur Hobli, Bangalore South, Karnataka - 560068 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 06 May 2024.

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.

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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

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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)

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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 Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

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2.21 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 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.

2.22 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.

2.23 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.

2.24 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

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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.

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.

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