

**NOTICE TO MEMBERS**

**UPDATER SERVICES LIMITED**

**SHORTER NOTICE IS HEREBY GIVEN THAT THE NINETEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF UPDATER SERVICES LIMITED WILL BE HELD ON SATURDAY, THE 31ST DAY OF DECEMBER 2022 AT 04.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 2/302-A, UDS SALAI, OFF OLD MAHABALIPURAM ROAD, THORAIPAKKAM, CHENNAI 600097 THROUGH VIDEO CONFERENCING**

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**TO TRANSACT THE FOLLOWING BUSINESS**

**ORDINARY BUSINESS:**

**ITEM NO: 1**

To consider and adopt the Standalone and Consolidated Financial Statement along with the audited Balance Sheet as at 31 March 2022, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date and the Report of the Auditors and the Board of Directors thereon.

**“RESOLVED THAT** the audited Standalone and Consolidated Balance Sheet, the Profit and Loss Account along with the Cash Flow Statement and the notes thereto for the year ended 31st March 2022 together with the Auditors’ Report and the Directors’ Report thereon be and are hereby approved and adopted.”

**ITEM NO: 2**

To re-appoint Mr. RAGHUNANDANA TANGIRALA (DIN: 00628914) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mr. RAGHUNANDANA TANGIRALA (DIN: 00628914), who retires by rotation at this Annual General Meeting and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company.”

### **SPECIAL BUSINESS**

#### **3.Regularization of Additional Director, Mr P.C. Balasubramanian and appointment as Whole-Time Director**

The NRC at its meeting held on 16.12.2022 recommended for the regularization of Mr. P.C.Balasubramanian as a Whole-Time Director designated as Executive Director and the Board in its meeting held on 31.12.2022 approved the same, subject to the approval of the shareholders.

To consider and thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 160 & 161 of the Companies Act, 2013 and other applicable provisions of the Act, if any (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr. P.C. Balasubramanian (DIN : 00584548), who was appointed as an Additional Director on 13th September 2022 and who holds office up to the date of this Annual General Meeting and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a Notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Executive Director (Whole-Time Director) of the Company for a period of 4 years”.

**“RESOLVED FURTHER THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded for payment of a remuneration of Rs. 7,39,722/- (Rupees Seven Lakhs Thirty-Nine Thousand Seven Hundred & Twenty Two) per month, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit.

**RESOLVED FURTHER THAT** the period of his office shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in the financial year, the Company will pay remuneration by way of Salary including perquisites and allowances as specified under Section II of Part II of Schedule V to the Companies Act, 2013 or in accordance with any statutory modification(s) thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and/or remuneration based on the recommendation of the Nomination & Remuneration Committee subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

**RESOLVED FURTHER THAT** any one of the Directors of the Company, be and is hereby authorised to file relevant forms with the Registrar of companies, and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment”

**4.To approve the Corporate Guarantee to be issued in favour of Kotak Mahindra Bank on behalf of M/s. Global Flight Handling Services (VIZAG) Private Limited**

To consider and thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to Section 185 & 186 of the Companies Act, 2013 and other applicable provisions, if any, approval be and is hereby accorded for issue of Corporate Guarantee in favour of Kotak Mahindra Bank to the extent of Rs. 4,50,00,000/- (Rupees Four Crore Fifty Lakhs Only) in respect of the financial facility granted to M/s. Global Flight Handling Services (Vizag) Private Limited, step-down subsidiary of the Company.

**RESOLVED FURTHER THAT** Mr. T. Raghunandana, Managing Director or Mr. Balaji Swaminathan, Group CFO be and are hereby authorized to execute the Corporate Guarantee for and on behalf of the Company and to do all such acts, deeds and things as may be required and/or necessary for the purpose of and in connection with the aforesaid matter and in order to give effect to the above resolution.”

**5.To approve the Corporate Guarantee to be issued in favour of Kotak Mahindra Bank on behalf of M/s. Global Flight Handling Services (Surat) Private Limited**

To consider and thought fit, to pass with or without modifications, the following resolution as SpecialResolution:

**“RESOLVED THAT** pursuant to Section 185 & 186 of the Companies Act, 2013 and other applicable provisions, if any, approval be and is hereby accorded for issue of Corporate Guarantee in favour of Kotak Mahindra Bank to the extent of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) in respect of the financial facility granted to M/s. Global Flight Handling Services (Surat) Private Limited, step-down subsidiary of the Company.

**RESOLVED FURTHER THAT** Mr. T. Raghunandana, Managing Director or Mr. Balaji Swaminathan, Group CFO be and are hereby authorized to execute the Corporate Guarantee for and on behalf of the Company and to do all such acts, deeds and things as may be required and/or necessary for the purpose of and in connection with the aforesaid matter and in order to give effect to the above resolution.”

**6.To approve the Corporate Guarantee to be issued in favour of Kotak Mahindra Bank on behalf of M/s. Global Flight Handling Services (Raipur) Private Limited**

To consider and thought fit, to pass with or without modifications, the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to Section 185 & 186 of the Companies Act, 2013 and other applicable provisions, if any, approval be and is hereby accorded for issue of Corporate Guarantee in favour of Kotak Mahindra Bank to the extent of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) in respect of the financial facility granted to M/s. Global Flight Handling Services (Raipur) Private Limited, step-down subsidiary of the Company.

**RESOLVED FURTHER THAT** Mr. T. Raghunandana, Managing Director or Mr. Balaji Swaminathan, Group CFO be and are hereby authorized to execute the Corporate Guarantee for and on behalf of the Company and to do all such acts, deeds and things as may be required and/or necessary for the purpose of and in connection with the aforesaid matter and in order to give effect to the above resolution.”

**7.To approve the Corporate Guarantee to be issued in favour of Kotak Mahindra Bank on behalf of M/s. Global Flight Handling Services (Patna) Private Limited**

To consider and thought fit, to pass with or without modifications, the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to Section 185 & 186 of the Companies Act, 2013 and other applicable provisions, if any, approval be and is hereby accorded for issue of Corporate



Guarantee in favour of Kotak Mahindra Bank to the extent of Rs. 5,50,00,000/- (Rupees Five Crore Fifty Lakhs Only) in respect of the financial facility granted to M/s. Global Flight Handling Services (Patna) Private Limited, step-down subsidiary of the Company.

**RESOLVED FURTHER THAT** Mr. T. Raghunandana, Managing Director or Mr. Balaji Swaminathan, Group CFO be and are hereby authorized to execute the Corporate Guarantee for and on behalf of the Company and to do all such acts, deeds and things as may be required and/or necessary for the purpose of and in connection with the aforesaid matter and in order to give effect to the above resolution.”

**8. To consider and if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION:**

RESOLVED that in terms of provisions contained in Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Rules framed thereunder, including any statutory modifications or re-enactment thereof, and the Articles of Association of the Company and subject to such other approvals as may be necessary, approval of the Members be and is hereby accorded for variation in the terms and conditions of employment with Mr. Raghunandana Tangirala(DIN 00628914), Managing Director, as set out in the Explanatory Statement.

Further RESOLVED that save and except as aforesaid, all other existing terms and conditions of appointment and remuneration of Mr. Raghunandana Tangirala shall continue to remain in full force and effect.

Further RESOLVED that the Board (which will include its committee thereof) be and is hereby authorised to vary and /or revise the remuneration of Mr. Raghunandana Tangirala within limits permissible under the Act and do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid Resolution.

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BY THE ORDER OF THE BOARD OF DIRECTORS

**DATE: 31.12.2022**

**PLACE: CHENNAI**

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**L B JAYARAM**

**PAN ABDPJ3094P**

**COMPANY SECRETARY**

## **NOTES**

1. In view of the COVID-19 pandemic, social distancing norms to be followed and pursuant to General Circular Nos. 14/2020 dated 08.04.2020, 17/2020 dated 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020 and 39/2020 dated 31.12.2020, 10/2021 dated 23.06.2021, 20/2021 dated 08.12.2021 21/2021 dated 14.12.2021 and 2/2022 dated 05.05.2022 issued by the Ministry of Corporate Affairs, Government of India ("MCA Circular") and in compliance with the provisions of the Companies Act, 2013 (the "Act"), this Annual General Meeting(AGM) is being convened through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), without the physical presence of the members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company at NO.2/302-A, UDS Salai, Off Old Mahabalipuram Road Thoraipakkam Chennai, Kancheepuram, Tamil Nadu- 600097.
2. As, this AGM is being held through VC / OAVM, in terms of the MCA Circulars therefore, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. The Explanatory Statement pursuant to Section 102(1) of the Act, in respect of the special businesses is annexed and forms part of this Notice.
4. The facility of joining the AGM through VC/OAVM will be opened 30 minutes before and will be open upto 15 minutes after the scheduled start time of the AGM.

5. The VC shall be conducted through Zoom Meeting and link to the meeting will be sent to your registered email address. The details of the meeting shall also be forwarded to your registered email address available with the company before the meeting along with instructions for participating and voting at the meeting. Shareholders can contact 9840963076 for assistance with respect to the technology for VC or OAVM either before or during the meeting.
6. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
7. The meeting is proposed to be held by giving a shorter notice for which necessary consent has to be received from the members.

**Item:2 As per SS-2**

S.No	Directors Name	Mr. Raghunandana Tangirala
1	Age	62 years
2	Qualifications	B.com
3	Experience	32 years
4	Terms and conditions of Appointment	As per Appointment Letter
5	Details of Remuneration	Rs. 16,00,000/- p.m.
6	Date of First appointment	13.11.2003
7	Shareholding in the company	31.01%
8	Relationship with other directors and KMP of the company	None
9	Number of Board Meetings attended during the year	5 Board meetings for Fy2022-2023 as on date

10	Directorship, Membership or Chairmanship of committees of other board	Directorship – 12 (10 public companies including public and deemed public companies)  Membership of committees – 2  Chairmanship of committees – 1
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**Item:3 As per SS-2**

S.No	Directors Name	Mr. P.C. Balasubramanian
1	Age	57 years
2	Qualifications	Chartered Accountant
3	Experience	30 years
4	Terms and conditions of Appointment	As per Appointment Letter
5	Details of Remuneration	Rs. 7,39,722/- p.m.
6	Date of First appointment	13.09.2022
7	Shareholding in the company	1(one) share
8	Relationship with other directors and KMP of the company	None
9	Number of Board Meetings attended during the year	2 Board meetings for Fy2022-2023 as on date

10	Directorship, Membership or Chairmanship of committees of other board	<p>Directorship – 4</p> <p>Membership of committees –2</p> <p>Chairmanship of committees – NA</p>
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### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

#### **Item:3**

The Board on the recommendation of the Nomination & Remuneration Committee at its meeting held on 13<sup>th</sup> September, 2022, approved the appointment of Mr. P.C. Balasubramanian (DIN : 00584548) as Additional Director designated as Executive Director (Whole Time Director) up to the forthcoming Annual General Meeting. Further, the Board on the recommendation of the Nomination & Remuneration Committee at its meeting held on the 16.12.2022., approved the appointment of Mr. P.C. Balasubramanian as Executive Director (Whole Time Director) for a period of 4(Four) years from the date of approval of the shareholders. The Company has received from Mr. P.C. Balasubramanian consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Act.

In terms of Section 160 of the Companies Act, 2013, the Company has received notice in writing from a member, proposing the candidature of Mr. P.C. Balasubramanian for appointment. Both the Nomination and Remuneration Committee and the Board were of the opinion, after evaluation of his qualifications, experience and other attributes, that his continuance on the Board would be of immense benefit to the Company and it is desirable to avail his services as a Director to strengthen the management of the Company.

The brief resume of Mr. P.C. Balasubramanian is available in the Annexure to the Notice.

Mr. P.C. Balasubramanian holds 1 share in the Company in his individual capacity.

Copy of draft letter for the appointment of Mr. P.C. Balasubramanian setting out the terms and conditions would be available for inspection without any fee by the Members at the



Registered Office of the Company during normal business hours on all working days except Saturdays and Sundays up to the date of ensuing AGM.

The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in Item No. 3 of the Notice above by way of Ordinary resolution. Except Mr. P.C. Balasubramanian, none of the Directors and Key Managerial Personnel of the Company and their relatives, is in any way, concerned or interested in the said resolution.

**Item:4**

M/s. Global Flight Handling Services (Vizag) Private Limited (GFHSVPL), step-down subsidiary of the Company is engaged in the business of Ground Handling Services in Airports.

GFHSVPL is in the process of availing working capital loan from Kotak Mahindra Bank Ltd. (KMBL) to the extent of Rs. 4,50,00,000/- (Rupees Four Crore Fifty Lakhs Only) for its business purposes. One of the terms and conditions of the sanction letter stipulates that the company shall provide Corporate Guarantee for the above said facility.

In order to obtain expeditious disbursements from KMBL and to meet the fund requirements of the business of GFHSVPL, your Company needs to issue Corporate Guarantee on behalf of GFHSVPL for an amount of Rs. 4,50,00,000/- (Rupees Four Crore Fifty Lakhs Only) in favour of KMBL.

The issue of corporate guarantee to KMBL by the Company on behalf of GFHSVPL requires the approval of the Members of the Company by way of Special resolution.

Special under Item No.4 is placed before the Members for their approval.

Your directors recommend passing of resolutions in item no. 4 by way of Special resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution except to the extent of their shareholding.

**Item:5**

M/s. Global Flight Handling Services (Surat) Private Limited (GFHSSPL), step-down subsidiary of the Company is engaged in the business of Ground Handling Services in Airports.

GFHSSPL is in the process of availing working capital loan from Kotak Mahindra Bank Ltd. (KMBL) to the extent of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) for its business purposes. One of the terms and conditions of the sanction letter stipulates that the company shall provide Corporate Guarantee for the above said facility.

In order to obtain expeditious disbursements from KMBL and to meet the fund requirements of the business of GFHSSPL, your Company needs to issue Corporate Guarantee on behalf of GFHSSPL for an amount of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) in favour of KMBL.

The issue of corporate guarantee to KMBL by the Company on behalf of GFHSSPL requires the approval of the Members of the Company by way of Special resolution.

Special Resolution under Item No.5 is placed before the Members for their approval.

Your directors recommend passing of resolutions in item no. 5 by way of Special resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution except to the extent of their shareholding.

#### **Item:6**

M/s. Global Flight Handling Services (Raipur) Private Limited (GFHSRPL), step-down subsidiary of the Company is engaged in the business of Ground Handling Services in Airports.

GFHSRPL is in the process of availing working capital loan from Kotak Mahindra Bank Ltd. (KMBL) to the extent of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) for its business purposes. One of the terms and conditions of the sanction letter stipulates that the company shall provide Corporate Guarantee for the above said facility.

In order to obtain expeditious disbursements from KMBL and to meet the fund requirements of the business of GFHSRPL, your Company needs to issue Corporate Guarantee on behalf of GFHSRPL for an amount of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) in favour of KMBL.

The issue of corporate guarantee to KMBL by the Company on behalf of GFHSRPL requires the approval of the Members of the Company by way of Special resolution.

Special Resolution under Item No.6 is placed before the Members for their approval.

Your directors recommend passing of resolutions in item no. 6 by way of Special resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution except to the extent of their shareholding.

#### **Item:7**

M/s. Global Flight Handling Services (Patna) Private Limited (GFHSPAPL), step-down subsidiary of the Company is engaged in the business of Ground Handling Services in Airports.

GFHSPAPL is in the process of availing working capital loan from Kotak Mahindra Bank Ltd. (KMBL) to the extent of Rs. 5,50,00,000/- (Rupees Five Crore Fifty Lakhs Only) for its business purposes. One of the terms and conditions of the sanction letter stipulates that the Company shall provide Corporate Guarantee for the above said facility.

In order to obtain expeditious disbursements from KMBL and to meet the fund requirements of the business of GFHSPAPL, your Company needs to issue Corporate Guarantee on behalf of GFHSPAPL for an amount of Rs. 5,50,00,000/- (Rupees Five Crore Fifty Lakhs Only) in favour of KMBL.

The issue of corporate guarantee to KMBL by the Company on behalf of GFHSPAPL requires the approval of the Members of the Company by way of Special Resolution.

Special Resolution under Item No.7 is placed before the Members for their approval.

Your directors recommend passing of resolutions in item no. 7 by way of Special Resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution except to the extent of their shareholding.

**Item: 8**

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Mr. Raghunandana Tangirala was appointed as the Managing Director of the Company effective from January 01, 2021 for a period of 3(Three) years up to December 31, 2023.

It is proposed to revise the terms and conditions of employment with Mr. Raghunandana Tangirala, Managing Director by providing a new Mercedes Benz CBU X-243 EQB2004M car exclusively for him for official purposes and its maintenance and running expenses shall be met by the Company. The use of the said car for official purposes shall not be treated as perquisites. In this regard the Board in its meeting held on 31.12.2022 has approved the said revision to the terms and conditions of employment based on the recommendation of the Nomination and Remuneration Committee in its meeting held on 16.12.2022 and the Audit Committee at its meeting held on 31.12.2022.

Special Resolution under Item No.8 is placed before the Members for their approval.

Your directors recommend passing of resolutions in item no. 8 by way of Special Resolution. Except Mr. Raghunandana Tangirala none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution.

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## BOARD'S REPORT

To the Members,

Your Directors' have pleasure in presenting the Nineteenth Annual Report of the Company together with the Auditor's report and the audited balance sheet for the year ended 31st March 2022

### 1. FINANCIAL SUMMARY

Your company has had a good year in FY 22. Revenue from operations in standalone UDS as well as profit before tax has increased and the consolidated results achieved demonstrate that our subsidiary and associate companies continue to do very well and add significantly to the financial performance of the UDS group. A brief financial summary is presented below. Consolidated revenue has increased from 1,21,003.23 Lacs to 1,48,355.22.61 lacs, which is an increase of 22.6%. consolidated profit before tax increased from 5,442.61 lacs to 7,093.75.04 lacs, which is an increase of 30.% over the previous year FY 21. Consolidated profit after tax also increased by 14.46%. on a stand alone basis also your company has achieved good results with an increase in profit before tax of 15.9% and an increase of 19.8% in profit after tax.

(Rs. in

Lakhs)

Particulars	UDS Standalone		UDS Consolidated	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
Revenue from Operations	1,07,067.27	1,00,516.51	1,48,355.22	1,21,003.23
Profit Before Tax, Finance Charges and Depreciation	4966.11	4384.59	9,755.85	7,625.80



Finance Charges	727.63	634.46	1,008.70	684.60
Provision for Depreciation	565.15	579.52	1,653.40	1,498.58
Profit Before Tax	3,673.33	3,170.61	7,093.75	5,442.61
Provision for Tax	(20.61)	87.27	1,357.24	686.45
Net Profit After Tax	3,693.94	3,083.34	5,736.5	4,756.16
Other Comprehensive Income/(Loss) for the year, net of tax	(172.83)	79.01	(271.70)	60.33
Net Profit After Tax & Exceptional Items and Surplus carried to Balance Sheet	3,521.11	3,162.35	5464.80	4,816.49

## 2. DIVIDEND

The board has decided to conserve cash and retain the profits generated during the year for business expansion activities and hence is not declaring any dividend.

## 3. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

Your Company like all others in India and around the world, was impacted by the Covid 19 pandemic during the year to some extent. Continuous monitoring and timely efforts enabled the Company to handle the situation well and ensured a better performance compared to the last year. On a consolidated basis, Profits rose significantly due to some stellar performances by many of our subsidiary companies.

The Total Income of the Company for the year ended 31st March 2022 was Rs. 1,08,450.36 Lakhs as compared to Rs. 1,01,013.70 Lakhs in the Previous Year.

Profit before Tax was significantly higher at Rs. 3,673.33 lakhs as against Rs. 3,170.61 lakhs for the previous year and the Profit after Tax considering Other Comprehensive Income/(Loss) was Rs. 3,521.11 lakhs compared to Rs. 3,162.35 lakhs during the last year. On a consolidated basis the Total Income of the Company for the year ended 31st March 2022 was Rs. 1,49,789.35 Lakhs as compared to Rs. 1,21,635.13 Lakhs in the Previous Year. Profit before Tax was significantly higher at Rs. 7,093.75.04 lakhs as against Rs. 5,442.61 lakhs for the previous year and the Profit after Tax considering Other Comprehensive Income/(Loss) was Rs. 5,464.80 lakhs compared to Rs. 4,816.49 lakhs during the last year. Your Directors are optimistic about the company's business prospects and are hopeful of a better performance with considerable increase in revenue and profits in the FY23.

**4. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT**

There are no known material changes and commitments affecting the Financial position of the Company between 31<sup>st</sup> March 2022 and the date of Board's Report.

**5. TRANSFER TO RESERVE**

No amount has been proposed to be transferred to any reserves.

**6. CHANGE IN THE NATURE OF BUSINESS**

Your company operates in 2 broad segments;

1. integrated facilities management – IFM and
2. business support services – BSS.

We continue to operate in these 2 segments and there has been no change in the nature of business of the Company.

**7. CHANGES IN SHARE CAPITAL, IF ANY**

During the financial year, there was no change in the Authorised, Issued, Subscribed and Paid-up Capital of the Company. The Company has not made

any issue/ allotment except transfer of shares. Mr. Raghunandana Tangirala transferred one share each to Mr. P.C. Balasubramanian on 18.10.2021, Mr. C.R. Saravanan on 18.10.2021 and Mr. Balaji Swaminathan on 19.10.2021.

**8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

**(A) Conservation of energy:**

The company's operations are not very energy intensive and consume nominal energy. Hence entail low energy consumption costs and there are limited areas where conservation measures can be applied. However, the company is making continuous efforts to conserve energy in the areas of lighting and air conditioning to optimize energy consumption and the use of power.

**(B) Technology absorption:**

your company has always emphasised the development and use of technology to improve its operations in various ways such as automation of routine processes, improving accuracy of record keeping, collecting information from customer sites, analysing and presenting data on customer dashboards as well as to deliver our core service. Your company continues to make investments in its subsidiary Wynwy, how to develop an industry leading enterprise asset management – EAM cum CMMS software. your company has also intensified its engagement with Aubotz Labs - the makers of Peppermint branded cleaning and material handling robots.

**(C) Foreign Exchange Earnings and Outgo:**

The Company has no activity, which requires reporting under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 with regard to Foreign Exchange Earnings and Outgo.

**9. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

During the year, your Directors' have reviewed the Company's enterprise wide risk management framework in respect of the Company's business activities. The Board has an effective audit committee, internal auditors and other control mechanisms ensure a proper control environment in the company. the board

continuously reviews the control framework policies and procedures as well as technology to ensure that controls work as they are designed to. Whenever there are any incidents that still occur in spite of all the controls and whenever an incident gets reported or is detected, the board has taken note of the matter and ensured speedy and proper investigation and follow up action to ensure that controls work effectively and so that the risks involved get managed.

## 10. CORPORATE SOCIAL RESPONSIBILITY

The Company has developed a policy under Corporate Social Responsibility and the same was reviewed. The details of the same is given as **Annexure-A**.

***Composition of the CSR Committee & Details of the meeting held during the year:***

<b><i>Sl.No.</i></b>	<b><i>Name of Director</i></b>	<b><i>Designation</i></b>	<b><i>No. of meetings held during the year</i></b>	<b><i>No. of meetings attended</i></b>
1.	Raghunandana Tangirala	Chairman	4	4
2.	Shanthi Tangirala	Member	4	4
3.	Rammohan Tangirala	Member	4	4

## 11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of loans and investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review are given to the Notes of Financial Statements. Details with reference to guarantees are given in **Annexure-B**.

Your company has move forward on its stated path of converting itself into a full value added business support services platform and has had another great year in the area of acquisitions and towards strengthening its control over its existing

partly owned subsidiaries. your company has made an exciting new investment in India's leading sales enablement company- Denave. this acquisition is expected to give your company a very strong entry into the new age business of sales enablement. Denave has the presence not only in India but also in South East Asia and parts of Europe. The details of the investments made by your company during the year are as follows:

1. The Company made an acquisition of 54.07 % stake in Denave India Private Limited on 27<sup>th</sup> October 2021.
2. The Company acquired additional equity shares in Matrix Business Services India Private Limited during the period, thereby increasing its investment in this subsidiary from 75% to 87.50%.
3. The Company acquired additional equity shares in its Subsidiary Washroom Hygiene Concepts Private Limited from 90% to 100%
4. The company also acquired additional equity shares in its Subsidiary Fusion Foods & Catering Private Limited from 65.40% to 100%.

## **12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All related party transactions that were entered into during the financial year were at arm's length. The details form part of notes to accounts and Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) in Form AOC- 2 annexed as **Annexure C**.

## **13. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS**

During the year, the auditors have carried out extensive work and have certified the UDS standalone as well as the consolidated accounts for the year FY 22 with some comments and observations. They have made certain qualifications on the operating effectiveness of the controls and suggestions for improvement to the company as a part of their report. These have been extensively reviewed by the audit committee of the Company's Board, as well as by the Board itself. Management has also undertaken a thorough review and has undertaken to put in place more effective mechanisms where required. The key qualification on the operating effectiveness of the controls are recorded below along with the Management's commentary and explanation:



Auditors' Observations:

- i. *The internal controls over timely identification of customer claims, their reconciliations and assessment of contractual compliance by the Company for recording the appropriate adjustments, were not operating effectively, which may result in incorrect or inappropriate revenue recognition.*

Management comments:

Though Company had an internal control system around timely identification of customer claims, obtaining the additional relevant information with respect to customer claims and related assessment, with respect to a specific contract this control was not fully responsive to the unique and complex circumstances associated with this contract primarily due to the following:

a) more verbal communications; b) No response on letters sent; c) Multiple stakeholders – Hospital/ Trust/ Consultants/ Other Agencies; d) Adhoc payments without payment advices; e) No periodic statement of accounts from the Customer;

and Certain claims were not considered in the preparation of the financial statements for the earlier years.

A Special review was carried out by an independent external firm to assess the management review controls around accounting of provisions for receivables in respect of FY 2019-20, FY 2020-21 and FY 2021-22 and based on their work performed the specialist has concluded that there are shortcomings in the Company's processes around timely identification and obtaining additional relevant information in respect of customer claims and assessment of consequent contractual compliances by the Company with respect to a specific contract.

The Board has considered the report of the external firm and based on their internal evaluation agree with the conclusion that the prior period errors have occurred due to non-responsiveness of the above control.

Consequently, the comparative amounts have been correctly restated to reflect the above matters and appropriate note disclosure of these restatements have also been included in the current year's standalone/consolidated financial statements (Refer Note 50 of the financial statements for further details).

We propose to further strengthen the timely collation and review process relating to the collation /evaluation / assessment of customer claims (verbal/ written or otherwise) and related documentation on the issues, the possibilities, up sides and downsides, analysis, reflection and conclusion of the possible loss evaluation.

Auditors' Observations:

- ii. *The internal controls over the Company's compliance with GST regulations as regards credit notes were not operating effectively, which may result in recognising incorrect GST credits / receivables and any consequent liabilities under applicable laws and regulations.*

Management comments:

We have taken legal views from experts in this area and we are of the view that our approach is per-se not at fault and is defensible. The Company out of abundant caution has recognized a provision of Rs 361.46 lakhs in the financial statements, without prejudice to its rights under the applicable law. We will examine the process relating the credit notes and propose to further strengthen the process in relation to credit notes and recognition of GST credits.

Auditors' Observations:

- iii. *The IT general controls including controls over change management and access control were not operating effectively, which may result in material misstatements in the Company's financial statements.*

Management comments:

The IT general Controls including controls over change management and access controls exist and have been gradually improved over time. We shall again review the existing process thoroughly and ensure that we exercise absolute IT general control over change management and access control.

Auditors' Observations:

- iv. *The internal controls over monitoring and responding to whistle blower allegations received were not operating effectively.*

One whistle blower complaint was received during the year on misappropriation of funds. Investigation was carried out by a Third Party Agency and it has been found that there has been collusion between certain company employees and

some customer representatives. Company has lodged a police complaint against the people responsible and an FIR has been filed. Police investigation is going on. To further mitigate the potential risk we shall introduce automation in this area and also carry out discrete on going inquiries based checks on the data submitted. We shall also ensure that the Whistle Blower policy and the Company's zero tolerance compliance policy is further reinforced amongst all employees and appropriate training is strengthened.

#### **14. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) of the Companies Act, 2013 relating to constitution of Nomination and Remuneration Committee was not applicable to the Company for the financial year FY22 till 23.03.2022. It became applicable to the Company only upon conversion to Public Company on 24.03.2022, pursuant to which Nomination & Remuneration Committee was formed by the Company on 05.05.2022.

#### **15. ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 is placed in the Company's website and the web-link for accessing the Annual Return is:

[www.uds.in/Investors/AnnualReturn.pdf](http://www.uds.in/Investors/AnnualReturn.pdf)

#### **16. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Board met 13 times during the financial year 2021-2022. The Maximum time gap between 2 board meetings did not exceed 120 days.

The details are as under:

S.No	Date	Board Strength	No. of Directors present
1	15.04.2021	7	5

2	21.04.2021	7	5
3	25.05.2021	7	7
4	26.05.2021	7	4
5	09.06.2021	7	7
6	29.06.2021	7	3
7	02.09.2021	7	3
8	24.09.2021	7	5
9	19.10.2021	7	4
10	30.10.2021	7	3
11	08.01.2021	7	4
12	21.02.2022	7	4
13	31.03.2022	7	6

#### **17. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a "going concern" basis;

(e) The Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **18. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company has no Associates and it has not entered into Joint Venture with any other Company during the financial year under review. The Company has the following subsidiary Companies as on 31<sup>st</sup> March 2022:

- i. Avon Solutions & Logistics Private Limited
- ii. Integrated Technical Staffing and Solutions Private Limited
- iii. Tangy Supplies & Solutions Private Limited
- iv. Stanworth Management Private Limited
- v. Fusion Foods & Catering Private Limited
- vi. Wynwy Technologies Private Limited (Earlier known as Zappy Home Solutions Private Limited)
- vii. Global Flight Handling Services Private Limited
- viii. Updater Services (UDS) Foundation
- ix. Matrix Business Services India Private Limited
- x. Washroom Hygiene Concepts Private Limited
- xi. Denave India Private Limited

Pursuant to section 129 and Rule 5 of the Companies (Accounts) Rules 2014, the Financial Performance of the above-mentioned Subsidiary Companies is furnished in **Form AOC – 1** which is enclosed as **Annexure D** as part of this Report.

## **19. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

## **20. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the financial year under review there was no Appointment, Change in Designation and Resignation of Directors, Managing Directors, Whole Time Directors.

In respect of KMPs', Mr. L.B. Jayaram was appointed as Company Secretary on 29.06.2021. Mr. Amitabh Jaipuria was appointed as Group CEO on 01.03.2022.

Mr. Sunil Rewachand Chandiramani and Mr. Amit Choudhary were the Independent Directors of the Company during the year under review.

## **21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

Proper and adequate internal control systems pertaining to financial statements have been adopted by your company. Your company ensures that existing internal controls serve to assist the operations in the best possible manner and discrepancies are reduced to the least possible extent, resulting in maximum effectiveness of the operations. During the year, such controls were tested and it was observed that:

- A. There needs to be improvement in internal controls over timely identification of customer claims, their reconciliations and assessment of contractual compliance by the Company for recording the appropriate adjustments.
- B. The internal controls over the Company's compliance with GST regulations as regards credit notes needs to be examined.
- C. The IT general controls including controls over change management and access control needs to be strengthened.
- D. The internal controls over monitoring and responding to whistle blower allegations has to be more effective.

The management is committed to ensuring that the above is attended to and the necessary changes will be made. The Audit committee and the board of your company will oversee this and ensure compliance.

## **22. STATUTORY AUDITORS**

The Auditors M/S. S R BATLIBOI & ASSOCIATES LLP., Chartered Accountants were appointed as Statutory Auditors for a period of 4 years in the Annual General Meeting held for the Financial Year 2018-19 on 31<sup>st</sup> December 2019. They continue to be the Statutory Auditors of the Company.

There have been certain observations pointed out by the Auditors in the Auditors' Report for which Management comments have been provided in para 13.

## **23. SECRETARIAL AUDITOR**

The provisions of Sec. 204 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 became applicable to the Company upon its conversion to Public Company on 24.03.2022. Pursuant to which, SPNP & Associates, was appointed as Secretarial Auditor for Fy22 by the Board in its meeting held on 13.09.2022, upon recommendation by the Audit Committee. The MR-3 report of the Secretarial Auditor has been circulated to the Board of Directors. There has been one observation in the Secretarial Auditors report for the Current financial year which has already been complied with.

#### **24. INTERNAL AUDITOR**

Protiviti was appointed as the Internal Auditors for the Fy22. The Internal Auditors gave a presentation of their Internal Audit Report to the Audit Committee in its meeting held on 05.12.2022.

#### **25. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The company is committed to and implementing the sexual harassment prevention policy without exception and in letter and in spirit. The company is committed to the cause of diversity and inclusion and to provide a safe and non-discriminatory workplace to all its employees. The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment.

During the year under review, there were no cases filed pursuant to sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **26. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

Pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is provided as **Annexure E** to the Annual Report.

#### **27. DISCLOSURE WITH REGARD TO EMPLOYEES STOCK OPTION SCHEME**



The details with regard to 'Updater Employee Stock Option Plan 2019'(ESOP 2019) is given below:

1. No. of Options which can be granted under the Scheme: 16,32,640
2. Options granted: 11,50,015
3. Options vested: 6,62,566
4. Options exercised: Nil
5. The total no. of shares arising as a result of exercise of option: Nil
6. Options lapsed/cancelled: 487,449
7. The exercise price: Rs.10/- or Rs.111/- as applicable
8. Variation of terms of options: Relaxation of the terms and conditions of vesting beneficial to the Option Grantees vide shareholders resolution on 31.03.2022
9. Money realized by exercise of options: Nil
10. Total number of options in force: 6,62,566 (all vested)

## **28.FRAUD REPORTING**

The Company has not entered into transactions which are fraudulent or illegal or violative of the Company's code of conduct. However, one whistle blower complaint was received during the year. An investigation was carried out by a Third Party Agency and it was found out that there has been collusion between certain company employees and some customer representatives. Company has lodged a police complaint against the culprits and an FIR has been filed. Police investigation is going on. To mitigate the potential risk we shall introduce automation in this area and also carry out discrete inquiry based checks on the data submitted. We shall also ensure that the Whistle Blower policy and the Company's zero tolerance compliance policy is further reinforced amongst all employees and appropriate training is strengthened.

## **29. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

## **30.VIGIL MECHANISM:**

The Company has framed a vigil mechanism for Directors / Employees and every employee has the right to report to the concerned Director any genuine concerns

or grievances about unprofessional conduct, malpractices, wrongful conduct, fraud, violation of the Company's policies & values, violation of law without any fear of reprisal. The Vigil Mechanism ensures standards of professionalism, honesty, integrity and ethical behaviour. The Whistle-Blower Policy is put on the Company's website and can be accessed at:

[www.uds.in/Investors/whistleblowerpolicy.pdf](http://www.uds.in/Investors/whistleblowerpolicy.pdf)

### **31. BOARD EVALUATION:**

The provision of Section 134(3)(p) of the Companies Act, 2013 relating to formal annual evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors was not applicable to the Company for FY22. It became applicable only upon conversion to a Public Limited Company. In the NRC meeting held on 16.12.2022, the process for carrying out such evaluation was initiated and would be duly complied by the Company for FY23.

### **32. MAINTENANCE OF COST RECORDS**

Maintenance of cost records is not required under the provisions of Section 148 of the Companies Act, 2013.

### **33. COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD - 1 AND SECRETARIAL STANDARD - 2**

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

### **34. PROCEEDINGS PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the year under review there were no application made or any proceedings were instigated under the Insolvency and Bankruptcy Code, 2016.

### **35. LOAN FROM BANKS OR FINANCIAL INSTITUTION AND SETTLEMENT THEREOF**

During the year under review there were no instances of one-time settlement and/or the valuation done while taking loan from the Banks or Financial Institutions


### **36. ACKNOWLEDGEMENT**

Your Directors would like to take this opportunity to appreciate the hard work and effort put in by all the employees of the company who have discharged their duties diligently and ensured that the company's interests are well taken care of. The company's dedicated and experienced employees and Leadership team have also ensured that the Company's performance continues to be strong and amongst the best in its peer group. Your Directors place on record their appreciation for the Management Team as well.

The Directors also place on record their sincere thanks to all Bankers, Business associates, Consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors' also acknowledges gratefully the shareholders for their support and confidence reposed in your Company.

**DATE:**  
**31.12.2022**  
**PLACE:**  
**CHENNAI**

**FOR AND ON BEHALF OF THE BOARD OF  
DIRECTORS**

  
**RAGHUNANDANA  
TANGIRALA  
MANAGING DIRECTOR  
DIN 00628914**

  
**P.C.  
BALASUBRAMANIAN  
DIRECTOR  
DIN 00584548**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Updater Services Limited (formerly known as Updater Services Private Limited)

**Report on the Audit of the Consolidated Financial Statements****Qualified Opinion**

We have audited the accompanying consolidated financial statements of Updater Services Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising the consolidated Balance sheet as at March 31, 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, except for the effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

**Basis for Qualified Opinion**

We draw attention to Note 60 to the consolidated financial statements regarding certain instances of irregularities in disbursement/ payment of salary to fictitious and resigned employees in the current as well as earlier years in relation to a subsidiary (Washroom Hygiene Concepts Private Limited), of which we are statutory auditors. Based on initial inquiries, management of the subsidiary has quantified the possible impact of such irregularities to be Rs 9.95 lakhs (including Rs 8.58 lakhs relating to earlier years) and recovered such amounts from the employees concerned, during the current year. In this regard, the subsidiary Company has further initiated a forensic investigation of such irregularities by engaging an external independent expert and pending the completion of the same, we are unable to comment on the impact, if any, on the consolidated financial statements for the year ended March 31, 2022.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with





these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

**Emphasis of Matter**

We draw attention to Note 56 to the consolidated financial statements. The Holding Company has corrected certain prior period errors in respect of the matter more fully described in that note, by restating the comparative amounts for the year ended March 31, 2021 and the opening balances as at April 1, 2020 in accordance with IND AS 8, "Accounting Policies, Change in Accounting Estimates and Errors". Our opinion is not modified in respect of this matter.

**Other Information**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated 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 for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 of the assets of their respective companies 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.



In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies 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 Group or to cease operations, or has no realistic alternative but to do so.

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

## **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 a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 Holding Company has adequate internal financial controls with reference to the consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the





underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **Other Matter**

We did not audit the standalone / consolidated financial statements and other financial information, in respect of eight subsidiaries, whose standalone / consolidated financial statements include total assets of Rs 23,891.37 lakhs as at March 31, 2022, and total revenues of Rs 50,036.81 lakhs and net cash inflows of Rs 1,628.66 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

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

#### **Report on Other Legal and Regulatory Requirements**

- I. 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, based on our audit and on the consideration of report of the other auditors on the separate financial statements and the other financial information of the subsidiary companies incorporated in India, as noted in the 'Other





Matter' paragraph we give in the "Annexure 1", a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on the separate financial statements and the other financial information of subsidiaries, as noted in the 'Other Matter' paragraph above, we report, to the extent applicable, that:
  - (a) We/the other auditors whose report we have relied upon have sought and except for the matters described in the Basis for Qualified Opinion paragraph obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
  - (d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) The matters described in our Basis for Qualified Opinion paragraph above and the matters described in the Qualified Opinion section in Annexure 2 to this report, in our opinion, may have an adverse effect on the functioning of the relevant entities of the Group.
  - (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2022 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 consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiaries, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;



- (i) 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 45 to the consolidated financial statements;
  - ii. The Group 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 Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2022.
- iv. a) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, as stated in Note 61 to the consolidated 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 Holding Company or any of such subsidiaries, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, as stated in Note 61 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

- v) No dividend has been declared or paid during the year by the Holding Company, its subsidiary companies, incorporated in India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

*Aravind K*  
per Aravind K

Partner

Membership Number: 221268

UDIN: 23221268BGXPNT2048

Place of Signature: Chennai

Date: December 31, 2022





# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

**Annexure I** referred to in Paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

**Re: Updater Services Limited ("the Holding Company")**

In terms of the information and explanations sought by us and given by the Holding 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 and consideration of report of the other auditors on the separate financial statements and the other financial information of the subsidiary Companies, incorporated in India, we state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

<b>Sn No</b>	<b>Name</b>	<b>CIN</b>	<b>Relationship</b>	<b>Clause number(s) of CARO report which is qualified/adverse</b>
1	Updater Services Limited	U74140TN2003PLC051955	Holding Company	(ii)(b), (vii)(a), (xi)(a)
2	Washroom Hygiene Concepts Private Limited	U74999DL2003PTC118635	Subsidiary Company	(i)(b), (ii)(a), (vii)(a), (xi)(a), (xi)(c)
3	Wynwy Technologies Private Limited	U74999TN2017PTC119356	Subsidiary Company	(vii)(a)
4	Tangy Supplies & Solutions Private Limited	U74999TN2012PTC085193	Subsidiary Company	(vii)(a)
5	Fusion Foods and Catering Private Limited	U55100TN2008PTC068154	Subsidiary Company	(vii)(a)
6	Avon Solutions & Logistics Private Limited	U72200TN2002PTC049961	Subsidiary Company	(vii)(a)



**ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF Updater Services Limited**

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

In conjunction with our audit of the consolidated financial statements of Updater Services Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls With Reference to Consolidated Financial Statements**

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Holding Company's internal financial controls with reference to consolidated financial statements.





**Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements**

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

**Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements**

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

**Qualified Opinion**

According to the information and explanations given to us and based on the report issued by other auditors on internal financial controls with reference to consolidated financial statements in case of its subsidiaries, which are companies incorporated in India, the following material weaknesses have been identified as at March 31, 2022:

In respect of the Holding Company:

- a) The internal controls over timely identification of customer claims, their reconciliations and assessment of contractual compliance by the Company for recording the appropriate adjustments, were not operating effectively, which may result in incorrect or inappropriate revenue recognition.
- b) The internal controls over the Company's compliance with GST regulations as regards credit notes were not operating effectively, which may result in recognising incorrect GST credits / receivables and any consequent liabilities under applicable laws and regulations.
- c) The IT general controls including controls over change management and access control were not operating effectively, which may result in material misstatements in the Company's financial statements.
- d) The internal controls over monitoring and responding to whistle blower allegations received were not operating effectively.

In respect of one subsidiary (Washroom Hygiene Concepts Private Limited), whose financial statements include total assets of Rs 800.71 as at March 31, 2022 and total revenue of Rs 800.42 for the year ended March 31, 2022).



## **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

- c) a disclaimer of opinion has been issued as the company has not established its internal financial control framework with reference to financial statements based on or considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria in respect of the companies included in the Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the standalone / consolidated financial statements insofar as it relates to eight subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

### **Explanatory paragraph**

We also have audited, in accordance with the Standards on Auditing issued by the ICAI as specified under section 143(10) of the Act, the consolidated financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information. These material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Holding Company as at and for the year ended March 31, 2022, and this report does not affect our report dated December 31, 2022, which expressed a qualified opinion on those consolidated financial statements.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
per Aravind K

Partner

Membership Number: 221268

UDIN: 23221268BGXPNT2048

Place of Signature: Chennai

Date: December 31, 2022





Updater Services Limited (Formerly known as Updater Services Private Limited)

Consolidated Balance sheet as at March 31, 2022

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Notes	As at 31st March 2022	As at 31st March 2021 (Restated)*	As at 1st April 2020 (Restated)*
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3	3,320.32	1,351.55	1,995.01
Capital work in progress	3B	363.33	32.00	-
Goodwill	3A	12,802.79	4,570.27	4,570.27
Other Intangible assets	3A	3,112.14	1,201.60	1,444.17
Right-of-use assets	42	1,203.48	366.92	534.42
Contract Assets	9	1,847.73	1,083.01	1,189.57
Financial assets				
(i) Investments	4	1.00	1.00	1.00
(ii) Other financial assets	5	3,088.53	1,350.67	1,004.97
Deferred tax asset (net)	15	4,738.43	3,811.16	3,026.20
Non-Current tax assets (net)	8	5,194.15	4,895.31	4,971.82
Other non-current assets	6	1,207.79	88.20	10.27
		<b>36,879.69</b>	<b>18,751.69</b>	<b>18,747.70</b>
<b>Current assets</b>				
Inventories	7	681.64	501.41	663.04
Contract Assets	9	5,609.22	3,317.33	3,204.67
Financial assets				
(i) Investments	4	-	403.40	153.39
(ii) Trade receivables including unbilled revenue	10	34,748.50	26,893.80	33,418.70
(iii) Cash and cash equivalents	11	5,728.32	4,333.30	1,729.94
(iv) Bank balances other than (iii) above	11A	1,373.02	2,088.20	736.30
(v) Loans	12	62.72	45.47	17.49
(vi) Other financial assets	13	893.54	581.88	495.34
Other current assets	14	1,479.41	1,031.97	1,296.26
		<b>50,576.37</b>	<b>39,196.76</b>	<b>41,715.13</b>
<b>Total Assets</b>		<b>87,456.06</b>	<b>57,948.45</b>	<b>60,462.83</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	16	5,281.75	5,281.75	5,281.75
Other equity				
Retained earnings	17	22,271.16	16,835.57	12,351.42
Capital redemption reserve	17	207.50	207.50	207.50
General Reserve	17	265.97	265.97	172.69
Employee stock option reserve	17	421.77	340.52	325.63
Securities premium	17	5,594.28	5,594.28	5,594.28
<b>Equity attributable to equity holders of the parent</b>		<b>34,042.43</b>	<b>28,525.59</b>	<b>23,933.27</b>
Non controlling interest	18	530.71	692.67	454.32
<b>Total Equity</b>		<b>34,573.14</b>	<b>29,218.26</b>	<b>24,387.59</b>
<b>Non-current liabilities</b>				
Financial liabilities				
(i) Borrowings	19	-	-	0.91
(ii) Lease Liabilities	42	786.79	231.87	394.54
(iii) Other Financial liabilities	23A	8,041.43	844.83	1,363.51
Net Employee defined benefit liabilities	20	4,879.97	3,396.37	3,234.83
Deferred Tax Liabilities	21	1,084.78	255.61	310.72
		<b>14,792.97</b>	<b>4,728.68</b>	<b>5,304.51</b>



Updater Services Limited (Formerly known as Updater Services Private Limited)

Consolidated Balance sheet as at March 31, 2022

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Notes	As at 31st March 2022	As at 31st March 2021 (Restated)*	As at 1st April 2020 (Restated)*
<b>Current Liabilities</b>				
Financial liabilities				
(i) Borrowings	21	5,867.93	1,161.02	8,995.24
(ii) Lease Liabilities	42	476.90	217.50	318.80
(iii) Trade payables				
Total outstanding dues of micro enterprises and small enterprises	22	577.48	388.78	769.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	22	3,990.35	2,796.47	2,923.27
(iv) Other current financial liabilities	23	17,806.80	11,743.10	11,045.77
Short Term Provisions	25	999.20	1,049.33	807.25
Net Employee defined benefit liabilities	25A	1,924.50	1,737.57	1,483.60
Current tax liabilities (net)	26	371.34	383.68	119.48
Other current liabilities	27	6,076.45	4,524.06	4,307.55
		<b>38,089.95</b>	<b>24,001.51</b>	<b>30,770.73</b>
<b>Total Liabilities</b>		<b>52,882.92</b>	<b>28,730.19</b>	<b>36,075.24</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>87,456.06</b>	<b>57,948.45</b>	<b>60,462.83</b>

\* Restated (Refer Note 2.1 & Note 56)

Summary of significant accounting policies

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date

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For S.R.Baliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Aravind K  
Partner

Membership No. 221268



For and on behalf of Board of Directors

Updater Services Limited

(Formerly known as Updater Services Private Limited)

T. Raghunandana  
Managing Director  
DIN : 00628914

Balaji Swaminathan  
Chief Financial Officer

Amitabh Jaipuria  
Chief Executive officer

Place: Chennai

Date : December 31, 2022

P.C. Balasubramanian  
Director  
DIN : 00584548

L.B. Jayaram  
Company Secretary  
Membership No. 10930



Place: Chennai

Date : December 31, 2022

Updater Services Limited (Formerly known as Updater Services Private Limited)  
Consolidated Statement of Profit and Loss for the year ended March 31, 2022  
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Note No.	Year ended 31st March 2022	Year Ended 31st March 2021 (Restated)*
<b>Income</b>			
Revenue from contracts with customers	28	1,48,355.22	1,21,003.23
Other income	29	833.44	416.64
Finance income	30	606.69	215.86
<b>Total Income</b>		<b>1,49,795.35</b>	<b>1,21,635.73</b>
<b>Expenses</b>			
Cost of materials consumed	31	4,118.18	3,004.70
Cost of Services	32	9,540.95	-
Changes in inventories of Finished goods and traded goods	33	(183.43)	136.14
Employee benefits expense	34	1,06,817.70	98,165.47
Finance costs	35	1,008.70	684.60
Depreciation and amortization expense	36	1,653.40	1,498.58
Impairment losses on financial instrument and contract assets	37 A	600.09	354.71
Fair value changes in Liability payable paid to promoters of acquired subsidiaries	37 B	1,632.90	-
Other expenses	38	17,507.11	12,128.31
<b>Total Expense</b>		<b>1,42,695.60</b>	<b>1,16,192.51</b>
<b>Profit before tax</b>		<b>7,099.75</b>	<b>5,443.22</b>
<b>Tax Expense :</b>			
Current tax	39	2,094.84	1,534.25
Adjustment of tax relating to earlier periods	39	(119.76)	13.90
Deferred tax charge / (credit)	39	(667.83)	(861.70)
<b>Income tax expense</b>		<b>1,357.25</b>	<b>686.45</b>
<b>Profit for the year</b>		<b>5,736.50</b>	<b>4,756.77</b>
<b>Other Comprehensive Income:</b>			
Items that will not be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit obligations (net)		(126.84)	81.96
Income tax effect		55.14	(21.63)
<b>Other comprehensive income for the year, net of tax</b>		<b>(271.70)</b>	<b>60.33</b>
<b>Total comprehensive Income for the year, net of tax attributable to:</b>		<b>5,464.80</b>	<b>4,816.50</b>
<b>Profit for the year</b>			
Attributable to:			
Equity holders of the parent		5,528.67	4,301.51
Non-controlling interests		207.83	252.66
<b>Other Comprehensive income for the year</b>			
Attributable to:			
Equity holders of the parent		(271.58)	73.92
Non-controlling interests		(0.12)	(13.59)
<b>Total comprehensive income for the year</b>			
Attributable to:			
Equity holders of the parent		5,257.09	4,375.43
Non-controlling interests		207.71	239.67
<b>Earnings per equity share</b>			
Basic (Amount in ₹)	40	10.47	8.53
Diluted (Amount in ₹)	40	10.40	8.47

\* Restated (Refer Note 2.1 & Note 36)

Summary of significant accounting policies:

The accompanying notes form an integral part of the Consolidated Financial Statements  
As per report of even date

For S.R.Baliboi & Associates LLP  
Chartered Accountants  
KAI Firm Registration Number: 1010490/EP300004

  
per Aravind K.  
Partner  
Membership No. 221268



Place: Chennai  
Date: December 31, 2022

For and on behalf of Board of Directors  
Updater Services Limited  
(Formerly known as Updater Services Private Limited)

  
T. Raghunandana  
Managing Director  
DIN: 00628914  
  
Balaji Swaminathan  
Chief Financial Officer

  
Anitabh Jaipuria  
Chief Executive officer  
Place: Chennai  
Date: December 31, 2022

  
P.C. Balasubramanian  
Director  
DIN: 00584548  
  
L.B. Jayaram  
Company Secretary  
Membership No. 10930



Updater Services Limited (Formerly known as Updater Services Private Limited)  
Consolidated Statement of Changes in Equity for the year ended March 31, 2022  
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

(a) Equity share capital

Equity shares of Rs 10 each issued, subscribed and fully paid	No. of shares	Amount
Balance as on April 01, 2020	5,28,17,479	5,281.75
Add: Shares issued during the year	-	-
Balance as on March 31, 2021	5,28,17,479	5,281.75
Add: Shares issued during the year	-	-
Balance as on March 31, 2022	5,28,17,479	5,281.75

(b) Other equity (Restated)

Particulars	Retained Earnings (Restated)*	Capital redemption reserve	General reserve	Securities Premium	Employee Stock Options Reserve	Total Equity attributable to equity shareholders of	Non-Controlling Interest	Total
Balance as at April 1, 2020 as previously reported	13,248.88	207.50	172.69	5,594.28	325.63	19,568.98	454.32	20,023.30
Less: Impact on account of prior period errors (Restated)*	(917.46)	-	-	-	-	(917.46)	-	(917.46)
Balance as at 1 April 2020 (Restated)*	12,331.42	207.50	172.69	5,594.28	325.63	18,651.52	454.32	19,105.84
Profit for the year (Restated)*	4,305.51	-	-	-	-	4,305.51	252.66	4,756.17
Other Comprehensive Income	73.92	-	-	-	-	73.92	(14.31)	59.61
Total comprehensive Income (Restated)*	4,379.43	-	-	-	-	4,379.43	238.35	4,815.78
Transfer to general reserve	(93.28)	-	93.28	-	-	-	-	-
Employee stock options provided	-	-	-	-	14.89	14.89	-	14.89
As at March 31, 2021 (Restated)*	16,835.57	207.50	265.97	5,594.28	340.52	23,243.84	692.67	23,936.51
Profit for the year	5,528.67	-	-	-	-	5,528.67	207.83	5,736.50
Other Comprehensive Income	(271.58)	-	-	-	-	(271.58)	(0.12)	(271.70)
Total comprehensive Income	5,257.09	-	-	-	-	5,257.09	207.71	5,464.80
Reversal of Reserves to NCI on acquisition of minority shares	255.24	-	-	-	-	255.24	(255.24)	-
Additional investment by NCI	-	-	-	-	-	-	16.90	16.90
Employee stock options provided	-	-	-	-	81.96	81.96	-	81.96
Buy-back of Subsidiary's Equity Shares	(77.45)	-	-	-	-	(77.45)	(131.33)	(208.78)
As at March 31, 2022	22,276.45	207.50	265.97	5,594.28	422.48	28,766.68	559.71	29,326.39

\* Restated (Refer Note 2.1 & Note 56)

\* Pursuant to special resolution approved by shareholders of one of the subsidiary (Avon Solutions & Logistics Private Limited), the subsidiary bought back 4,000 equity shares of the subsidiary's shareholders. The group has adjusted the buy back payment along with the Income tax (Distribution tax) relating to non-controlling interest against non controlling interest balance and Income tax (Distribution tax) pertaining to holding company has been adjusted against retained earnings of group.


The accompanying notes form an integral part of the Consolidated Financial Statements 3 - 63


As per our report of even date  
For S R Balibai & Associates LLP  
Chartered Accountants  
Firm Registration no. 101049W/E300004


  
per Anand K  
Partner  
Membership No. 221268




For and on behalf of Board of Directors  
Updater Services Limited  
(Formerly known as Updater Services Private Limited)

  
T. Raghunandan  
Managing Director  
DIN: 00628914

  
P.C. Rameshramanian  
Director  
DIN: 00184248

  
Balaji Swaminathan  
Chief Financial Officer

  
I.R. Jayaram  
Company Secretary  
Membership No. 16020

  
Aniruddh Jaipuria  
Chief Executive Officer

Place: Chennai

Date: 14/04/2022

Place: Chennai  
Date: 14/04/2022



Updater Services Limited (Formerly known as Updater Services Private Limited)

Consolidated Statement of Cash flows for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Note	Year ended 31st March, 2022	Year ended 31st March, 2021
Profit before tax		7,093.75	5,442.62
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense		1,653.40	1,498.58
Finance costs		1,008.70	684.60
Finance Income		(600.69)	(215.86)
Bad Debts recovered		(94.35)	-
Fair value changes in Liability payable/paid to promoters of acquired subsidiaries		1,632.90	-
Impairment for doubtful trade receivables		437.93	484.29
Impairment for doubtful advances		116.52	10.59
Impairment for doubtful reimbursement right of gratuity		45.64	59.83
Advances written off		113.97	109.03
Provision for onerous contract		-	101.30
Fair value gain on Financial Assets at FVTPL		(101.65)	(55.28)
Provision no longer required written back		(558.36)	(114.96)
Liability payable to promoters of acquired subsidiary no longer required written back		-	(197.35)
Loss on sale of Property, plant and equipment		122.26	0.97
Profit on Sale of Property, plant and equipment		(4.02)	(21.88)
Employee stock option expenses		81.96	14.89
Unrealised exchange differences (net)		-	0.98
<b>Operating cash flow before working capital changes</b>		<b>10,947.96</b>	<b>7,802.35</b>
<i>Movements in working capital :</i>			
(Increase)/decrease in Trade receivables including unbilled revenue & contract assets		(7,210.89)	7,411.53
(Increase)/decrease in other financial assets		(2,234.80)	(1,773.64)
(Increase)/decrease in non - financial assets		1,643.78	240.35
(Increase)/decrease in Loans		88.46	(7.77)
(Increase)/decrease in Inventory		(180.23)	161.63
Increase/ (decrease) in Provision		1,083.84	556.28
Increase/ (decrease) in trade payables		1,270.49	(393.81)
Increase/ (decrease) in financial liabilities		(1,057.84)	(10.85)
Increase/ (decrease) in other liabilities		802.89	114.66
<b>Cash generated from / (used in) operations</b>		<b>5,153.66</b>	<b>14,100.73</b>
Income taxes paid (net of refunds)		(2,136.86)	(1,251.26)
<b>Net cash flow from/ (used in) operating activities</b>	<b>A</b>	<b>3,016.80</b>	<b>12,849.47</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment including capital work in progress, capital creditors and advances paid		(1,257.11)	(427.33)
(Purchase) / Sale proceeds of Investments		403.40	(250.00)
Investments in fixed deposits (having original maturity of more than three months)		(15,758.20)	(10,328.09)
Redemption/Maturity of fixed deposits		16,473.38	8,976.20
Proceeds from sale of property, plant and equipment		-	67.27
Interest received		589.94	182.22
Buy-back of equity shares relating to non controlling interest portion (including tax)		(131.33)	-
Monies paid to erstwhile promoters of acquired subsidiaries		(120.41)	-
Tax on buy-back of equity shares relating to parent		(77.45)	-
Acquisition of subsidiary		(4,831.91)	-
Investment by NCI		16.90	-
<b>Net cash flow from/ (used in) investing activities</b>		<b>(4,692.79)</b>	<b>(1,779.73)</b>



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Updater Services Limited (Formerly known as Updater Services Private Limited)

Consolidated Statement of Cash flows for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars		Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Cash flow from financing activities</b>			
Proceeds from short-term borrowings		87,895.83	1,947.07
Repayment of short-term borrowings		(83,613.10)	(9,782.19)
Payment of principal portion towards lease liabilities		(711.08)	(334.17)
Payment of interest towards lease liabilities		(51.62)	-
Interest paid		(449.02)	(297.09)
<b>Net cash flow from/ (used in) in financing activities</b>	<b>C</b>	<b>3,071.01</b>	<b>(8,466.38)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>A+B+C</b>	<b>1,395.02</b>	<b>2,603.36</b>
Cash and cash equivalents at the beginning of the year		4,333.30	1,729.94
Additions on acquisition of Subsidiaries		-	-
Cash and cash equivalents at the end of the year		5,728.32	4,333.30
<b>Non Cash investing and financing activities</b>			
Acquisition of Right of use assets		1,195.07	70.19
Summary of significant accounting policies	1-2		
The accompanying notes form an integral part of the Consolidated Financial Statements.	3 - 63		
As per our report of even date:			

For S.R.Batlilal & Associates LLP  
Chartered Accountants  
Firm Registration no. 101049W/E300004

per Aravind K  
Partner  
Membership No. 221268



for and on behalf of Board of Directors of  
Updater Services Limited  
(Formerly known as Updater Services Private Limited)

T. Raghunandana  
Managing Director  
DIN : 00628914

Balaji Swaminathan  
Chief Financial Officer

Amishabh Jaipuria  
Chief Executive officer  
Place: Chennai  
Date : December 31, 2022

P.C. Balasubramanian  
Director  
DIN : 00584548

L.B. Jayaram  
Company Secretary  
Membership No: 10930



Place: Chennai  
Date : December 31, 2022

## 1. Corporate information

The consolidated financial statements comprise financial statements of Updater Services Limited ('UDS'/'Company') and its subsidiaries (collectively, the Group) for the year ended March 31, 2022. The group is engaged in providing facility management services like integrated facility management services to various industries such as information technology enabled services, manufacturing, hospitality and other industries and catering services, which includes industrial catering, and services at food courts.

Facility management services includes housekeeping, janitorial, garden management, pest control, waste management, vendor management, cleaning and mail room services, mechanical and electrical services, water management, hygiene management, plumbing, energy/safety audit, design erection, installation, testing and commissioning and catering solutions. Information on the Group's structure is provided in Note 53 Group information. Information on other related party relationships of the Group is provided in Note 47 Related party transactions.

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on December 31, 2022.

## 2. Significant accounting policies

### 2.1 Basis of accounting and preparation of financial statements

#### i. Compliance with Ind-AS

The consolidated financial statements of the Group are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read together with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

The consolidated financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. All values are rounded to nearest lakhs except when otherwise stated.

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- a) Certain financial assets and liabilities measured at fair value as explained in the accounting policies; and
- b) Defined benefit plan assets measured at fair value.

#### ii. Basis of consolidation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights





- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

**Consolidation procedure:**

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities



## 2.2 Summary of Significant accounting policies

### a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the





**Updater Services Limited (formerly known as Updater Services Private Limited)**  
**Notes to Consolidated Financial Statements for the year ended March 31, 2022**  
*[All amounts are in lakhs of Indian Rupees unless otherwise stated]*

Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

**b. Current versus 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 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 group 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 group has identified twelve months as its operating cycle.

**c. Foreign currencies**

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation.



#### Transactions and Balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

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).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

#### Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit and loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS (1 April 2015), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

- Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.





#### d. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of property, plant and equipment not ready for intended use before such date is disclosed under capital work-in-progress. Items that are not yet ready to use and have an economic benefit of more than one year have been disclosed under capital work-in-progress.

For depreciation purposes, the group identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the life of the principal asset and depreciates them separately based on their specific useful lives. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

#### Depreciation

The group, based on technical assessment made by experts and management estimates, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013 based on the pattern of consumption of such assets and having regard to the nature of assets in this industry. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation is calculated on a written down value basis/straight line basis that closely reflects the expected pattern of consumption of future economic benefits embodied in the respective assets over the estimated useful lives of the assets.

Asset Classification	Estimated Useful Life (Years)	Schedule II Life (years)
Plant and machinery	5 to 15	15
Furniture and fittings	10	10
Office equipment	5	5
Vehicles	8	8
Computer and accessories	3	5
Building	60	30
Leasehold improvements #	1-5 years	NA

# Leasehold Improvements are depreciated over the leasehold period or useful life estimated by management whichever is lesser.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.



Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. 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.

Intangible assets with indefinite useful lives are not amortised, but 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.

Asset Classification	Useful Life (Years)	Amortisation method	Internally generated or acquired
Software	3 to 10 years	Amortised on a straight-line basis over the life	Acquired
Goodwill	Indefinite	Assessed for impairment at the end of every year	Acquired
Customer Relationship	5 – 8.5 years	Amortised on a straight-line basis over the life	Acquired
Non-compete	8 – 10 years	Amortised on a straight-line basis over the life	Acquired
Vendor Contract	5 years	Amortised on a straight-line basis over the life	Acquired
Brand	Indefinite	Assessed for impairment at the end of every year	Acquired

#### f. Impairment of non-financial assets

The group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the services, industries, or country or countries in which the entity operates, or for the market in which the asset is used.





Impairment losses including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation / amortization is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment for assets excluding goodwill is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation / amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

## **g. Revenue from contracts with customers**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is the tax collected on value added on the services and commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

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. It is presented under trade receivables. If contractual unconditional right to consideration is dependent on completion of contractual obligations including right to receive the reimbursement of gratuity cost from the customers, then such assets are classified as contract assets. Invoicing in excess of revenues is classified as contract liabilities (referred to as income received in advance).

Revenue is adjusted for expected price concessions based on the management estimates.

The specific recognition criteria described below must also be met before revenue is recognised.

### **Income from facility management services**

Revenues from facility management service contracts are recognized pro-rata over the period of the contract as and when services are rendered and are net of discounts.

### **Income from Mailroom services / Courier services**

Mailroom services consist of in-house operations of mail room and mail delivery including inter-office mails. It involves MIS generation, cost management, vendor management, inbound and outbound mail management and pre-processing of mails. Revenue from mailroom services is accounted as and when the related services are rendered and is net of discounts and taxes.

Mail logistics / Courier services and pickup & delivery services refer to packing and delivery of goods' articles. Revenue from such services is recognized as the related services are rendered in accordance with the terms and conditions of the contract/agreement with the customer.

### **Sales Enablement and other staffing services**

Revenues from knowledge process outsourcing, human resource outsourcing service contracts are accounted on accrual basis on performance of the services agreed in the contract with the customers.



#### Audit & Assurance and Employee Background Verification Services

The Groups revenue comprises of Audit and Assurance (A&A) and Employee Background Verification (EBGV) services for customers in India and outside India. Agreements with customers are either on a fixed price – fixed time frame or on a time- and - material basis. Revenue on time-and-material basis contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from time bound fixed price 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 proportionate completion method to the extent of cost incurred. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

#### Dividend income

Dividend income is recognised when the unconditional right to receive the payment is established.

#### Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Finance income" in the statement of profit and loss.

#### Contract balances

##### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the group 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.

Contract Assets (Unbilled revenue) represents revenue in excess of billing.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section "Financial instruments – initial recognition and subsequent measurement".

##### Trade receivables

A receivable represents the group'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).

##### Refund Liabilities

A refund liability is recognised for the obligation to refund some, or all of the consideration received (or receivable) from the customer. The Group's refund liabilities arise from customers' right of return and volume rebates. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

##### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the group 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 group performs under the contract.

#### h. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.





- **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### **i. 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 assets**

###### **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

###### **Effective interest method**

The effective interest method (EIR) is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

###### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

###### **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 10\* (Trade Receivables).

###### **Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest



income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Group does not have any debt instrument as at FVTOCI.

#### Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L. The Group does not have any debt instrument at FVTPL.

#### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and "contingent consideration classified as liability" recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, entities in the Group has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value. Such election is made on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group 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 Group may transfer the cumulative gain or loss within equity.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.





#### Impairment of financial assets

The group applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost.

The group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets. The application of simplified approach does not require the group 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. Provision for ECL is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

The Group considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expenses in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

#### Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model.

#### Financial liabilities

##### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortized cost, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, borrowings including bank overdrafts, redemption liability and financial guarantee contracts.

##### Subsequent measurement

All financial liabilities except derivatives are subsequently measured at amortised cost using the effective interest rate method or at Fair Value through profit and loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (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 financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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 recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group 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 and loss. The Group has not designated any financial liability as at fair value through profit or loss.



#### 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.

#### Liability towards unacquired shares of subsidiary:

The Group has elected not to recognise a non-controlling interest in subsidiaries where the group has a right / obligation to purchase the shares held by NCI. The Group has chosen to base its accounting policy on Ind AS 32, i.e. Ind AS 32 takes precedence over Ind AS 110. Consequently, any contractual obligation to purchase NCI, such as an NCI put, gives rise to a financial liability measured at the present value of the redemption amount which is subsequently measured in accordance with Ind AS 109.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### Equity investment in Subsidiaries

Investment in subsidiaries are carried at cost in the separate financial statements as permitted under Ind-AS 27.

#### j. Leases

The Group 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.

#### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### L. Right-of-use assets

The Group 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 written-down value basis/straight line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Asset Classification	Estimated Useful Life (Years)
Building	1 – 5
Vehicles	1 – 3
Furniture and fittings	1 – 2

If ownership of the leased asset transfers to the Group 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. Refer to the accounting policies in section (d) Impairment of non-financial assets.





**ii. Lease liabilities**

At the commencement date of the lease, the Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group 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. (Refer Note 42)

**iii. 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 and Machinery and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**k. Retirement and other employee benefits**

**a. Compensated absences**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period 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.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The group treats accumulated leave expected to be carried forward beyond twelve months, as non-current employee benefit for measurement purposes. Such non-current compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains / losses are immediately taken to the statement of profit and loss and are not deferred.

**b. Post-employment obligations**

The group operates the following post-employment schemes





## **i. Gratuity obligations**

Gratuity liability under the Payment of Gratuity Act, 1972 is a defined benefit obligation. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The group provides the gratuity benefit through annual contribution to a fund managed by the Life Insurance Corporation of India (LIC). Under this scheme the settlement obligation remains with the group although the LIC administers the scheme and determines the contribution premium required to be paid by the group. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method.

In addition to the above, the group recognises its liability in respect of gratuity for employees (where customer reimburses gratuity) and its right of reimbursement as an asset. Employee benefits expense in respect of gratuity to employees and reimbursement right is presented in accordance with Ind AS – 19.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service cost is recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The group 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 and
- Net interest expense or income.

## **ii. Retirement benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

## **i. Taxes**

### **Current income tax**

Income tax expense comprises current tax expense and deferred tax charge or credit during the year. Current income tax assets and liabilities are measured at the amount expected to be recovered from 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 reporting date in the countries where the group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI 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.

The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment



#### Deferred tax

Deferred tax is recognised using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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 (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the group recognizes MAT credit as a deferred tax asset. The group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.





#### m. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When 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 a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

The Group has opted for the Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) scheme. The PMRPY Scheme aims to incentivise employers for employment generation by the Government paying the full employers' EPS contribution of 12%, for the new employees, for the first three years of their employment and is proposed to be made applicable for unemployed persons that are semi-skilled and unskilled.

#### n. Financial guarantee contracts

Financial guarantee contracts issued by the group 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 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.

#### o. Fair value measurement

The Group 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

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 best economic interest. The principle or the most advantageous market must be accessible by the group

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.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Involvement of external valuers is decided upon annually by the Group. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. Other fair value related disclosures are given in the relevant notes.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above (Refer Note 50 Fair value hierarchy).

#### p. Segment reporting

The Group is engaged primarily in providing facility management and the operations primarily caters to the domestic and foreign market. The Managing Director of the company has been identified as being the chief operating decision maker (CODM), he evaluates the company's performance, allocate resources based on the analysis of the various performance indicator of the company as a single unit. Therefore, there is no reportable segment for the company as per the requirement of Ind-AS 108 "Operating Segments".

The geographical information analyses the Company's revenues 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. The company has only one geographical location based on location of assets. (Refer Note 46)

#### q. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### r. Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

#### s. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.





When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle present obligation at the end of reporting period, taking into account the risk and uncertainty 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 these 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.

#### **Onerous Contract**

If the Group 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 Group 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 Group 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).

#### **t. Contingent liabilities & Contingent Assets**

Contingent liability is disclosed for,

- (i) Possible obligation 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 recognised in the financial statements.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

#### **u. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above. Bank overdrafts are shown within borrowings in financial liabilities in the balance sheet.

#### **v. 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.

#### **w. Share-based payments**

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).





#### Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 43.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### x. Changes in accounting policies and disclosures

##### New and amended standards

##### (i) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.



**(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI**

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Group.

**(iii) 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 had no impact on the financial statements of the Group.

**(iv) Ind AS 103: Business combination**

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards\* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the financial statements of the Group.

**(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28**

The definition of "Recoverable amount" is amended such that 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 had no impact on the financial statements of the Group.





3. Property, Plant and Equipment

Particulars	Property, Plant and Equipment							
	Plant and machinery	Furniture and fixtures	Office equipments	Vehicles	Computer and accessories	Building	Leasehold improvements	Total
Gross carrying value at Cost/Deemed Cost								
At 1 April 2020	2,738.83	295.28	265.15	291.77	584.78	200.83	132.68	4,419.21
Additions	245.84	15.21	39.41	-	61.54	-	9.96	371.96
Disposals	(40.37)	(51.97)	(47.62)	(18.80)	(12.16)	-	(7.73)	(182.65)
At 31 March 2021	2,944.30	258.52	256.94	191.17	634.08	200.83	134.91	4,608.52
Additions	625.30	53.47	84.52	1,569.40	267.10	-	78.17	3,677.96
Acquisition of a subsidiary (Note 55)	-	0.13	3.48	2.60	235.98	-	6.13	248.32
Disposals	(790.14)	(6.77)	(43.13)	(19.18)	(157.45)	-	(61.19)	(1,077.86)
At 31 March 2022	2,779.26	305.32	301.81	1,743.99	969.71	200.83	158.02	6,458.94
Accumulated Depreciation								
At 1 April 2020	1,671.95	93.57	129.71	86.76	217.61	62.98	41.70	2,424.28
Charge for the year	481.34	38.81	60.59	35.34	137.44	13.38	32.24	960.06
Disposals	(54.60)	(37.67)	(26.65)	(10.60)	(19.04)	-	(7.77)	(136.29)
At 31 March 2021	2,288.69	94.71	163.65	111.50	436.01	76.28	66.21	3,256.97
Charge for the year	418.85	32.22	43.98	156.92	156.87	11.84	28.85	843.49
Disposals	(790.17)	(5.26)	(28.44)	(16.73)	(145.46)	-	(57.19)	(996.27)
Other adjustments	(5.88)	(0.74)	(0.17)	(0.11)	(0.07)	-	-	(7.57)
At 31 March 2022	1,998.49	126.93	178.98	251.58	440.75	88.04	57.85	3,136.62
Net Block								
At 31 March 2021	655.61	163.81	93.29	79.67	198.07	124.55	68.70	1,351.55
At 31 March 2022	780.77	182.39	122.83	1,492.41	528.96	112.79	100.17	3,320.32

Note:

- a) Certain finance lease vehicles have been reclassified from Property, Plant and Equipment to Right-of-use assets in line with Ind AS 116.  
 b) Cash credit and working capital loan are secured by first pari-passu charge on certain movable assets. (Refer Note 21)

3A. Other Intangible assets & Goodwill on consolidation

Particulars	Intangible Assets					
	Computer software	Customer relationship	Non-Compete	Vendor Contract	Brand	Total
Gross carrying value at Cost / Deemed Cost						
At 1 April 2020	354.71	365.00	215.00	617.00	155.00	1,706.71
Additions	36.59	-	-	-	-	36.59
Disposals	-	-	-	-	-	-
At 31 March 2021	391.30	365.00	215.00	617.00	155.00	1,743.30
Additions	39.97	-	-	-	-	39.97
Acquisition of a subsidiary (Note 55)	44.72	1,480.00	257.00	-	537.00	2,318.72
Disposals	-	-	-	-	-	-
At 31 March 2022	475.99	1,845.00	472.00	617.00	692.00	4,101.99
Accumulated Amortization						
At 1 April 2020	137.74	47.26	16.28	70.66	-	271.94
Charge for the year	60.18	72.91	22.66	125.40	-	281.15
Disposals	-	-	-	-	-	-
At 31 March 2021	197.92	120.17	38.94	196.06	-	543.09
Charge for the year	105.58	177.53	41.85	125.20	-	450.16
Disposals	-	-	-	-	-	-
At 31 March 2022	303.50	297.70	80.79	321.26	-	993.25
Net Block						
At 31 March 2021	193.38	244.83	176.06	420.94	155.00	1,201.61
At 31 March 2022	172.49	1,547.30	391.21	295.74	692.00	3,108.74

Goodwill on Consolidation

Particulars	Goodwill on Consolidation
At 1 April 2020	4,576.27
Additions	-
At 31 March 2021	4,576.27
Acquisition of a subsidiary (Note 55)	8,252.52
At 31 March 2022	12,828.79



**3A Other Intangible assets & Goodwill on consolidation (Continued)**

The Goodwill and intangible asset (other than computer software) is recognised at the time of acquisition of the Subsidiaries (Avon Logistics & Solutions Private Limited, Fusion Foods and Catering Private Limited, Matrix Business Services India Private Limited, Global Flight Handling Services Private Limited, Washroom Hygiene Concepts Private Limited and Denave India Private Limited) by the Group.

**Impairment testing of goodwill and intangible assets with indefinite lives**

The Group performed its annual impairment test for years ended 31 March 2022 and 31 March 2021. The Group considers cash flow statements, profitability, the external factors such as discount rate and growth rate etc., when reviewing for indicators of impairment.

The recoverable amount of the Investments has been determined based on Value in Use calculation using cash flow projections from financial budgets approved by the respective Board/ Senior management covering a two to five year period. The cash flow projections have been updated to reflect the impact of COVID-19. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 6% to 13% and cash flow beyond the five years are extrapolated using a growth rate of 2% to 3%, that is the same as the long term average growth rate for the industry in which the Group operates. It was concluded that the fair value less costs of disposal did not exceed the value in use and the recoverable amount exceeded their carrying amount.

**Key assumptions used for value in use calculations**

- Growth rates used to extrapolate cash flows beyond the forecast period
- Discount rates
- Revenue and EBITDA growth rate in the forecast

**a. Growth rates used to extrapolate cash flows beyond the forecast period**

Growth rate is used in internal value calculation and is estimated by the Company considering the specific market conditions and historical growth trends of the industry and the Company.

**b. Discount rates**

Discount rate is estimated at pre-tax rate that reflect current market assessment of time value of money and risks specific to the asset not adjusted in cash flows. For this purposes Company has arrived at appropriate debt/equity structure and computed Cost of equity and cost of debt using WACC which fairly represents the pre-tax rate required by the standard. Debt cost is considered basis of Company's ability to obtain loans at market interest rates considering its risk profile and country specific market conditions.

**c. Revenue and EBITDA growth rate in the forecast**

The forecasted revenues and EBITDA included in impairment calculations are developed using inputs from business teams. Specific past trends are assessed and analyzed to compute the impact on the future projections after factoring into the existing and potential customer contracts etc.

On October 27, 2021, the Group acquired 54.07% equity ownership in Denave India Private Limited ("Denave") for a consideration of ₹ 6,299.55 lakhs. Denave is primarily engaged in the business of providing sales enablement and other support and staffing services. The total value of purchase consideration of ₹ 14,121.00 lakhs includes ₹ 7,821.45 lakhs on account of obligation to purchase the remaining equity shares (45.93%) in the future, pursuant to Shareholder's Agreement between the Group and the promoters of Denave.

Consequent to the future purchases, the Group will hold 100% of the equity shares of Matrix and Denave. The Group has elected not to recognise a non-controlling interest in Denave as the unacquired shares from the promoters of Denave are recognised as financial liabilities in the consolidated financial statements and consequently Denave is considered to be 100% owned by the Group for the purpose of consolidation.

**Intangible assets put of acquisition during the year**

**Customer relationship**

Customer contracts and related Customer relationships include intangible assets acquired through business combinations. It represents the relationship established by Denave with customers that are tied to them through a contract, as well as the potential extension of such contracts/additional relationships that would arise as a result of these contracts, and therefore, meet both the contractual/legal criteria and the separability criterion for recognition of an Intangible Asset under Ind AS 38 Intangible Assets. The income approach has been considered for arriving at the value of these intangible asset as defined in Ind AS 113 Fair Value Measurement. The Company has ascertained ascertained the useful life as 6 years for the current year acquisition.

**Non Compete**

Non compete is based on a contractual agreement which protects the value of the purchased assets from Denave (both tangible and intangible) by restricting the respective promoters' competitive conduct post the respective investment dates and accordingly, meet both the contractual/legal criteria and separability criterion for recognition of an Intangible Asset under Ind AS 38 Intangible Assets.

As per the investment agreements for Denave, the promoters have agreed to non-competence for a period of 3 years from the expiry of Contract of service or the promoters ceasing to hold any securities of Denave (i.e. after June 30, 2027). Thus effectively 5.5 years from the date of acquisition.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement".

**Brand**

Brand includes intangible assets acquired through business combinations. Denave uses the brand "Denave" for its traditional as well as new businesses. The Group will continue to use the similar strategy in future for all its new generation businesses. The brand serves to create associations and expectations among products made Denave. This meets the legal criterion and the separability criterion for recognition of an Intangible Asset under Ind AS 38 Intangible Assets.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement". The intangible asset is considered having an indefinite useful life and will be assessed for impairment every year.

**3B Capital work in progress (CWIP)**

	Amount
At April 01, 2020	-
Addition	32.00
Less: Capitalised during the year	-
At March 31, 2021	32.00
Addition	363.33
Less: Capitalised during the year	(32.00)
At March 31, 2022	363.33

**Capital work in progress (CWIP) Ageing Schedule**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Capital Work in progress (Gonds in Transit)					
As on March 31, 2022	363.33	-	-	-	363.33
As on March 31, 2021	32.00	-	-	-	32.00



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4 Investments

Investments at amortized Cost

9,999 (March 31, 2020 - 9,999) equity shares of Rs.10 each fully paid up in Updater Services (UDS) Foundation (Refer note 47)

Investments at Fair Value through Profit & Loss

L&T Low Duration Fund Direct Plan - Growth - Nil units (March 2021 - 816,851.04 units)

Baroda Short Term Bond Fund A/C - Nil units (March 2021 - 555,288.30 units)

L&T Ultra short fund direct - Dividend reinvestment - Nil units (March 2020 - 2,54,761.71)

Non Current

Current

Aggregate value of investments

As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
1.00	1.00	1.00
-	176.99	50.32
-	226.41	76.41
-	-	26.66
1.00	404.40	154.39
1.00	1.00	1.00
-	403.40	153.39
1.00	404.40	154.39

5 Other non current financial assets (At Amortised Cost)

(Considered good, Unsecured unless stated otherwise)

Retention Deposits

- considered good

- credit impaired

- Impairment for doubtful deposits

Rental Deposit (Refer Note 47)

- considered good

- credit impaired

Less: Impairment for doubtful deposits

Security Deposits

- considered good

- credit impaired

Less: Provision for doubtful deposits

Loan to Employees

Balances with Banks #

- in long term deposits under lien with maturity more than 12 months

Total Other non current financial assets

As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
124.53	277.48	104.37
5.90	5.90	4.89
130.43	283.38	109.26
(5.90)	(5.90)	(4.89)
124.53	277.48	104.37
224.58	418.57	424.91
26.97	30.36	30.36
251.55	448.93	455.27
(26.97)	(30.36)	(30.36)
224.58	418.57	424.91
375.48	150.64	162.82
-	-	-
375.48	150.64	162.82
-	-	-
375.48	150.64	162.82
15.84	-	-
2,348.10	503.98	312.77
3,088.53	1,350.67	1,004.97

# Fixed deposits are under lien with various banks with respect to guarantees issued to third parties amounting to Rs. 671.83 Lakhs



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6 Other non current assets

Balance with government authorities  
- considered good (Refer Note 45)  
- credit impaired

Less: Provision for doubtful advances

Capital Advance  
- considered good  
- credit impaired

Less: Provision for doubtful advances

Prepaid Expenses

Other advances

As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
57.77	56.12	-
-	-	44.34
57.77	56.12	44.34
-	-	(44.34)
57.77	56.12	-
1,112.10	27.66	4.41
9.46	44.30	44.30
1,121.56	71.96	48.71
(9.46)	(44.30)	(44.30)
1,112.10	27.66	4.41
17.52	4.42	5.86
20.40	-	-
1,207.79	88.20	10.27

7 Inventories

Raw materials  
Stock-in-trade  
Finished Goods  
Consumables

As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
35.32	26.27	33.99
495.51	363.15	470.39
132.70	81.63	130.53
18.11	30.36	28.13
681.64	501.41	663.04

8 Non-Current Tax Assets (Net)

Advance income tax  
Less: Provision for income taxes

As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
12,622.86	13,094.26	12,414.00
(7,428.71)	(8,198.95)	(7,442.18)
5,194.15	4,895.31	4,971.82

9 Contract Assets - Non Current

Unbilled revenue\*\*  
Less: Provision for doubtful unbilled revenue

Contract Assets - Current

Unbilled revenue\*\*  
Less: Provision for doubtful unbilled revenue

As at 31st March, 2022	As at 31st March, 2021 (Restated)*	As at 01st April, 2020 (Restated)*
1,953.20	1,142.84	1,189.57
(105.47)	(59.83)	-
1,847.73	1,083.01	1,189.57
5,639.22	3,337.33	3,214.67
(30.00)	(20.00)	(10.00)
5,609.22	3,317.33	3,204.67

Movement of Contract Assets (Unbilled Revenue)

As at 1 April  
Add: Addition during the year  
Less: billed during the year  
Less: Provision for expected credit losses  
As at 31 March

As at 31st March, 2022	As at 31st March, 2021 (Restated)*	As at 01st April, 2020 (Restated)*
4,400.34	4,394.24	2,594.93
7,592.42	4,480.17	4,404.24
(4,400.34)	(4,394.24)	(2,594.93)
(135.47)	(79.83)	(10.00)
7,456.95	4,400.34	4,394.24

\*Restated (Refer Note 2.1 & Note 50)

\*\*Classified as contract assets as the unconditional right to consideration is dependent on completion of contractual obligations. The Group has recognised gratuity liability and reimbursement right in respect of employees where there is contractual right to receive reimbursement from customers, pursuant to paragraph 116 of Ind AS - 19, Refer Note 41



10 A Trade Receivables (At Amortized Cost)

Trade receivables  
Trade receivable from related parties (Refer Note 47)

	As at 31st March, 2022	As at 31st March, 2021 (Restated)*	As at 01st April, 2020 (Restated)*
Trade receivables	26,883.91	20,207.86	28,058.83
Trade receivable from related parties (Refer Note 47)	1.25	3.09	6.19
	<b>26,885.16</b>	<b>20,210.95</b>	<b>28,065.02</b>
Security details			
Considered good, Secured	-	-	-
Considered good, Unsecured	26,885.16	20,210.95	28,065.02
Trade Receivables which have significant increase in credit Risk	-	-	-
Trade Receivables - credit impaired	1,658.53	1,324.45	666.55
	<b>28,543.69</b>	<b>21,535.40</b>	<b>28,731.57</b>
Impairment allowance			
Unsecured, considered good	(17.87)	(24.81)	(25.36)
Trade Receivables - credit impaired	(1,640.66)	(1,299.64)	(641.19)
	<b>(1,658.53)</b>	<b>(1,324.45)</b>	<b>(666.55)</b>
Total Trade receivables	<b>26,885.16</b>	<b>20,210.95</b>	<b>28,065.02</b>

Trade Receivables Ageing as at March 31, 2022

	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	13,922.35	11,963.93	453.01	453.63	375.17	48.91	27,017.00
(ii) Undisputed Trade Receivables - credit impaired	-	168.56	346.17	402.82	275.78	83.48	1,276.81
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	-	68.74	0.27	26.57	14.85	121.58	232.01
	<b>13,922.35</b>	<b>12,201.23</b>	<b>799.45</b>	<b>883.02</b>	<b>465.80</b>	<b>253.97</b>	<b>28,525.82</b>

Trade Receivables Ageing as at March 31, 2021

	Outstanding for following periods from due date of payment						
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - considered good	10,340.22	9,134.03	493.41	241.76	43.98	51.83	20,305.25
(ii) Undisputed Trade Receivables - credit impaired	-	512.13	156.81	168.74	38.35	24.68	900.51
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	3.83	71.12	94.25	20.18	73.08	42.37	304.83
	<b>10,344.05</b>	<b>9,717.28</b>	<b>744.47</b>	<b>430.68</b>	<b>155.21</b>	<b>118.90</b>	<b>21,510.59</b>

Movement for expected credit loss

As at 1st April  
Provision for expected credit loss  
As at 31 March

	As at 31st March, 2022	As at 31st March, 2021 (Restated)*	As at 01st April, 2020 (Restated)*
As at 1st April	24.81	25.36	38.62
Provision for expected credit loss	(6.94)	(0.55)	(13.26)
As at 31 March	<b>17.87</b>	<b>24.81</b>	<b>25.36</b>

No trade or other receivables are due from Directors or other officers of the Group either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days based on the type of the customer. For balances, terms and conditions relating to related parties, refer Note 47



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**B- Unbilled Revenue**  
(At Amortised Cost)

	As at 31st March, 2022	As at 31st March, 2021 (Restated)*	As at 01st April, 2020 (Restated)*
Unbilled Revenue**	7,863.34	6,682.85	5,353.68
<b>Total Trade Receivables including Unbilled Revenue (A+B)</b>	<b>34,748.50</b>	<b>26,893.80</b>	<b>33,418.70</b>

**Movement of Unbilled Revenue**

	As at 31st March, 2022	As at 31st March, 2021 (Restated)*	As at 01st April, 2020 (Restated)*
As at 1 April	6,682.85	5,353.68	4,117.92
Add: Addition during the year	7,923.34	6,682.85	5,353.68
Less: billed during the year	(6,682.85)	(5,353.68)	(4,117.92)
Less: Provision for expected credit losses	(60.00)	-	-
<b>As at 31 March</b>	<b>7,863.34</b>	<b>6,682.85</b>	<b>5,353.68</b>

\* Restated (Refer Note 2.1 & Note 56)

\*\*Classified as financial asset as right to consideration is unconditional upon passage of time

**11 Cash and cash equivalents**

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
(i) Balances with banks:			
- On current accounts	4,016.89	3,302.82	1,706.11
- deposits with original maturity of less than three months	1,707.99	1,027.50	-
Cash in hand	3.44	2.98	23.83
<b>Total</b>	<b>5,728.32</b>	<b>4,333.30</b>	<b>1,729.94</b>

For the purpose of statement of cashflows, cash and cash equivalents comprise the following:

On current accounts	4,016.89	3,302.82	1,706.11
Deposits	1,707.99	1,027.50	-
Cash on hand	3.44	2.98	23.83
<b>Total Cash and cash equivalents</b>	<b>5,728.32</b>	<b>4,333.30</b>	<b>1,729.94</b>

**11A Bank Balances other than cash and cash equivalents as above**

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
<b>Current</b>			
- earmarked for DDU-GKY Project *	96.55	225.57	13.51
- Deposits with Original Maturity of less than 3 months under lien**	765.76	632.00	-
- in long term deposits under lien with maturity more than 3 months but less than 12 months**	510.71	1,230.63	722.79
<b>Total Bank balance other than cash and cash equivalents</b>	<b>1,373.02</b>	<b>2,088.20</b>	<b>736.30</b>

\* During the year ended 31 March 2018, the Holding Company had entered into an Memorandum of Understanding (MOU) with Tamil Nadu State Rural Lively Mission on August 26, whereby for a period of 3 years in relation to a particular project (DDU GKY), Holding Company has to train 2,092 workers under the guidelines of the MoRD, Government of India. Pursuant to the same, Holding Company has received an advance of Rs. 1,592.61 lakhs from (March 31, 2018 - Rs. 674.06 Lakhs and March 31, 2021 - Rs. 918.55 Lakhs) the CEO, Tamil Nadu State Rural Lively Mission. The money can be utilised only for the training and related expenses approved as per the MOU/agreement.

During the current year ended 31 March 2022, the Holding Company had entered into an Memorandum of Understanding (MOU) with Puducherry State Rural Lively Mission on June 24, 2021, whereby for a period of 36 months in relation to a particular project (DDU GKY), Company has to train 610 workers under the guidelines of the MoRD, Government of India. Pursuant to the same, Holding Company has received an advance of Rs. 93.95 lakhs as the first installment. The money can be utilised only for the training and related expenses approved as per the MOU/agreement.

\*\* Fixed deposits given as security (Bank Balances other than cash and cash equivalents)

Fixed deposits is under lien with various banks in respect of guarantees issued to third parties amounting to Rs. 538.41 lakhs.





12 Loans (At Amortised Cost)

(Considered good, Unsecured unless stated otherwise)

Loans to related party

- considered good
- credit impaired

Less: Provision for doubtful loans

Loans to employees

- considered good
- credit impaired

Less: Provision for doubtful loans

Total

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
	-	0.99	-
	-	0.01	-
	-	1.00	-
	-	(0.01)	-
	-	0.99	-
	62.72	44.48	17.49
	34.09	9.18	9.18
	96.81	53.66	26.67
	(34.09)	(9.18)	(9.18)
	62.72	44.48	17.49
	62.72	45.47	17.49

13 Other current financial assets (At Amortised Cost)

(Considered good, Unsecured unless stated otherwise)

Advances recoverable in cash

- considered good
- credit impaired

Less: Provision for doubtful advances

Interest accrued

- considered good
- credit impaired

Less: Impairment for interest accrued and due on loan to related parties

Security deposits

- considered good
- credit impaired

Less: Provision for doubtful deposits

Rental Deposit

- considered good
- credit impaired

Total

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
	0.05	-	-
	2.00	-	-
	2.05	-	-
	(2.00)	-	-
	0.05	-	-
	66.77	56.02	22.38
	-	-	-
	66.77	56.02	22.38
	-	-	-
	66.77	56.02	22.38
	437.90	364.11	413.03
	71.13	71.41	70.72
	509.03	435.52	483.75
	(71.13)	(71.41)	(70.72)
	437.90	364.11	413.03
	388.82	161.75	59.93
	-	-	-
	388.82	161.75	59.93
	893.54	581.88	495.34



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14 Other current assets

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
Prepaid expenses	661.06	611.20	771.98
Balance with government authorities			
- considered good	481.54	279.09	349.54
- credit impaired	41.57	41.57	41.57
	523.11	320.66	391.11
Less: Provision for doubtful advances	(41.57)	(41.57)	(41.57)
	481.54	279.09	349.54
Advances for supply of goods			
- considered good	195.89	86.91	100.56
- credit impaired	176.54	194.47	216.94
	372.43	281.38	317.50
Less: Provision for doubtful advances for supply of goods	(176.54)	(194.47)	(216.94)
	195.89	86.91	100.56
Advances to employees			
- considered good	114.26	54.77	72.51
- credit impaired	25.22	43.78	43.78
	139.48	98.55	116.29
Less: Provision for doubtful advances	(25.22)	(43.78)	(43.78)
	114.26	54.77	72.51
Other Advances	26.66	-	1.67
Total	1,479.41	1,031.97	1,296.26

15 Deferred tax asset (Net)

	As at 31st March, 2022	As at 31st March, 2021 (Restated)*	As at 01st April, 2020 (Restated)*
Property, plant & equipment and Intangible assets	452.19	701.21	506.93
Lease Liabilities	6.97	(4.77)	-
Provision for impairment of doubtful trade receivables	1,196.47	963.04	653.54
Provision for doubtful advances	734.89	110.71	140.66
Provision for gratuity	1,024.75	824.08	663.20
Provision for compensated absences	181.00	289.71	253.81
Expenses allowable on payment basis	1,023.48	876.92	801.00
Others	118.68	50.26	7.06
Deferred tax asset (Net)	4,738.43	3,811.16	3,026.20
Opening balance (Deferred tax asset)	3,811.16	3,026.20	2,616.43
Opening balance (Deferred tax liabilities)	(255.61)	(310.72)	-
Tax Expense during the year recognised in Statement of Profit and Loss	607.83	861.70	320.77
Deferred tax liability on Intangible Assets (Refer Note 55)	(572.32)	-	(340.29)
Deferred Tax Liabilities on fair valuation of promoter's liability (Refer Note 55)	(309.20)	-	-
Deferred tax asset on Acquisition (Refer Note 55)	328.87	-	90.69
Movement in MAT credit balance (adjusted in tax provisions)	(12.22)	-	12.47
Tax (Income) / Expense during the year recognised in OCI	55.14	(21.63)	15.41
Closing balance (Net)	3,653.65	3,555.55	2,715.48
Closing balance (Deferred tax asset)	4,738.43	3,811.16	3,026.20
Closing balance (Deferred tax liabilities) Refer Note 24	(1,084.78)	(255.61)	(310.72)

\* Restated (Refer Note 2.1 & Note 56)



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16 Equity share capital

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
Authorised			
53,000,000 (March 31, 2021: 53,000,000, March 31, 2020: 53,000,000) equity shares of Rs 10 each	5,300.00	5,300.00	5,300.00
Issued, subscribed and paid up			
52,817,479 (March 31, 2021: 52,817,479, March 31, 2020: 52,817,479) equity shares of Rs 10 each fully paid up	5,281.75	5,281.75	5,281.75

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2022		As at 31st March, 2021		As at 01st April, 2020	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Equity shares						
At the beginning of the year	5,28,17,479	5,281.75	5,28,17,479	5,281.75	5,28,17,479	5,281.75
Add: Shares issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	5,28,17,479	5,281.75	5,28,17,479	5,281.75	5,28,17,479	5,281.75

b) Terms / rights 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 dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, equity share holders 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.

During the financial year 2016-17, the Company has issued equity shares to India Business Excellence Fund - II and India Business Excellence Fund - IIA ("Investors"). The Investors have been provided with certain exit rights after a predetermined period (viz. IPO / Exit Trade Sale / Strategic Sale Right as defined in the share purchase agreement) by the Company and other Shareholders.

c) Details of shareholders holding more than 5% shares in the company

Name of shareholder	As at 31st March, 2022		As at 31st March, 2021		As at 01st April, 2020	
	No. of shares held	% of holding	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares of Rs. 10 each fully paid						
T Raghunandana	1,63,77,702	31.01%	1,63,77,702	31.01%	1,62,37,705	30.74%
T Shanithi	1,62,37,705	30.74%	1,62,37,705	30.74%	1,62,37,705	30.74%
Tangi Facility Solutions Pvt Ltd	1,11,73,440	21.15%	1,11,73,440	21.15%	1,13,13,440	21.42%
India Business Excellence Fund - II	28,89,161	5.47%	28,89,161	5.47%	28,89,161	5.47%
India Business Excellence Fund - IIA	61,39,468	11.63%	61,39,468	11.63%	61,39,468	11.63%
Total	5,28,17,476	100.00%	5,28,17,479	100.00%	5,28,17,479	100.00%

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.

Shares reserved for issue under options

For details of shares reserved for issue under the Share based payment plan of the company, please refer note 43.

Promoter Name	No. of shares at the beginning of the period	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the year
As at March 31, 2022					
T Raghunandana	1,63,77,705	(3)	1,63,77,702	31.01%	0.00%
T Shanithi	1,62,37,705	-	1,62,37,705	30.74%	0.00%
Tangi Facility Solutions Private Limited	1,11,73,440	-	1,11,73,440	21.15%	0.00%
As at March 31, 2021					
T Raghunandana	1,62,37,705	1,40,000	1,63,77,705	31.01%	0.27%
T Shanithi	1,62,37,705	-	1,62,37,705	30.74%	0.00%
Tangi Facility Solutions Private Limited	1,13,13,440	(1,40,000)	1,11,73,440	21.15%	-0.27%





**Updater Services Limited (Formerly known as Updater Services Private Limited)**  
**Notes to consolidated financial statements for the year ended March 31, 2022**  
*(All amounts are in lakhs of Indian Rupees unless otherwise stated)*

**17 Other equity**

	As at 31st March, 2022	As at 31st March, 2022 (Restated)*	As at 01st April, 2020 (Restated)*
Retained earnings (Restated)*	22,271.16	16,835.57	12,351.42
Capital redemption reserve	207.50	207.50	207.50
General Reserve	265.97	265.97	172.69
Employee stock option reserve (Refer Note 43)	421.77	340.52	325.63
Securities premium	5,594.28	5,594.28	5,594.28
<b>Total other equity</b>	<b>28,760.68</b>	<b>23,243.84</b>	<b>18,651.52</b>

<b>Retained Earnings</b>	<b>Amount</b>
At 1 April 2020 (Restated)*	12,351.42
Add: Profit for the year	4,503.51
Add: Other Comprehensive Gain	73.92
Less: Transfer to General Reserve	(93.28)
<b>At 31 March 2021 (Restated)*</b>	<b>16,835.57</b>
Add: Profit for the year	5,529.38
Less: Other Comprehensive Loss	(271.58)
Add: Reversal of Reserves to NCI on acquisition of minority shares	255.24
Less: Income tax on buyback of equity shares	(77.45)
<b>At 31 March 2022</b>	<b>22,271.16</b>

<b>Capital Redemption Reserve</b>	<b>Amount</b>
At 1 April 2020	207.50
Changes during the period	-
<b>At 31 March 2021</b>	<b>207.50</b>
Changes during the period	-
<b>At 31 March 2022</b>	<b>207.50</b>

<b>General Reserve</b>	<b>Amount</b>
At 1 April 2020	172.69
Add: Transfer from Retained earnings	93.28
<b>At 31 March 2021</b>	<b>265.97</b>
Add: Transfer from Retained earnings	-
<b>At 31 March 2022</b>	<b>265.97</b>

<b>Employee stock option reserve</b>	<b>Amount</b>
At 1 April 2020	325.63
Add: Employee stock options provided	14.89
<b>At 31 March 2021</b>	<b>340.52</b>
Add: Employee stock options provided	81.25
<b>At 31 March 2022</b>	<b>421.77</b>

<b>Securities Premium</b>	<b>Amount</b>
At 1 April 2020	5,594.28
Changes during the period	-
<b>At 31 March 2021</b>	<b>5,594.28</b>
Changes during the period	-
<b>At 31 March 2022</b>	<b>5,594.28</b>

\* Restated (Refer Note 2.1 & Note 56)



Updater Services Limited (Formerly known as Updater Services Private Limited)  
Notes to consolidated financial statements for the year ended March 31, 2022  
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

18 Non Controlling Interest

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Non Controlling Interest	530.71	692.67	454.32
Total Equity (Note 17 + Note 18)	29,291.39	23,936.51	19,105.84

Movement of NCI

Particulars	Amount
At 1 April 2020	454.32
Total comprehensive Income	238.35
At 31 March 2021	692.67
Total comprehensive Income	207.71
Reversal of Reserves to NCI on acquisition of minority shares	(255.24)
Additional investment by NCI	16.90
Buyback of Equity Shares along with distribution Income Tax	(131.33)
At 31 March 2022	530.71

Nature and purpose of other reserves

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Capital redemption reserve

The Company has recognised Capital Redemption Reserve on buy-back of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back. The Company can utilize the same for the purpose of issue of fully paid-up bonus shares to its members.

(iii) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(iv) Employee stock option reserve

Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

v) Retained Earnings

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above may not be distributable in entirety.

19 Borrowings (Non-current)

	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Term loans from banks	-	-	0.91
Total Non-current borrowings	-	-	0.91

The Vehicle loans of a subsidiary were secured by the hypothecation of respective vehicles and repayable over a period not exceeding five years carrying interest rate of 10.24% (March 31, 2022 - Nil and March 31, 2021 - Nil)

20 Net Employee defined benefit liabilities

	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Provision for Gratuity (Refer Note 41)	2,906.38	2,253.53	2,045.26
Provision for gratuity - reimbursement employees (Refer Note 41)	1,973.59	1,142.84	1,189.57
	4,879.97	3,396.37	3,234.83



Updater Services Limited (Formerly known as Updater Services Private Limited)  
Notes to consolidated financial statements for the year ended March 31, 2022  
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

21 Current borrowings (At Amortised Cost)

Cash credit from banks (secured)*
Working capital loan (secured)**
Loan from others
<b>Total Current borrowings</b>

As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
146.35	447.80	8,982.02
5,721.58	700.00	-
-	13.22	13.22
<b>5,867.93</b>	<b>1,161.02</b>	<b>8,995.24</b>

Updater Services Limited

\* The Holding Company has taken cash credit having interest rate ranging from 7% to 13.75% p.a. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Holding Company on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Holding Company both present and future of the Holding Company and personal guarantee of the Managing Director.

\*\* The Holding Company has taken working capital loan from banks having interest rate ranging from 4.46% to 7.00% p.a. These facilities are repayable within 28 - 87 days and are secured primarily by way of pari passu first charge on the entire current assets of the Holding Company on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Holding Company and personal guarantee of the Managing Director.

Avon Solutions & Logistics Private Limited

Current borrowings of Avon refer to overall facility availed from HDFC and Kotak bank at an interest rate ranging from 8.60% to 10.10% (March 2021: 11.15%). The overdraft facility limits to INR 200.50 Lakhs and the same is secured by lien on fixed deposits of Rs 155 Lakhs.

The summary of differences noted in quarterly statements filed by the Holding Company with banks are as follows:

Quarterly statement Period (Refer below Note 1)	Amount as per books of accounts	Amount as reported in the quarterly statement	Difference (Refer below Note 2)
<b>Debtors</b>			
30-Jun-21	17,378.48	24,143.85	(6,765.37)
30-Sep-21	27,900.85	27,827.58	73.27
31-Dec-21	22,062.28	29,901.60	(7,839.32)
31-Mar-22	17,444.89	28,494.35	(11,049.46)
<b>Creditors</b>			
30-Jun-21	2,294.23	1,600.00	694.23
30-Sep-21	1,350.63	1,600.00	(249.37)
31-Dec-21	1,912.33	1,600.00	312.33
31-Mar-22	2,483.83	1,600.00	883.83
<b>Sales</b>			
30-Jun-21	25,306.20	24,803.00	503.20
30-Sep-21	51,128.68	51,003.38	125.30
31-Dec-21	78,617.15	77,792.11	825.04
31-Mar-22	1,07,067.27	1,06,227.00	840.27
<b>Purchases</b>			
30-Jun-21	1,620.75	1,350.00	270.75
30-Sep-21	3,629.84	2,600.00	1,029.84
31-Dec-21	5,462.72	3,200.00	2,262.72
31-Mar-22	8,220.29	3,200.00	5,020.29
<b>Borrowing</b>			
30-Jun-21	3,649.80	1,941.00	1,708.80
30-Sep-21	9,530.74	953.30	8,577.44
31-Dec-21	9,403.39	940.40	8,462.99
31-Mar-22	5,700.00	570.00	5,130.00

Note:

- The Holding Company has submitted quarterly returns to the banks in respect of borrowings taken against the security of current assets. These quarterly returns are submitted to HDFC Bank, ICICI Bank, SCB Bank, Citi Bank, DBS Bank and Kotak Mahindra Bank.
- The discrepancy in respect of borrowings outstanding reported for the quarter ending September 30, 2021, December 30, 2021 and March 31, 2022, was attributable to clerical errors while the discrepancies in respect of debtors, creditors, sales for the period, purchases for the period for all the quarters and borrowings for quarter ending June 30, 2021 were attributable to the Holding Company's financial closure process being not fully completed at the time of filing quarterly statements. The Holding Company has subsequent to year end, re-submitted the above statements to the respective bank during December 2022.





22 Trade payables (At Amortised Cost)

	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Dues to micro enterprises and small enterprises	577.48	388.78	769.77
Total outstanding dues of micro enterprises and small enterprises	577.48	388.78	769.77
Dues to Related Party (Refer note 47)	30.13	-	69.59
Dues to other than micro enterprises and small enterprises	3,960.22	2,796.47	2,853.68
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,990.35	2,796.47	2,923.27
Total trade payables	4,567.83	3,185.25	3,693.04

Trade payables Ageing Schedule As at 31 March 2022	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	25.14	398.20	21.75	15.69	5.21	465.99
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,145.05	1,509.81	99.81	53.01	86.52	2,894.20
Disputed dues of micro enterprises and small enterprises	-	-	-	-	3.70	3.70
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	64.93	64.98
Total	1,170.19	1,908.01	121.56	68.70	160.41	3,428.87

Unbilled Trade payables Ageing Schedule As at 31 March 2022	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	104.68	171.88	20.94	-	-	297.50
Total outstanding dues of creditors other than micro enterprises and small enterprises	347.84	488.85	4.79	-	-	841.46
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	452.52	660.71	25.73	-	-	1,138.96

Trade payables Ageing Schedule As at 31 March 2021	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	9.62	872.29	31.09	4.98	2.78	420.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	295.32	1,632.02	97.98	100.49	212.24	2,338.06
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	120.00	-	-	-	120.00
Total	304.94	2,124.31	129.07	105.47	215.02	2,878.81

Unbilled Trade payables Ageing Schedule As at 31 March 2021	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	23.33	-	-	-	23.33
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	283.11	-	-	-	283.11
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	-	306.44	-	-	-	306.44

Trade payables are non-interest bearing and are normally settled on 30 to 60 day term. For terms and conditions relating to related parties, refer Note 47.



**Updater Services Limited (Formerly known as Updater Services Private Limited)**  
**Notes to consolidated financial statements for the year ended March 31, 2022**  
*(All amounts are in lakhs of Indian Rupees unless otherwise stated)*

**23 Other current financial liabilities (At Amortised Cost)**

Capital creditors *	
Employee benefits payable	
Security Deposit	
Bonus payable	
Director fees payable	
Liability payable to promoters of acquired subsidiary #	
Other payables	
<b>Total other financial liabilities</b>	

As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
361.98	47.08	47.21
10,808.52	7,503.53	7,150.97
9.25	9.00	9.00
4,029.09	3,325.00	2,935.92
-	-	10.80
2,579.60	842.10	875.02
17.36	16.39	16.85
<b>17,895.80</b>	<b>11,743.10</b>	<b>11,045.77</b>

\* Includes an amount of Rs 27.91 lakhs (March 31, 2021 Rs 2.11 lakhs) payable to Micro enterprises and small enterprises.

# During the year ended March 31, 2020 the Holding Company has acquired 75% stake in Matrix Business Services India Private Limited at an agreed price of INR 3,915.01 lakhs from the promoters of Matrix and 76% stake in Washroom Hygiene Solutions Private Limited at an agreed price of INR 1,520.00 lakhs. As per the Shareholder's Agreement between Holding Company, these two companies and its erstwhile promoters, the Holding Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Accordingly, the Company has recognised a Liability payable to promoters of acquired subsidiary for the present value of such future obligation based on a best estimate available with the management.

The Holding Company has reassessed the Liability payable to promoters of acquired subsidiary (Washroom Hygiene Solutions Private Limited) during the year ended March 31, 2021 based on the actual results available (applying the agreed methodology) and accordingly reversed an amount of Rs. 197.35 Lakhs as the same is no longer required to be paid. (Refer Note 29)

The Holding Company reassessed the Liability payable to promoters of acquired subsidiary (Matrix Business Services India Private Limited) under the terms of the relevant share purchase agreement during the year ended March 31, 2022 based on the actual results available (applying the agreed methodology) as fair value change and accordingly accrued for an amount of Rs. 1,512.90 Lakhs as Fair value changes in Liability payable to promoters of acquired subsidiary. Refer Note 37 B

**23A Other non current financial liabilities (At Amortised Cost)**

Liability payable to promoters of acquired subsidiary *	
---	--

As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
8,041.43	844.83	1,363.51
<b>8,041.43</b>	<b>844.83</b>	<b>1,363.51</b>

\* Represents amount payable to promoters of Denave India Private Limited towards unacquired shares from the promoters of Denave India Private Limited consequent to share purchase agreement entered. (Refer Note 56 for further details.)

**24 Deferred Tax Liabilities (Non-Current)**

Intangible assets arising on acquisition	
Fair value liability towards promoters of acquired subsidiary	
Deferred tax liability created on share of reserves of subsidiary	

As at 31st March, 2022	As at 31st March, 2021 (Restated)*	As at 1st April, 2020 (Restated)*
775.58	255.61	310.72
309.20	-	-
-	-	-
<b>1,084.78</b>	<b>255.61</b>	<b>310.72</b>

\* Restated (Refer Note 2.1 & Note 56)



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Updater Services Limited (Formerly known as Updater Services Private Limited)  
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<b>25 Short term provisions</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>	<b>As at 1st April, 2020</b>
Provision for employee benefits			
Provision for leave benefits	971.15	919.98	779.20
Other provisions			
Provision for tax litigations *	28.05	28.05	28.05
Provision for Onerous Contract **	-	101.30	-
<b>Total short term provisions</b>	<b>999.20</b>	<b>1,049.33</b>	<b>807.25</b>
The table gives the information about movement of the provision :			
* Provision for litigations (Refer note 45)			
At the beginning of the year	28.05	28.05	44.74
Created during the year	-	-	-
Utilised during the year	-	-	(16.69)
At the end of the year	<b>28.05</b>	<b>28.05</b>	<b>28.05</b>
** The table gives the information about movement of Onerous contract			
Provision for Onerous Contract			
At the beginning of the year	101.30	-	-
Created during the year	-	101.30	-
Reversed during the year	(101.30)	-	-
At the end of the year	<b>-</b>	<b>101.30</b>	<b>-</b>
<b>25A Net Employee defined benefit liabilities</b>			
Provision for gratuity (Refer Note 41)	980.33	391.22	268.19
Provision for gratuity - reimbursement employees (Refer Note 41)	944.17	1,346.35	1,215.41
	<b>1,924.50</b>	<b>1,737.57</b>	<b>1,483.60</b>
<b>26 Current tax liabilities (net)</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>	<b>As at 1st April, 2020</b>
Provision for income taxes (net of advance income taxes)	371.34	383.68	119.48
	<b>371.34</b>	<b>383.68</b>	<b>119.48</b>
<b>27 Other current liabilities</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>	<b>As at 1st April, 2020</b>
Advance from customers	484.75	761.08	72.92
Statutory dues and related liabilities	5,005.19	3,734.67	4,206.32
Provision against PF order (Refer Note 45)	38.77	28.31	28.31
Deferred Income	186.28	-	-
Other Payables	361.46	-	-
<b>Total other current liabilities</b>	<b>6,076.45</b>	<b>4,524.06</b>	<b>4,307.55</b>



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28 Revenue from contracts with customers

	For the year ended March 31st, 2022	For the year ended March 31st, 2021 (Restated)*
Sale of services (Restated)*	1,47,963.47	1,20,713.02
Sale of products	391.75	290.21
<b>Total Revenue from operations</b>	<b>1,48,355.22</b>	<b>1,21,003.23</b>
<b>Revenue by Geography</b>		
India	1,47,361.37	1,20,325.17
Outside India	993.85	678.06
<b>Total revenue from contracts with customers</b>	<b>1,48,355.22</b>	<b>1,21,003.23</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	391.75	290.21
Service transferred at a point in time	3,692.34	3,692.34
Service transferred over a period of time	1,44,271.13	1,17,020.68
<b>Total</b>	<b>1,48,355.22</b>	<b>1,21,003.23</b>

Reconciliation of Revenue from sale of products/services with the contracted price:

Revenue as per contracted price	1,51,071.29	1,23,207.81
Adjustments - Estimated price concessions #	(2,716.07)	(2,204.58)
<b>Total</b>	<b>1,48,355.22</b>	<b>1,21,003.23</b>

# The table gives the information about movement of the Estimated price concessions

At the beginning of the year	2,153.15	1,887.71
Created during the year	2,716.07	1,559.91
Utilised during the year	(1,623.66)	(1,294.47)
<b>At the end of the year</b>	<b>3,245.56</b>	<b>2,153.15</b>

Contract Balances

	For the year ended March 31st, 2022	For the year ended March 31st, 2021 (Restated)*
Trade Receivables including Unbilled Revenue (Refer Note 10)	34,748.50	26,893.80
Contract Assets (Refer Note 9)	7,456.95	4,400.34

Contract Liabilities

Advance from Customers	484.75	761.08
------------------------	--------	--------

\* Restated (Refer Note 2.1 & Note 56)

29 Other income

	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Profit on sale of property, plant & equipment (net)	4.02	21.88
Provision no longer required written back	558.36	114.96
Other non-operating income	14.54	10.03
Bad debts recovered	94.35	-
Fair value gain on Financial Assets at FVTPL	101.65	35.28
Exchange Differences (net)	60.52	16.54
Liability payable to promoters of acquired subsidiary no longer required written back *	-	197.35
<b>Total Other income</b>	<b>833.44</b>	<b>416.04</b>

\* During the year ended March 31, 2020, the Holding Company has entered the Shareholder's Agreement with the two companies (Matrix Business Services India Private Limited & Washroom Hygiene Solutions Private Limited "WHC") and its erstwhile promoters, the Holding Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Accordingly, the Holding Company has recognised a liability payable to promoters of acquired subsidiary for the present value of such future obligation based on a best estimate available. (Refer Note 23)

30 Finance income

	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Interest income - Bank deposits	235.33	124.54
Interest on Income Tax refund	8.64	71.84
Interest income on income tax refund	312.16	-
Interest income - Others	44.56	19.48
Dividend Income	-	0.69
<b>Total Finance income</b>	<b>600.69</b>	<b>215.86</b>



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31 Cost of materials consumed

	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Inventory at the beginning of the year	35.13	33.99
Add: Purchase	4,118.27	2,996.98
	4,153.50	3,030.97
Less: Inventory at the end of the year	35.32	26.27
Cost of materials consumed	4,118.18	3,004.70

32 Cost of Services

	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Cost of Services *	9,540.95	-
Total Cost of Services	9,540.95	-

\* cost of services consists of direct employee costs and other direct costs relating to revenue from operations of one of the subsidiary Demave India Private Limited.

33 Changes in inventories of finished goods and traded goods

	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Finished goods		
Closing stock	132.70	81.63
Opening stock	81.63	150.53
Sub total (A)	51.07	(48.90)
Stock-in-trade		
Closing stock	495.51	363.15
Opening stock	363.15	470.39
Sub total (B)	132.36	(107.24)
Sub total (C)	-	-
Total Changes in Inventories	(183.43)	156.14

34 Employee benefit expenses

	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Salaries and wages *	94,959.97	87,547.34
Contribution to provident and other fund (Refer Note 41)	10,717.75	9,844.00
Less: Income from government grants #	(98.48)	(319.46)
Gratuity expense (Refer Note 41)	766.65	676.55
Staff welfare expenses	390.56	401.55
Employee stock option expenses (Refer Note 43)	81.25	14.89
Total Employee benefit expenses	1,06,817.70	98,165.47

\* The Holding Company has during the lockdown period (March 25, 2020 to May 17, 2021), adopted the principle of "No work, No pay", in case of workers working on essential services projects, where certain employees have opted to take voluntary leave. Furthermore, in relation to certain employees working for projects involving non-essential services, the Holding Company had verbal consensus/understanding for non / part payment of wages depending on the extent of work performed and amounts recovered from the customers. The Holding Company has evaluated the impact of legal provisions in this regard including the requirements of the Ministry of Home Affairs order dated March 29, 2020 as well as obtained an external legal opinion basis which the management considers that the position taken by the Holding Company is legally tenable and accordingly no additional provision has been made in this regard in the books of records. No claims have been received as on date in this regard from any of the employees concerned.

#The Holding Company is availing of benefits under a government scheme - Pradhan Mantri Rojgar Prosahan Yojana (PMRPY) wherein the Central Government is paying the employer's contribution towards Employee Pension Scheme / Provident Fund in respect of new employees (joined till March 2019) meeting specified criteria.

35 Finance costs

	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Interest on borrowings	449.02	348.03
Unwinding of discount on Liability payable to promoters of acquired subsidiaries	501.94	387.51
Interest on income tax	6.12	-
Interest on lease liabilities	31.62	49.06
Total Finance costs	1,008.70	684.60



Updater Services Limited (Formerly known as Updater Services Private Limited)  
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36 Depreciation and amortization expense

Amortization of intangible assets (Refer Note 3A)
Depreciation of property, plant & equipment (Refer Note 3)
Depreciation of Right To Use Assets (Refer Note 42)
<b>Total Depreciation and amortization expense</b>

For the year ended March 31st, 2022	For the year ended March 31st, 2021
448.16	278.90
843.40	969.31
361.75	250.17
<b>1,653.40</b>	<b>1,498.58</b>

37 A Impairment losses on financial instrument and contract assets

Impairment for doubtful trade receivables
Impairment on doubtful advances
Impairment for doubtful reimbursement right of gratuity
<b>Total Impairment Losses on financial instrument and contract assets</b>

For the year ended March 31st, 2022	For the year ended March 31st, 2021 (Restated)*
437.91	484.29
116.52	10.59
45.64	59.83
<b>600.09</b>	<b>554.71</b>

\* Restated (Refer Note 2.1 & Note 56)

37 B Fair value changes in Liability payable/paid to promoters of acquired subsidiary

Fair value changes due to re-measurement of Liability payable/paid to promoters of acquired subsidiaries* (Refer Note 23)
<b>Total</b>

For the year ended March 31st, 2022	For the year ended March 31st, 2021
1,632.90	-
<b>1,632.90</b>	<b>-</b>

\*The Company has reassessed the Liability payable to promoters of Global Flight Handling Services Private Limited during the year ended March 31, 2022 based on the actual results available (applying the agreed methodology) and accordingly accounted Rs. 120 lakhs (Paid) as Fair value changes in Liability payable/paid to promoters of acquired subsidiary during the year.

Further, refer Note 23 for details about balance Rs. 1,512.90 lakhs accounted for re-measurement of liability payable to promoters of another subsidiary.

38 Other expenses

Payment to Associates
Verification expenses
Consumption of stores and spares
Communication expenses
Cartoon materials
Cleaning materials and consumables
Advances written off
Bad debts written off
Freight and forwarding charges
Insurance
Legal and professional fees
Power and fuel
Computer hire charges
Discount Allowed
Postage and Courier Charges
Printing and stationery
Provision for Onerous Contract
Provision for Diminution of value of inventories
Director sitting fees
Payment to auditor
Rates and taxes
Rent
Repairs and maintenance - Buildings
Repairs and maintenance - Others
CSR expenditure
Site maintenance expenses
Travelling and conveyance
Loss on sale of Property, plant & equipment
Training Expense
Miscellaneous expenses
<b>Total Other Expenses</b>

For the year ended March 31st, 2022	For the year ended March 31st, 2021
1,083.48	644.83
1,319.30	635.06
73.32	47.96
239.57	165.04
212.14	94.77
2,200.86	2,999.47
25.03	44.63
88.94	64.40
12.10	67.19
337.21	185.83
800.73	270.57
199.59	132.30
236.58	-
55.29	-
3,596.47	1,679.99
267.40	161.83
-	101.30
10.20	-
21.00	-
152.81	75.45
540.62	92.38
535.28	385.46
179.68	93.95
611.20	443.42
94.42	73.26
3,702.11	3,257.91
783.62	470.13
122.26	0.97
368.75	103.65
636.06	232.54
<b>17,507.11</b>	<b>12,128.31</b>



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### 39 Income Tax Expense

The major components of income tax expense for the years ended 31st March 2022 and 31st March 2021 are:

#### Current income tax:

Current income tax charge

Tax related to earlier years

Deferred tax:

Relating to origination and reversal of temporary differences

Total Income tax expense reported in the statement of profit or loss

For the year ended March 31st, 2022	For the year ended March 31st, 2021 (Restated)*
2,094.84	1,534.25
(129.76)	13.90
(607.83)	(861.70)
1,357.25	686.45

#### Other Comprehensive income (OCI) Section

Re-measurement gains and (losses) on defined benefit obligations (net)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021:

Accounting Profit before income tax

Enacted tax rate in India

Profit before income tax multiplied by enacted tax rate

Effects of:

Effect of change in substantively enacted tax rates on deferred tax

Ind as adjustments

Additional deduction under Income Tax based on employment generation

Others income taxable at different rate

Interest on income tax

Adjustment in respect of tax related to earlier years

Liability payable to promoters of acquired subsidiary re-measurement

Effect of temporary differences

Non deductible expenses

Contribution to CSR

Others

Net effective income tax

55.14	(21.63)
7,093.75	5,442.62
25.17%	25.17%
1,785.35	1,369.80
(21.82)	(5.68)
(3.98)	3.69
(811.03)	(846.47)
(1.77)	-
8.59	5.83
(116.53)	16.88
53.50	47.86
81.67	-
4.72	-
9.05	-
369.50	94.54
1,357.25	686.45

#### Other Comprehensive income (OCI) Section

Deferred tax related to items recognised in OCI during the year:

Re-measurement gains and (losses) on defined benefit obligations (net)

55.14	(21.63)
55.14	(21.63)

Deferred tax liabilities has not been created for tax on potential dividend from undistributed profits in subsidiaries, as the group currently intends to retain such reserves for the foreseeable future.

### 40 Earnings per equity share

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021 (Restated)*
Profit attributable to equity shareholders of Group	5,528.67	4,503.51
Profit attributable to equity holders of the Group adjusted for the effect of dilution	5,528.67	4,503.51
Weighted average number of Equity shares for basic EPS	5,28,17,479	5,28,17,479
Effect of dilution:		
Employee Stock Options	3,63,033	3,63,033
Weighted average number of Equity shares adjusted for the effect of dilution	5,31,80,512	5,31,80,512
Earning per share of INR 10 each		
- Basic	10.47	8.53
- Diluted	10.40	8.47



41. Disclosure pursuant to Ind AS 19 "Employee benefits":

(i) Defined contribution plan:

The Group provident fund are the defined contribution plan. An amount of INR 10,717.75 Lakhs being contribution made to recognised provident fund is recognised as expense for the year ended 31 March 2022 (31 March 2021: INR. 9,844.40 Lakhs) and included under Employee benefit expense (Note 34) in the Statement of Profit and loss.

(ii) Defined benefit plans:

A. Gratuity (Regular)

The Group has defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed 4 years and 240 days of service are eligible for gratuity on departure at 15 days salary (last drawn) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

a) The amounts recognised in Balance Sheet are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Present value of Defined Benefit Obligation	4,225.33	2,958.23
Fair value of plan assets	(338.62)	(313.48)
Net Liability or asset	3,886.71	2,644.75
Current	980.33	391.22
Non - Current	2,906.38	2,253.53

b) The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Service cost:		
Current service cost	635.35	558.38
Past service cost and loss/(gain) on curtailments and settlement	-	-
Net interest cost:		
Interest Expense on Defined Benefit Obligation	135.29	121.86
Interest Income on Plan Assets	(3.99)	(3.69)
Total included in 'Employee Benefit Expense' (Refer Note 34)	766.65	676.55

c) Remeasurement recognized in other comprehensive income

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Components of actuarial gain/losses on obligations		
Due to change in financial assumptions	90.46	1.46
Due to change in demographic assumption	74.07	43.79
Due to experience adjustments	163.01	(126.39)
Return on plan assets	(0.70)	(0.82)
Total	326.84	(81.96)

d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening defined benefit obligation	2,958.23	2,583.41
Defined benefit obligation for acquisition during the year	412.43	-
Current service cost	635.35	537.94
Interest cost	142.68	125.31
Actuarial losses/(gains)	-	(1.55)
Due to change in financial assumptions	145.36	76.88
Due to change in demographic assumption	83.11	(104.16)
Due to experience adjustments	122.26	(19.79)
Past Service Cost	-	-
Benefit Paid	(274.09)	(239.81)
Closing balance of the present value of defined benefit obligation	4,225.33	2,958.23



41. Disclosure pursuant to Ind AS 19 "Employee benefits": (continued)

e) The changes in the present value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening plan assets	313.48	305.57
Expected return on plan assets	3.99	3.69
Contributions	255.55	259.24
Benefits paid and charges deducted	(274.09)	(239.81)
Actuarial gain/(loss) on plan assets	39.69	(15.21)
Closing balance of the present value of plan assets	338.62	313.48

f) Reconciliation of Net Liability / (Asset)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Net Liability / (Asset) at the beginning of the period	2,644.75	2,277.84
Defined benefit obligation for acquisition during the year	412.43	31.99
Defined Benefit cost included in the Profit / Loss	758.24	649.00
Defined Benefit cost included in Other Comprehensive Income	326.84	(54.84)
Benefit Paid	(255.55)	(259.24)
Net Liability / (Asset) at the end of the period	3,886.71	2,644.75

g) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at 31st March, 2022	As at 31st March, 2021
1) Discount rate	4.87% - 7.26%	4.52% - 6.29%
2) Salary growth rate	5.00% - 9.00%	5.00% - 8.92%
3) Attrition rate	10.00% - 48.55% at all ages	31.87% - 51.87% at all ages
4) Retirement age	58	58
5) Mortality tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

h) A quantitative sensitivity analysis for significant assumption

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Change	Obligation	Change	
i) Discount rate	+0.5%	3,710.18	+0.5%	2,811.42
	-0.5%	3,807.77	-0.5%	2,876.17
ii) Salary growth rate	+0.5%	3,816.92	+0.5%	2,883.28
	-0.5%	3,700.83	-0.5%	2,803.08

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

i) Expected cashflows based on past service liability

Particulars	As at 31st March, 2022	As at 31st March, 2021
1) Year 1	1,202.80	945.36
2) Year 2	912.58	716.16
3) Year 3	662.61	516.76
4) Year 4	486.62	355.21
5) Year 5	351.22	242.09
6) Next 5 years	599.81	377.94





41 Disclosure pursuant to Ind AS 19 "Employee benefits": (continued)

j) The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Investment Details		
Others	126.37	136.20
Total	126.37	136.20

B. Gratuity (Reimbursement from clients)

The Group has recognised gratuity liability and reimbursement right in respect of associate employees in accordance with Ind AS 19. The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

a) Net defined benefit liability

Particulars	As at 31st March, 2022	As at 31st March, 2021
Present value of Defined Benefit Obligation	2,917.76	2,489.18
Fair value of plan assets	-	-
Net Liability	2,917.76	2,489.18
Current	944.17	1,346.35
Non - Current	1,973.59	1,142.83

b) Net benefit cost (refer note 1 below)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current service cost	390.10	590.51
Net actuarial (gain) / loss recognised in the year	834.82	(541.45)
Interest cost on defined benefit obligation	82.78	106.01
Net benefit expense	1,307.70	155.07

Note 1:

The employee benefits expenses towards gratuity and related reimbursement right for associate employees for year ended March 31, 2022: Rs. 1,307.70 lakhs (March 31, 2021: Rs. 155.08 lakhs) have been netted off in the Statement of Profit and Loss.

c) Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening defined benefit obligation	2,052.70	2,404.98
Current service cost	390.10	590.51
Interest cost	82.78	106.01
Actuarial losses/(gains)		
Due to change in financial assumptions	(28.77)	-
Due to change in demographic assumption	138.96	(121.22)
Due to experience adjustments	724.63	(420.23)
Benefit Paid	(442.65)	(70.87)
Closing balance of the present value of defined benefit obligation	2,917.75	2,489.18

d) The changes in the present value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening plan assets	-	-
Expected return on plan assets	-	-
Contributions	442.65	70.87
Benefits paid and charges deducted	(442.65)	(70.87)
Actuarial gain/ (loss) on plan assets	-	-
Closing balance of the present value of plan assets	-	-



Updater Services Limited (Formerly known as Updater Services Private Limited)

Notes to consolidated financial statements for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

41. Disclosure pursuant to Ind AS 19 "Employee benefits": (continued)

e) Principal actuarial assumptions used in determining the gratuity obligations are shown below

Particulars	As at 31st March, 2022	As at 31st March, 2021
1) Discount rate	5.15%	4.52%
2) Salary growth rate (Duration based)	7.44%	7.24%
3) Attrition rate (Age based)	39.85% at all ages	44.70% at all ages
4) Retirement age (Years)	58	58
5) Mortality tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

f) Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions on defined benefit obligation as at March 31, 2022 and March 31, 2021 are as shown below:

Gratuity Plan (Reimbursement from clients)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Change	Obligation	Change	Obligation
i) Discount rate	+0.5%	2,882.45	+0.5%	2,031.14
	-0.5%	2,934.00	-0.5%	2,074.79
ii) Salary growth rate	+0.5%	2,959.83	+0.5%	2,078.91
	-0.5%	2,876.40	-0.5%	2,026.88

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

g) Expected cashflows based on past service liability

Particulars	As at 31st March, 2022	As at 31st March, 2021
1) Year 1	819.52	714.31
2) Year 2	728.80	494.77
3) Year 3	555.42	382.68
4) Year 4	416.65	263.13
5) Year 5	296.87	173.72
6) Next 5 years	471.45	228.40



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#### 42. Lease details

The Group has lease contracts for building used in its operations. Leases of building generally have lease terms between 2 - 5 years, vehicles have lease terms of 1 - 3 years and furniture and fittings between 1-2 years. The Group also has certain leases of machinery with lease terms of 12 months. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases of building, furniture and fittings with lease term less than 12 months where it applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Particulars	Building	Vehicle	Furniture & fittings	Total
As at April 01, 2020	521.24	10.98	0.19	534.41
Additions	194.15	-	-	194.15
Deletions	(101.93)	(9.34)	-	(111.27)
Depreciation expense	(248.54)	(1.64)	(0.19)	(250.37)
As at March 31, 2021	366.92	-	-	366.92
Additions	1,198.30	-	-	1198.30
Depreciation expense	(361.75)	-	-	(361.75)
As at March 31, 2022	1,203.47	-	-	1,203.47

Set out below are the carrying amounts of lease liabilities (included under financial liabilities) and the movements during the period:

Particulars	As at 31 March 2022	As at 31 March 2021
As at April 01	449.37	713.35
Additions (net)	1195.07	70.19
Deletion	(17.39)	0.00
Accretion of interest	51.62	49.06
Payments	(414.98)	(383.23)
As at March 31	1,263.69	449.37
Current	476.90	217.50
Non-current	786.79	231.87

The carrying amount of financial assets and financial liabilities in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that eventually be received or settled.

The maturity analysis of lease liabilities are disclosed in Note 51 (Financial risk management objectives and policies).

The effective interest rate for lease liabilities is 8.84%, with maturity between 2021-2025.

The following are the amounts recognised in profit or loss:

Particulars	As at 31 March 2022	As at 31 March 2021
Depreciation expense of right-of-use assets	361.75	250.37
Interest expense on lease liabilities	51.62	49.06
Expense relating to short-term leases (included in other expenses)	535.28	385.46
Total amount recognised in profit or loss	948.65	684.89

The Company had total cash outflows for leases of ₹ 414.98 lakhs in 31 March 2022; ₹ 383.23 in 31 March 2021).

#### 43. Share-based payments

##### a) Employee Share-option Plan

On April 17, 2019, 'Updater Employee Stock Option Plan 2019' ("ESOP 2019") has been approved by the Board of Directors and also has been approved by Extra-Ordinary General Meeting of the members of the Company. The purpose of the ESOP 2019 is to reward the critical employees for their association, dedication and contribution to the goals of the Company. The options issued under the plan has a term of 1-3 years as provided in the stock grant agreement and vest based on the terms of individual grants. When exercisable, each option is convertible into one equity share.

The expense recognised (net of reversal) for share options during the year is ₹ 23.14 lakhs (Mar 31, 2021: ₹ 14.89 lakhs). There are no cancellations or modifications to the awards for the year ended March 31, 2022.

##### Tranche I (A)

The holding Company has granted certain options during the previous year to the employees based on past performance of such employees and vesting condition being continued employment with the Company as on date of vesting. (April 17, 2020)

##### Tranche I (B), II and III

The Holding Company has granted certain options during the previous year with future performance of the Holding Company as criteria which has been defined based on a matrix as per the ESOP 2019 (for Tranche I (B), II and III). During the year, the Holding Company has modified the vesting conditions (other than market condition) stipulated with respect to the options granted already pursuant to the Updater Employee Stock Option Plan 2019 [25-Sep-2020 & 25-Sep-2021] in a manner which is beneficial to employees. The performance criteria stipulated in the Grant letter issued to the employees was revised according to the actual performance achieved for the Financial Years 2019-20 and 2020-21 and consequently, the options granted to the eligible employees are vested with immediate effect. Accordingly, the ESOP reserve is created based on the revised plan. Further, management has considered future projections and related estimates in determining the number of options expected to be vested and has accounted for the ESOP reserve accordingly.

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43. Share-based payments (continued)

A. Details of ESOP 2019

Name of the scheme - ESOP 2019	Tranche - I (A)	Tranche - I (B)	Tranche - II	Tranche - III
Date of grant	17-Apr-19	17-Apr-19	18-Oct-19	10-Jan-20
Number granted	4,06,772	5,21,235	1,44,788	77,220
Exercise price (in INR)	10	111	111	111
Vesting period	1 year	1 - 3 years	1 - 3 years	1 - 3 years
Vesting condition	100% on April 17, 2020	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022

B. Movement in the options granted to employees

Particulars	Number of options		Weighted Average Exercise Price	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Outstanding at the beginning of the year	8,33,895	10,53,490	61.73	72.00
Options granted during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options expired during the year	(1,71,332)	(2,19,595)	111.00	111.00
Outstanding at the end of the year	6,62,563	8,33,895	48.59	61.73
Exercisable at the end of the year	-	-	-	-

The range of exercise prices for options outstanding at the end of the period was Rs. 10 to Rs. 111 (March 31, 2021: Rs. 10 to Rs. 111).  
The weighted average remaining contractual life for the share options outstanding as at March 31, 2022 is 0.50 years (March 31, 2021: 1.5 years).

C. Fair value of options granted

The Black-Scholes valuation model has been used for computing the weighted average fair value considering following inputs:

Particulars	March 31, 2022	March 31, 2021
Exercise price		
Expected volatility		
Expected dividend yield (%)	No Option have been granted during the year	No Option have been granted during the year
Risk free interest rates		
Expected life of the option		
Weighted average share price		
Fair Value of the Option		

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

44. One of the subsidiary Denave India Private Limited ("Denave") has granted Employee stock option plan-2018. "ESOP-2018" came into effect from 01st March, 2018. It was approved by the Board of Directors (the Board of Denave) of in the meeting held on 01st March, 2018, and by the members of the Denave in the Extra Ordinary General Meeting held on 01st March, 2018 and further modified vide Board resolution dated 4th April, 2018, 30th January, 2020 and 31st December 2020.

The Denave's Employee stock option plan-2021 "ESOP-2021" came into effect from 24th November, 2021. It was approved by the Board of Directors (the Board of Denave) in the meeting held on 23rd November, 2021, and by the members of the Denave in the Extra Ordinary General Meeting held on 24th November, 2021.

Pursuant to a resolution of the Board of Directors of denave dated 04th April 2018 and a resolution of the Shareholders of Denave dated 30th April 2018, the size of the ESOP pool was amended. Further, amendments were made to vesting period for 2017-18-Block-I and 2017-18-Block-II and 2020-21 Block and to a few other clauses.

The compensation cost of stock options granted to employees has been accounted by the Denave using the fair value method as per Ind AS 102 - Share based payments.

When exercisable, each option is convertible into one equity share.

All the options shall be exercised within the exercise period of 84 months from the date of vesting by paying in full the stipulated exercise price per share after which any unexercised options will lapse.

The expense recognised (net of reversal) for share options during the year is ₹129.57 lakhs (March 31, 2021: ₹47.65 lakhs).

  
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S.R. Balakrishnan & Associates LLP  
Chennai  
Chartered Accountants

45 Share-based payments (continued)

A. Details of ESOP 2018

Particulars	2020-21 Block-I	2020-21 Block-II	2021-22 Block-I
Date of grant	22-Apr-20	30-Dec-20	30-Apr-21
Number granted	47,975.00	2,35,000.00	1,37,000.00
Surrendered	-	-	-
Fresh Grant	-	-	-
Total	47,975.00	2,35,000.00	1,37,000.00
Exercise price (in ₹)	1.00	1.00	1.00
Vesting period	1-3 years	1-3 years	1-3 years
Vesting 25%	22-Apr-21	30-Dec-21	30-Apr-22
Vesting 25%	22-Apr-22	30-Dec-22	30-Apr-23
Vesting 50%	22-Apr-23	30-Dec-23	30-Apr-24
Vesting conditions	There shall be a period of one year between the date of grant of Options and the vesting of Options. The vesting is subject to other vesting conditions as per ESOP 2018.		
Method of settlement	Equity	Equity	Equity
Modification in terms along with explanation	Refer note 3 below	Refer note 4 below	

Particulars	2017-18Block-I	2017-18Block-II	2018-19Block-I
Date of grant	10-Mar-18	30-Apr-18	30-Apr-18
Number granted	2,97,750.00	2,97,750.00	2,37,987.00
Surrendered	37,975.00	-	-
Fresh Grant	-	-	-
Total	2,59,775.00	2,97,750.00	2,37,987.00
Exercise price (in ₹)	1.00	1.00	1.00
Vesting period	1 year	1 year	1-3 years
Vesting 25%	10-Mar-19	30-Apr-19	30-Apr-19
Vesting 25%	10-Mar-20	30-Apr-20	30-Apr-20
Vesting 50%	10-Mar-21	30-Apr-21	30-Apr-21
Vesting conditions	There shall be a period of one year between the date of grant of Options and the vesting of Options. The vesting is subject to other vesting conditions as per ESOP 2018.		
Method of settlement	Equity	Equity	Equity
Modification in terms along with explanation	Refer note 1 below	Refer note 1 below	Refer note 2 below

Note 1

The vesting period has been modified to 100% of the Options - One year from the date of acceptance of the offer by the Compensation committee considering that the said change is not detrimental to the interest of the participating employees.

Note 2

The vesting period has been modified to 100% of the Options -

a. 50% of the options will vest to the employees after one year from the date of acceptance of the offer, 25% after two years from the date of acceptance of the offer and 25% after three years from the date of acceptance of the offer

b. One year from the date of acceptance of the offer by the Compensation committee for one employee considering that the said change is not detrimental to the interest of the participating employees.

Note 3

The options includes options which were allotted to the eligible employees from those surrendered in "2017-18 Block I". The vesting period has been modified to 100% of the Options - One year from the date of acceptance of the offer by the Compensation committee for one employee considering that the said change is not detrimental to the interest of the participating employees.

Note 4

The options includes options which were allotted to the eligible employees from those surrendered in "2017-18 Block I". Vesting period has been modified to 100% of the options as at the year end for one of the employees considering that the said change is not detrimental to the interest of the participating employees.

B. Movement in the options granted to employees

Particulars	Number of options	
	As at March 31, 2022	As at March 31, 2021
Outstanding at the beginning of the year	10,78,487	8,33,487
Options granted during the year	1,37,000	2,82,975
Weighted average exercise price per option (₹)	1	1
Options exercised during the year	(5,02,617)	-
Options surrendered during the year	-	(37,975)
Outstanding at the end of the year	7,12,870	10,78,487
Exercisable at the end of the year	4,22,120	7,90,987



43 Share-based payments (continued)

C) Fair value of options granted

The Black-Scholes valuation model has been used for computing the weighted average fair value considering following inputs:

Particulars	As at March 31, 2022	As at March 31, 2021
Exercise price	1.00	1.00
Expected volatility	0.00	0.00
Expected dividend yield (%)	0.00	0.00
Risk free interest rates	0.06	0.06
Expected life of the option	7 years	7 years
Weighted average share price	67.31	67.31
Fair Value of the Option	66.31	66.31

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

44 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	March 31, 2022	March 31, 2021
Current borrowings	5,867.93	1,161.02
Lease Liabilities	1,263.69	449.37
Less: cash and cash equivalents	(5,728.32)	(4,333.30)
Less: Bank Balances other than cash and cash equivalents	(1,373.02)	(2,088.20)
Net debt	30.28	(4,811.11)
Total capital	34,042.43	28,525.59
Capital and net debt	34,072.71	23,714.48
Gearing ratio	0.89%	-20.29%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

45 Commitments and Contingencies

Particulars	March 31, 2022	March 31, 2021
<b>a. Contingent Liabilities</b>		
Income Tax *	1,556.05	-
Provision for bonus for FY 2014-15 pursuant to retrospective amendment to "Payment of Bonus Act" for which an interim stay has been granted by the High court	27.78	27.78
Income Tax Demands against which entire amount is paid under protest	158.67	-
Others**	69.56	69.56
<b>b. Commitments</b>		
-Estimated amount of contracts remaining to be executed on capital account and not provided for net of capital advances	725.44	5.42

\* The Holding Company has claimed a deduction u/s 80JJAA of the Income tax Act for the AY 2019-20 amounting to Rs. 4,452.99 lakhs. The Holding Company had filed a belated return of income on 24 January 2020 claiming the said deduction (due date for the said AY being 31 October 2019 for the Company). The Holding Company had filed an application with Central Board of Direct Taxes ["CBDT"] on 30 January 2020 to condone the delay in filing the return of income on the grounds that due to unavoidable circumstances there was a delay in finalization of audit and books of accounts leading to delay in filing of return of income. The said application has not been disposed till date.

During the year, the assessment u/s 143(3) of the Income Act has been completed for the said AY disallowing the said claim of the Holding Company on the grounds that the return of income was filed beyond the due date prescribed u/s 139(1) of the Income tax Act. The Holding Company has not filed any appeal against the order u/s 143(3) of the Income Tax Act, 1961 pending disposal of its condonation application and is evaluating its future course of action on this matter in consultation with its advisors. Pending this, based on the facts involved as well as considering the bonafide reasons for delay in filing of the return of income for AY 2019-20 (which has been stated in the condonation application filed with the CBDT), management is confident of a favourable outcome on this matter and hence no provision is considered necessary as on date.

\*\* Others

(1) Include claim made against the Company by labour department amounting to Rs. 13.44 Lakhs in respect of minimum wages and currently stay order is granted by High Court of Madras.

(2) The Gujarat Pandharyots and Municipal Corporations has made claim against the Company for amount Rs. 56.12 Lakhs in respect of Professional Tax. The Company has filed the appeal at Court of Professional Tax Officer and Taluka Development Officer at Sanand and deposited the said amount under Protest and presented same as Balance with Government Authority in the Standalone Financial Statements.

No liability is expected to arise. The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.





#### 46. Segment information

Effective, April 01, 2021, owing to expansion of the businesses of the Group, the chief operating decision maker (CODM) revises the business as two primary segments: Integrated facility management services and business support services. These have been considered as the reportable segments of the Group in accordance with the core principles of Ind AS 108 - "Operating Segments". The Managing Director of the company has been identified as being the chief operating decision maker (CODM), he evaluates the company's performance, allocates resources based on the analysis of the various performance indicators of the Group based on these reportable segments. The integrated facility management services primarily comprises of supply of Staff/Margpower, Soft services, Production support services, Engineering Services, Warehouse Management, General staffing, Institutional Catering and other related services to various industries. Business Support services primarily comprises of Sales Enablement services, Verification Services, Audits and Assurance Services, Airport Ground Handling Services, Mailroom Management and Logistics Solutions. Therefore, there is no reportable segment for the company as per the requirement of Ind-AS 108 "Operating Segments". The Group operates in more than one geographical segment as stated in the table below.

Particulars	Integrated Facility Management Services	Business Support Services	Total segments	Adjustments & eliminations	Total
<b>Revenue</b>					
External Sales	1,20,143.22	30,747.92	1,50,891.14	(2,535.92)	1,48,355.22
Inter-segment	339.41	37.81	377.22	(157.22)	-
Other Income	886.37	303.39	1,189.76	(256.32)	933.44
Finance Income	651.25	57.07	708.32	(113.63)	594.69
<b>Total Revenue</b>	<b>1,21,820.25</b>	<b>31,126.19</b>	<b>1,52,946.44</b>	<b>(3,163.89)</b>	<b>1,49,782.55</b>
Cost of materials consumed	(4,305.52)	-	(4,305.52)	(87.34)	(4,392.86)
Purchases of traded goods	(1,775.33)	-	(1,775.33)	(1,775.33)	-
Cost of Services	-	(9,540.95)	(9,540.95)	-	(9,540.95)
Changes in inventories of Finished goods and traded goods	(83.51)	-	(83.51)	(9.08)	(92.59)
Employee benefits expense	(95,812.88)	(8,004.80)	(1,03,817.68)	(0.02)	(1,03,817.70)
Finance costs	(735.50)	(166.85)	(902.35)	(106.35)	(1,008.70)
Depreciation and amortization expense	(808.34)	(205.50)	(1,013.84)	(319.56)	(1,333.40)
Impairment losses on financial instruments and contract assets	(812.41)	(2.98)	(815.39)	215.30	(600.09)
Other expenses	(10,295.72)	(7,573.37)	(17,869.09)	851.98	(17,017.11)
<b>Segment Profit</b>	<b>4,344.06</b>	<b>4,831.74</b>	<b>9,175.80</b>	<b>(569.15)</b>	<b>8,606.65</b>
<b>Total Assets</b>	<b>67,378.57</b>	<b>23,043.64</b>	<b>90,422.21</b>	<b>(3,866.15)</b>	<b>86,556.06</b>
<b>Total Liabilities</b>	<b>36,036.88</b>	<b>9,848.78</b>	<b>45,885.66</b>	<b>7,803.26</b>	<b>53,688.92</b>
<b>Other Information</b>					
Capital Expenditure (CWP)	184.72	178.60	363.32	-	363.32
Depreciation & Amortization expense	(808.34)	(205.50)	(1,013.84)	(319.56)	(1,333.40)

For the Year ended 31st March, 2021 (Restated)\*

Particulars	Integrated Facility Management Services	Business Support Services	Total segments	Adjustments & eliminations	Total
<b>Revenue</b>					
External Sales	1,11,804.65	11,786.36	1,23,591.01	(2,587.78)	1,21,003.23
Inter-segment	-	-	-	-	-
Other Income	371.54	44.50	416.04	-	416.04
Finance Income	177.81	124.78	302.59	(86.74)	215.85
<b>Total Revenue</b>	<b>1,12,354.00</b>	<b>11,955.64</b>	<b>1,24,309.64</b>	<b>(2,674.52)</b>	<b>1,21,635.12</b>
Cost of materials consumed	(1,592.10)	-	(1,592.10)	-	(1,592.10)
Purchases of traded goods	(1,583.31)	-	(1,583.31)	(171.76)	(1,755.07)
Changes in inventories of Finished goods and traded goods	(136.14)	-	(136.14)	-	(136.14)
Employee benefits expense	(93,164.32)	(5,695.41)	(98,859.73)	664.64	(98,195.09)
Finance costs	(671.09)	(100.25)	(771.34)	86.78	(684.56)
Depreciation and amortization expense	(940.43)	(241.39)	(1,181.82)	(216.76)	(1,398.58)
Impairment losses on financial instrument and contract assets	(594.72)	(70.50)	(665.22)	310.51	(354.71)
Other expenses	(10,219.69)	(4,198.78)	(14,418.47)	2,350.16	(12,068.31)
<b>Segment Profit</b>	<b>3,370.76</b>	<b>1,579.31</b>	<b>4,950.07</b>	<b>492.53</b>	<b>5,442.60</b>
<b>Total Assets</b>	<b>54,456.02</b>	<b>8,672.38</b>	<b>63,128.40</b>	<b>(5,179.86)</b>	<b>57,948.54</b>
<b>Total Liabilities</b>	<b>26,218.15</b>	<b>3,965.77</b>	<b>30,183.92</b>	<b>(1,454.73)</b>	<b>28,729.19</b>
<b>Other Information</b>					
Capital Expenditure (CWP)	-	32.00	32.00	-	32.00
Depreciation & Amortization expense	(940.43)	(241.39)	(1,181.82)	(216.76)	(1,398.58)

\* Restated (Refer Note 2.1 & Note 5c)

#### Geographic information

The geographical information analyses the Company's revenues 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. The company has only one geographical location based on location of assets.

Revenue from external customers	For the year ended March 31st, 2021	For the year ended March 31st, 2021 (Restated)*
India	1,47,361.31	1,20,325.17
Outside India	993.85	678.06
<b>Total revenue as per statement of profit and loss</b>	<b>1,48,355.16</b>	<b>1,21,003.23</b>

#### Information about major customers

Revenue from one customer amounting to INR 14,81,100 lakhs (31 March 2021: INR 1,400.97 lakhs), constitute more than 10% of the total revenue of the Holding Company in the current year.



46. Segment information (Continued)

Non-Current operating assets	For the year ended March 31st, 2022	For the year ended March 31st, 2021
India	28,882.86	7,822.34
Outside India	-	-
	28,882.86	7,822.34

Non-current assets for this purpose consist of property, plant and equipment, Capital work-in-progress, goodwill, right-of-use assets and intangible assets.

(i) Segment assets

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
In India	2,462.91	-
Outside India	2,405.84	-
	5,868.75	-

(ii) Capital expenditure

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
In India	310.77	-
Outside India	52.56	-
	363.33	-

- Segment assets are identified based on the receivables from the business segment or geographic segment, the capital expenditure is not differentiable between various segments and is Unallocable hence the same is disclosed as Unallocable.

\* Residual (Refer Note 2.1 & Note 56)



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Updater Services Limited (Formerly known as Updater Services Private Limited)  
 Notes to consolidated financial statements for the year ended March 31, 2022  
 (All amounts are in lakhs of Indian Rupees unless otherwise stated)

47 Related party disclosures

(A) Names of related parties and nature of relationship are as follows:

Description of Relationship	Name of the related parties
Subsidiary	Updater Services Foundation (Section 8 Company)*
Entities under Common Control	Best Security Services Private Limited Tangy Facility Solutions Private Limited Tangirala Infrastructure Development Private Limited Updater services Private Limited - Employees group gratuity scheme
Key Management Personnel (KMP)	Mr. T Raghunandana, Director Mrs. T Shanthi, Director (until September 13, 2022) Mr. Jayaram L B, Company Secretary Mr. Balaji Swaminathan, Chief Financial Officer Mr. Sunil Rewachand Chandiramani, Director Mr. Amitabh Jaipuria, Chief Operating officer (w.e.f March 01, 2022) Mr. Amit Choudhary, Director Mr. Shankar Gopalakrishnan, Director Mr. Vijay Dhanuka, Director Mr. P C Balasubramanian, Director (w.e.f September 13, 2022)

\* The shareholding of this entity is held by the Company and therefore this entity would constitute a subsidiary under the Companies Act, 2013. However, the Group has determined that the Company does not control the entity since there's neither any exposure nor any right over any kind of returns from investee. Hence, basis the requirements of IND AS 110, the same is not considered a subsidiary for the purpose of this financial statement.

(B) Transactions entered during the year

	Year ended 31 March 2022	Year ended 31 March 2021
<b>Rent Expense</b>		
Mr. T. Raghunandana	114.97	109.61
Mrs. T. Shanthi	114.37	109.61
<b>Services Provided</b>		
Tangirala Infrastructure Development Private Limited	0.02	0.13
Updater Services (UDS) Foundation	2.37	3.55
<b>Services received</b>		
Best Security Services Private Limited	187.13	172.14
Tangirala Infrastructure Development Private Limited	-	2.34
<b>Supply of Material</b>		
Best Security Services Private Limited	28.75	17.93
<b>Managerial remuneration</b>		
Mr. T. Raghunandana	192.00	149.60
Mr. Jayaram L B	9.02	20.55
Mr. Balaji Swaminathan	63.10	40.09
Mr. Amitabh Jaipuria	13.65	-
<b>Director sitting fees</b>		
Mr. Sunil Rewachand Chandiramani	11.00	-
Mr. Amit Choudhary	10.00	-
<b>Reimbursement / (recovery) of expenses</b>		
Best Security Services Private Limited	-	1.48
<b>CSR Expenses</b>		
Updater Services (UDS) Foundation	-	67.53
<b>Security Deposit - Paid / (Refund)</b>		
Mr. T. Raghunandana	-	19.06
Mrs. T Shanthi, Director	-	19.06
<b>Contribution to Gratuity</b>		
Updater Services Private Limited - Employees Company Gratuity Scheme	172.34	184.97



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Updater Services Limited (Formerly known as Updater Services Private Limited)  
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47 Related party disclosures (continued)

(C) Balance outstanding at the end of the year

	As at 31st March 2022	As at 31st March 2021
<b>Investment in Equity</b>		
Updater Services (LDS) Foundation	1.00	1.00
<b>Security Deposits (Asset)</b>		
Mr. T. Raghunandana	114.37	114.37
Mrs. T. Shanthi	114.37	114.37
<b>Rental Payable</b>		
Mr. T. Raghunandana	0.06	-
<b>Trade Payable</b>		
Best Security Services Private Limited	29.72	15.14
Mr. T. Raghunandana	5.43	-
Mrs. T. Shanthi	5.86	-
<b>Director Fee payable</b>		
Mr. Amit Choudhary	2.70	-
Mr. Sunil Rewachand Chandramani	2.70	-
<b>Trade Receivable</b>		
Updater Services (LDS) Foundation	2.71	0.61
Tangirala Infrastructure Development Private Limited	0.02	-

(D) Compensation to key managerial personnel is follows:

Consideration to key managerial  
personnel

	As at 31st March 2022	As at 31st March 2021
Salaries and other employee benefits* @	277.77	210.24

@The employee stock compensation expenses for the period ended March 31, 2022 and March 31, 2021 include charges of ₹ 1.75 lakhs and ₹ 0.85 Lakhs towards key managerial personal respectively.

\*The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as these are determined on an actuarial basis for the Company as a whole.

**Terms and conditions of transactions with related parties**

The sales to and purchases from related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2022, the group has not recorded any amount towards impairment of loans and receivables relating to amounts owed by related parties (31 March 2021: 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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#### 48. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, 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 periods.

##### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group 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 Group. Such changes are reflected in the assumptions when they occur.

##### a) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation 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 reporting date. Further details about defined benefit obligations are given in Note 42.

##### b) Estimate related to expected price concession

Expected price concessions from customers are based on assumptions relating to risk of credit notes issued. The Group uses judgment in making these assumptions and selecting the inputs to the calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

##### c) Revenue recognition

The performance obligation is satisfied over-time and payment is generally due upon completion of service. There is a single performance obligation for providing the facility management services.

##### d) Impairment of goodwill and intangible assets with indefinite

Impairment exists when the carrying value of goodwill or the cash generating unit exceeds its recoverable amount, which is its value in use. The value in use calculation is based on a DCF model. The cash flows are derived from the budgets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

##### e) Determining the lease term of contracts with renewal and termination options – Company as lessee

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 has lease contracts and rental contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if 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 renew or to terminate.

The Company included the renewal period as part of the lease term for leases of Building with shorter non-cancellable period (i.e., three to five years). The renewal periods for leases of building with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Refer to Note 42 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

##### f) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 48 for further disclosures.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor. (see 48 for details)

##### g) 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 estimation 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 Black Scholes valuation model has been used by the Management for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 43.

##### h) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 33.





48 Significant accounting judgements, estimates and assumptions (Continued)

i) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

These losses relate to subsidiaries that have a history of losses, expire in 8 years and may not be used to offset taxable income elsewhere in the Group. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

49 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those the carrying amounts that are reasonable approximations of fair values:

Particulars- Non-Current & Current	Carrying value		Fair value	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
<b>Financial assets</b>				
Security deposits	813.38	514.75	813.38	514.75
Rental deposits	613.40	580.32	613.40	580.32
Loan	62.72	45.47	62.72	45.47
<b>Total</b>	<b>1,489.50</b>	<b>1,140.54</b>	<b>1,489.50</b>	<b>1,140.54</b>
<b>Financial liabilities</b>				
Liability payable to promoters of acquired subsidiary	10,621.03	1,686.93	10,621.03	1,686.93
<b>Total</b>	<b>10,621.03</b>	<b>1,686.93</b>	<b>10,621.03</b>	<b>1,686.93</b>

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, bank overdrafts, borrowings, other financial assets and Other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Investment are measured at cost.

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.

50 Fair value hierarchy

The following table provides the fair value measurement hierarchy of group's asset and liabilities

Particulars	Fair value Hierarchy	Carrying value		Fair value	
		31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
<b>Financial assets</b>					
Security deposits	Level 2	813.38	514.75	813.38	514.75
Rental deposits	Level 3	613.40	580.32	613.40	580.32
Loan	Level 3	62.72	45.47	62.72	45.47
<b>Total</b>		<b>1,490.50</b>	<b>1,544.94</b>	<b>1,490.50</b>	<b>1,544.94</b>
<b>Financial liabilities</b>					
Liability payable to promoters of acquired subsidiary	Level 3	10,621.03	1,686.93	10,621.03	1,686.93
<b>Total</b>		<b>10,621.03</b>	<b>1,686.93</b>	<b>10,621.03</b>	<b>1,686.93</b>

There have been no transfers between the levels during the year.

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, bank overdrafts, borrowings, other financial assets and Other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Investment are measured at cost.

Notes

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

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.

Level 3 inputs are unobservable inputs for the asset or liability.

Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2022 and 31 March 2021 are as shown below:

Financial Items	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Rental deposits	DCF	IRR - Incremental borrowing rate from bank	7%-9%	2% (31 March 2021: 2%) increase (decrease) in the borrowing rate would result in increase (decrease) in fair value by INR 12.27 lacs (31 March 2021: INR 11.61 lacs)
Liability payable to promoters of acquired subsidiary	DCF	WACC / Risk Free Rate	6.75%-30%	5% (31 March 2021: 5%) increase (decrease) in the WACC would result in increase (decrease) in fair value by INR 445.94 lacs (31 March 2021: INR 84.35 lacs)





51. Financial risk management objectives and policies

The Group's principal financial liabilities are borrowings, trade payables and employee benefit payable. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as loan, trade and other receivables, cash and short-term deposits, which arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's risk management (assessment) and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

**Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. 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 Group is exposed to credit risk from its operating activities (primarily trade receivables) and loans receivables.

**Trade and other receivables**

In cases of customers where credit is allowed, the average credit period on such sale of goods ranges from 1 day to 90 days. The customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with this assessment and outstanding customer receivables are regularly monitored.

Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Group assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a age wise provision matrix which is prepared considering the historical data for collection of receivables. The disclosure of estimated price concession "EPC" and estimated credit loss "ECL" relating to holding company is shown in below table.

**As at March 31, 2022**

Particulars	Less than 120 days	More than 120 days	Total
ECL & EPC rate	1.30%	26.17%	
Estimated total gross carrying amount at default	22,122.14	1,269.30	23,391.44
ECL- simplified approach	286.57	358.76	644.93
Net carrying amount	21,835.57	1,010.54	22,846.51

**As at March 31, 2021**

Particulars	Less than 120 days	More than 120 days	Total
ECL & EPC rate	1.05%	29.01%	
Estimated total gross carrying amount at default	22,178.77	2,225.19	24,403.95
ECL- simplified approach	231.78	845.50	877.28
Net carrying amount	21,946.98	1,579.69	23,526.67

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is Rs. 42,205.46 lakhs (Rs. 31,294.14 lakhs as of March 31, 2021 (Restated)), being the total of the carrying amount of balances with trade receivables.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rate.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Effect on profit before tax	March 31, 2022	March 31, 2021
Increase in rate by 2%	(170.71)	(17.82)
Decrease in rate by 2%	170.71	17.82

**Liquidity risk**

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The group monitors its risk of a shortage of funds on a regular basis. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments:

**As at March 31, 2022**

Particulars	Within 1 year	1-3 years	3-5 years	Total
Borrowings	5,867.93	-	-	5,867.93
Trade Payables	4,567.83	-	-	4,567.83
Other financial liabilities	17,805.80	8,941.43	-	25,847.23
Lease Liabilities	524.00	914.79	-	1,438.69
Total	28,764.46	8,956.22	-	37,720.68

**As at March 31, 2021**

Particulars	Within 1 year	1-3 years	3-5 years	Total
Borrowings	1,161.02	-	-	1,161.02
Trade Payables	3,185.25	-	-	3,185.25
Other financial liabilities	11,743.68	844.25	-	12,587.93
Lease Liabilities	217.92	231.87	-	449.77
Total	16,307.45	1,076.12	-	17,383.57



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51. Financial risk management objectives and policies (continued)

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). However, the net investment in subsidiaries are in Indian rupees, as a result there is no exposure to the risk of changes in foreign exchange rates. Consequently, the group does not use derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives.

Foreign Currency Risk Management:

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 31st March 2022		As at 31st March 2021	
		Amount in FC	Amount in Rs.	Amount in FC	Amount in Rs.
Trade Receivables	USD	30.02	2,261.33	1.84	134.92
	AED	-	-	4.59	99.81
Trade Payables	USD	0.06	4.87	0.02	1.25

Foreign Currency sensitivity analysis:

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. 5% 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 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR Strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

USD/AED/SAR TO INR	Profit and Loss		Equity	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
March 31, 2022	112.82	112.82	112.82	112.82

Note:

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



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Updater Services Limited (Formerly known as Updater Services Private Limited)  
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52. Material Partly - Owned Subsidiaries

Set out below is summarised financial information for each subsidiary that has non controlling interest that are material to the group. The amount disclosed for each subsidiary are before inter company eliminations.

A. Avon Solutions & Logistics Private Limited

Summarised balance sheet

Particulars	Avon Solutions & Logistics Private Limited	
	March 31, 2022	March 31, 2021
Cash and cash equivalents	12.21	61.67
Current assets excluding cash and cash equivalents	2,423.77	2,425.62
Non-current assets	2,197.55	912.38
Trade payables	343.67	268.32
Provisions	142.13	327.47
Net employee defined benefit liabilities	243.10	-
Current liabilities excluding trade payables and provisions	1,135.83	1,003.28
Borrowings	108.78	-
Non-current liabilities excluding borrowings and provisions	-	3.38
Equity	2,768.82	1,797.22
Share of NCI	24.00%	24.00%
Attributable to NCI	664.52	431.33

Summarised statement of profit and loss

Particulars	Avon Solutions & Logistics Private Limited	
	March 31, 2022	March 31, 2021
Total Revenue	7,803.61	5,736.95
Employee benefits expense	2,345.60	2,252.23
Finance costs	4.02	8.88
Depreciation and amortization expense	33.02	30.61
Other expenses	3,350.04	2,099.67
Profit before tax	2,070.92	1,345.56
Income tax expense	555.51	342.37
Profit for the year	1,515.41	1,003.19
Other comprehensive income/(loss)	(0.51)	(70.33)
Total comprehensive income for the year	1,514.90	932.86
Attributable to NCI	363.57	223.89

Summarised cash flow statement

Particulars	Avon Solutions & Logistics Private Limited	
	March 31, 2022	March 31, 2021
Operating activities	1,669.38	165.29
Investing activities	(1,260.72)	(14.52)
Financing activities	(458.12)	(129.57)
Net increase/(decrease) in cash and cash equivalents	(49.46)	21.20

B. Fusion Foods and Catering Private Limited (Wholly owned subsidiary from FY 21-22)

Summarised balance sheet

Particulars	Fusion Foods and Catering Private Limited	
	March 31, 2022	March 31, 2021
Cash and cash equivalents	133.38	190.92
Current assets excluding cash and cash equivalents	1,197.49	1,252.53
Non-current assets	729.45	402.83
Trade payables	496.22	646.09
Provisions	93.81	76.87
Current liabilities excluding trade payables and provisions	536.64	305.56
Non-current liabilities excluding borrowings and provisions	101.68	80.50
Equity	831.97	737.25
Share of NCI	0.00%	34.60%
Attributable to NCI	-	255.22





52. Material Partly - Owned Subsidiaries (continued)

B. Fusion Foods and Catering Private Limited (Wholly owned subsidiary from FY 21-22)

Summarised statement of profit and loss

Particulars	Fusion Foods and Catering Private Limited	
	March 31, 2022	March 31, 2021
Total Revenue	6,547.69	5,497.56
Cost of materials consumed	3,918.28	3,433.32
Employee benefits expense	2,112.98	1,651.06
Finance costs	0.75	2.23
Depreciation and amortization expense	86.92	101.51
Other expenses	239.85	285.47
Profit before tax	188.91	23.97
Income tax expense	91.91	(25.54)
Profit for the year	97.00	49.51
Other comprehensive income/(loss)	(2.28)	11.81
Total comprehensive income for the year	94.72	61.32
Attributable to NCI	-	21.22

Summarised cash flow statement

Particulars	Fusion Foods and Catering Private Limited	
	March 31, 2022	March 31, 2021
Operating activities	244.76	109.34
Investing activities	(320.54)	(26.07)
Financing activities	42.68	(52.74)
Net increase/(decrease) in cash and cash equivalents	(33.10)	30.53

C. Global Flight Handling Services Private Limited

Summarised balance sheet

Particulars	Global Flight Handling Services Private Limited	
	March 31, 2022	March 31, 2021
Cash and cash equivalents	61.83	7.76
Current assets excluding cash and cash equivalents	369.88	174.52
Non-current assets	256.73	41.19
Trade payables	247.34	42.28
Provisions	1.78	1.78
Current liabilities excluding trade payables and provisions	110.02	48.66
Borrowings	657.68	115.34
Equity	(328.39)	15.41
Share of NCI	30.00%	30.00%
Attributable to NCI	(82.35)	4.62

Summarised statement of profit and loss

Particulars	Global Flight Handling Services Private Limited	
	March 31, 2022	March 31, 2021
Total Revenue	246.89	24.17
Employee benefits expense	219.39	16.72
Finance costs	28.26	6.57
Depreciation and amortization expense	0.98	-
Other expenses	462.97	27.68
Profit before tax	(464.72)	(26.80)
Income tax expense	(104.03)	(6.75)
Profit for the year	(360.69)	(20.04)
Total comprehensive income for the year	(360.69)	(20.04)
Attributable to NCI	(108.21)	(6.01)

Summarised cash flow statement

Particulars	Global Flight Handling Services Private Limited	
	March 31, 2022	March 31, 2021
Operating activities	(455.46)	(40.78)
Investing activities	(6.13)	0.01
Financing activities	519.08	25.21
Net increase/(decrease) in cash and cash equivalents	57.49	(15.56)



### 53 Group information

#### A) Subsidiaries

Name	Principal activities	Country of incorporation	% equity interest	
			31-Mar-22	31-Mar-21
Avon Solutions & Logistics Private Limited	Mailroom logistics management	India	76.00%	76.00%
Integrated Technical Staffing and Solutions Private Limited	Technical staffing management	India	99.99%	99.99%
Stanworth Management Private Limited	Integrated facility management	India	99.99%	99.99%
Taagy Supplies & Solutions Private Limited	Supply of house keeping products	India	99.99%	99.99%
Fusion Foods and Catering Private Limited	Corporate and industrial catering management	India	99.99%	65.40%
Wynwy Technologies Private Limited (formerly known as Zappy Home Solutions Private Limited)	Home maintenance and household services	India	99.99%	99.99%
Global Flight Handling Services Private Limited	Ground service support for airlines	India	70.00%	70.00%
Matrix Business Services India Private Limited*	People, Product, and Process assurance services	India	99.99%	99.99%
Washroom Hygiene Concepts Private Limited ("Matrix")	Facility Hygiene Solutions	India	99.99%	90.00%
Denave India Private Limited - "Denave" (w.e.f October 27, 2021)*	Sales Enablement and other staffing services	India	99.99%	0%
Updater Services (UDS) Foundation **	Licensed under Section 8 of Companies Act, 2013	India	99.99%	99.99%

\*As more fully discussed in Note 2.1(i) to the consolidated financial statements, the Group has elected not to recognise non-controlling interest in subsidiaries Denave and Matrix and consequently the liability in respect of such shares towards the erstwhile promoters of such subsidiaries are recognised as financial liabilities in the consolidated financial statements (Also Refer Note 23)

\*\* The shareholding of this entity is held by the Company and therefore this entity would constitute a subsidiary under the Companies Act, 2013. However, as the Company does not control the entity in accordance with the requirements of IND AS 110, the same is not considered a subsidiary for the purpose of this financial statement.

#### B) Holding/Promoter company Updater Services Limited



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55 Business Combinations and Acquisition of non-controlling interest

Acquisitions during the year ended March 31, 2022

On October 27, 2021, the Group acquired 52% equity ownership in Denave India Private Limited ("Denave") for a consideration of ₹ 6,299.55 lakhs. Denave is primarily engaged in the business of providing sales enablement and other support and staffing services. The total value of purchase consideration of ₹ 14,121.00 lakhs includes ₹ 7,821.45 lakhs on account of obligation to purchase the remaining equity shares (48%) in the future, pursuant to Shareholder's Agreement between the Group and the promoters of Denave.

Consequent to the future purchases, the Group will hold 100% of the equity shares of Denave.

Therefore, the Group has elected not to recognise a non-controlling interest in Denave as the unacquired shares from the promoters of Denave are recognised as financial liabilities in the consolidated financial statements and accordingly Denave is considered to be 100% owned by the Group for the purpose of consolidation.

Assets acquired and liabilities assumed	Fair Value on acquisition
Particulars	Total
Property, Plant and Equipment	248.32
Intangible Assets	-
Trade Receivables	4,177.89
Cash and Bank Balances	1,056.57
Loans and Advances	28.97
Non-current tax assets (Net)	560.61
Other Assets - current and non-current	2,089.87
Deferred Tax Assets	328.87
<b>Total Assets taken over (A)</b>	<b>8,491.10</b>
Trade Payables	670.45
Other Liabilities - current	749.50
Provisions - current and non-current	536.56
Other liabilities	2,038.59
<b>Total liabilities assumed (B)</b>	<b>3,995.10</b>
<b>Identifiable Intangible Assets on acquisition</b>	
Customer Relationship (Note i)	1,480.00
Non-Compete (Note ii)	257.00
Brand (Note iii)	537.00
<b>Total identifiable intangible assets on acquisition (D)</b>	<b>2,274.00</b>
<b>Deferred Tax Liability on account of identified intangible assets and fair value of promoter's liability on acquisition</b>	
Deferred Tax Liabilities on acquisition of intangible assets	572.32
Deferred Tax Liabilities on fair valuation of promoter's liability	309.20
<b>Total Deferred Tax liability on identified intangible assets</b>	<b>881.52</b>
Non-controlling interests measured at fair value	-
Goodwill arising on acquisition (Note iv) (E)	8,232.52
<b>Total purchase consideration (A+B+C+D+E)</b>	<b>14,121.00</b>

Note i

Customer contracts and related Customer relationships include the relationships that Denave has established with customers that are tied to them through a contract, as well as the potential extension of such contracts/additional relationships that would arise as a result of these contracts, and therefore, meet both the contractual/legal criteria and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement". The intangible asset is considered having a useful life of eight years from the date of acquisition.

Note ii

Non-competes is based on a contractual agreement which protects the value of the purchased assets from Denave (both tangible and intangible) by restricting the respective promoters' competitive conduct post the respective investment dates and accordingly, meet both the contractual/legal criteria and separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

As per the investment agreements for Denave, the promoters have agreed to non-competence for a period of 3 years from the expiry of Contract of service or the promoters ceasing to hold any securities of Denave (i.e. after June 30, 2027). Thus effectively 5.5 years from the date of acquisition.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement".



55 Business Combinations and Acquisition of non-controlling interest (Continued)

Note iii

Denave uses the trademark 'Denave' for its traditional as well as new businesses. The Group will continue to use the similar strategy in future for all its new generation businesses. The brand serves to create associations and expectations among products made by Denave. This meets the legal criterion and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

The income approach has been considered for arriving at the value of the intangible asset as defined in 'Ind AS 113 Fair Value Measurement'. The intangible asset is considered having an indefinite useful life and will be assessed for impairment every year.

Note iv

The goodwill of INR 8,232.52 lakhs comprises the value of expected synergies arising from the acquisition which is not separately recognised. None of the goodwill recognised is expected to be deductible for income tax purposes. The goodwill is considered having an indefinite useful life and will be assessed for impairment every year.

From the date of acquisition, Denave has contributed INR 12,438.62 lakhs of revenue and INR 871.02 lakhs to the profit before tax of the Group respectively. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been INR 162,402.56 lakhs and the profit before tax for the Group would have been INR 7,887.11 lakhs.

Note v

The fair value and gross amount of the trade receivables of Denave amounts to INR 4,177.89 lakhs, which is expected to be fully collected.

Information relating to purchase consideration :

Purchase consideration	Denave
Cash paid for purchase of current equity shareholding	6,299.55
Present value of Redemption liability as on date of acquisition (October 27, 2022)	7,821.45
<b>Total</b>	<b>14,121.00</b>

During the financial year 2021-22, the Company has acquired 52% stake in Denave India Private Limited at an agreed price of INR 6,299.55 lakhs from the promoters of Denave. As per the Shareholder's Agreement between Company, Denave and its erstwhile promoters, the Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Consequently, on the date of acquisition, the Company has recognised a redemption liability for the present value of such future obligation based on a best estimate available with the management amounting to Rs 7,821.45 lakhs.

Significant increase/ (decrease) in the EBITDA of Denave would result in higher/ (lower) fair value of the redemption liability. Changes to the fair value of the redemption liability will be recognised in the statement of profit and loss.

The purchase consideration has been computed as follows:

Denave

Particulars	No of shares	Price per share	Purchase consideration in lakhs	Stake
Tranche I	96,66,329	65.17	6,299.55	52.0%
Tranche II (on or before June 30, 2023)	44,61,383	80.04	3,571.00	24.0%
Tranche III (on or before June 30, 2024)	44,61,383	95.27	4,250.45	24.0%
<b>Total shares</b>	<b>1,85,89,095</b>	<b>75.96</b>	<b>14,121.00</b>	<b>100.0%</b>



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**56 Retrospective restatement: Correction of prior period errors**

The Holding Company has a manpower supply contract with one of its customers since FY 2018-19. The current term of the contract (including extension) expired in September 2022 and the same has been extended till the appointment of new service provider through tender process or one year whichever occurs earlier.

During earlier years, the customer had made on-account payments against the services rendered/ invoices raised by the Holding Company without sharing written payment advice or statement of account with the Holding Company. The Customer had verbally communicated their intent to claim certain penalties/ adjustments from time to time. The internal controls established by the Holding Company were not sufficiently responsive to the unique and complex circumstances associated with this contract, resulting in shortcomings in the Holding Company's processes around timely identification and obtaining additional relevant information in respect of customer claims and assessment of consequent contractual compliances by the Holding Company. Certain claims were not considered in the preparation of financial statement for earlier years. Subsequent to March 31, 2022, the Holding Company obtained the cumulative transaction confirmation statement since inception of the contract, based on which the Holding Company identified cumulative adjustments of Rs. 2,358.52 lakhs on account of various claims by the customer, relating to the services rendered by the Holding Company, from inception of the contract till 31 March 2021.

Consequent to and in respect of the foregoing matters, the previously reported amounts in the Ind AS financial statements of the Holding Company for the years ended March 31, 2021 and March 31, 2020, have been restated during the current year, as summarised below. Accordingly, and in line with the requirements of Ind-AS 8, the Holding Company has adjusted the cumulative effect of the adjustments pertaining to the year ended March 31, 2020 and March 31, 2019 in the reserves as at April 01, 2020, and the effect of the adjustments pertaining to the year ended March 31, 2021 have been adjusted in the comparative figures for that year, included in these consolidated financial statements.

Sl No	Particulars	31 <sup>st</sup> March 2021 (Restated)	31 <sup>st</sup> March 2021 (Previously reported)	Effect on Profits/Variance	31 <sup>st</sup> March 2020 (Restated)	1 <sup>st</sup> April 2020 (Previously reported)	Adjustments
	<b>Restatements having effect to Profit &amp; Loss (refer following table below)</b>						
A	Revenue from contracts with customers	1,31,903.23	1,20,358.56	644.67	1,31,488.56	1,32,396.04	(907.48)
B	Impairment losses on financial instrument and contract assets	554.71	468.76	(85.95)	605.46	442.11	(163.35)
C= A+B	<b>Total Effect on Profit before tax</b>			<b>558.72</b>			<b>(1,070.83)</b>
D	Deferred tax charge / (credit)	(861.70)	(1,002.32)	(140.62)	(320.77)	(166.64)	254.33
E= C-D	<b>Total effect on Profit after tax</b>			<b>418.10</b>			<b>(816.50)</b>
	<b>Restatements having effect to Balance Sheet</b>						
F	Opening Retained earnings	12,351.42	12,768.92	(417.50)	9,406.55	9,506.55	(100.00)
G	Trade Receivables including unbilled revenue	26,897.80	27,561.15	(663.35)	31,418.70	34,854.77	(1,216.07)
H	Deferred tax asset	3,811.36	3,643.19	167.97	3,026.20	2,717.62	308.58
I=C+G+H	<b>Profit before Tax</b>	<b>5,442.62</b>	<b>4,893.89</b>	<b>558.73</b>	<b>3,645.71</b>	<b>4,736.54</b>	<b>(1,070.83)</b>
J=E	<b>Profit after Tax</b>	<b>4,756.17</b>	<b>4,378.06</b>	<b>418.11</b>	<b>3,347.75</b>	<b>4,124.25</b>	<b>(816.50)</b>
K	<b>Total Comprehensive Income</b>	<b>4,816.58</b>	<b>4,398.39</b>	<b>418.11</b>	<b>3,193.37</b>	<b>4,069.87</b>	<b>(816.50)</b>
L	<b>Earnings per share (Rs)</b>	<b>8.55</b>	<b>7.74</b>	<b>0.81</b>	<b>6.28</b>	<b>7.83</b>	<b>(1.55)</b>
M	<b>Diluted earnings per share (Rs)</b>	<b>8.49</b>	<b>7.68</b>	<b>0.81</b>	<b>6.24</b>	<b>7.78</b>	<b>(1.54)</b>

Particulars	FY 2018-19	FY 2019-20	FY 2020-21
Gross Deductions/ Penalties identified (including GST but excluding GST on credit note issued)	155.25	1,070.83	1,175.44
Amounts originally reported in the respective years' financial statements*	-	-	1,684.16
Excess/(Shortfall)	(155.25)	(1,070.83)	558.72

\*Includes specific receivable provision of Rs 1,476.58 lakhs and Expected credit loss of Rs 207.78 lakhs provided against the respective customer balance. The correction of the error had no impact on previously reported cash flows from operating, investing and financing activities.

- 57 The Holding Company had availed of GST credits aggregating to Rs 361.46 lakhs arising from the credit notes issued to certain customers, which have also been since utilised against discharge of output GST obligations of the Holding Company, based on management's assessment and as supported by legal advice taken. However, having regard to the facts of the case as well as possible interpretative issues in this regard, and pending final assessment, the Holding Company out of abundant caution has recognised a provision of Rs 361.46 lakhs in the consolidated financial statements, without prejudice to its rights under the applicable law.

**58 Impact of Covid-19 Pandemic**

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments, property, plant & Equipment, right of use assets and intangible assets including goodwill. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, the management does not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements. The Group will continue to monitor future economic conditions for any significant change.

**59 Code on wages, 2019 and Code on Social Security, 2020**

Parliament has approved the Code on Wages, 2019 and the Code on Social Security, 2020 which govern, and are likely to impact, the contributions by the Group towards certain employee benefits. The government has released draft rules for these Codes and has invited suggestions from stakeholders which are under active consideration by the concerned Ministry. The effective date of these Codes have not yet been notified and the Group will assess the impact of these codes as and when they become effective and will provide for the appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**60 Irregularities noted in one of the subsidiary**

In respect of one of the subsidiary Wadrosan Hygiene Concepts Private Limited, during the year ended March 31, 2022, management has identified certain instances of irregularities in disbursement/ payment of salary to fictitious and I-R employees in the current as well as earlier years. Based on initial inquiries performed by the management, the possible impact of such irregularities is expected to be INR 9.95 lakhs (Cost relating to current year amounts to INR 1.37 lakhs and balance INR 8.58 lakhs relates to prior years) and such amounts have been recovered from the employees responsible for such irregularities during the current year.

Furthermore, the subsidiary Company has alleged that the above employees have been engaged in multiple other fraudulent activities including misuse of company's assets / resources, collusion, conflict of interest, illegal commissions, unauthorised transactions on behalf of the subsidiary Company. The above mentioned employees have been terminated during the year and a police complaint has been filed against some of the such personnel. The subsidiary Company has also initiated the investigation process to assess the completeness of the exposure on the above transactions and any potential irregularities on other transactions by engaging an external independent expert. Pending the completion of the aforesaid investigation and the final outcome, management is unable to determine the possible impact, if any on the financial statements.





61 Other Statutory Information

- (i) The Group does not have any (litigious) property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group has balance transactions with the below-mentioned companies struck off under section 248 of Companies Act, 2013 or section 568 of Companies Act, 1956:

Name of struck off Company	Nature of transactions with struck-off	Balances outstanding		Relationship with the Struck off company
		As at March 31, 2022	As at March 31, 2021	
Cross Lamin Services and Solutions	Trade Payables	0.56	0.56	None
Pancyber Infotech Private Limited	Trade Payables	0.27	0.27	None
Wilway Engineering and Construction	Trade Payables	0.04	0.04	None
Mt Aircon System Private Limited	Trade Payables	-	0.12	None

- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not defaulted in on loans payable and have not been declared as willful defaulter.
- (v) The Group has not traded or invested in Cryptocurrency or Virtual Currency during the financial year.
- (vi) Title deeds of all immovable properties are in the name of the Group.
- (vii) (a) To the best of its knowledge and belief of the management of the Group, 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 Group to any other person or entity, 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.
- (vii) (b) To the best of its knowledge and belief of the management of the Group, 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 Group shall directly or indirectly, lender 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.
- (viii) The Group have not revalued its Property, Plant & Equipments, Intangible Assets and Right to Use Assets during the year.
- (ix) The Group has not 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).

62 Events after the Reporting Period

The Holding Company has entered into a definitive agreement on 14th December 2022 to acquire 100% of equity share capital in Athens BPO Private Limited ("Athens") in a phased manner. The Holding Company has acquired 57% stake in Athens on 27th December 2022 for Rs. 8,194.02 lakhs and balance stake of 43% shall be purchased in a phased manner in three tranches. The consideration for the balance three tranches will be determined basis the future business performance and other terms contained in the share purchase agreement. Athens is in the business of providing business process outsourcing (BPO).

63 Previous Year Figures


Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. (Refer Restated Note 56)


As per our report of even date  
For S.R. Baliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

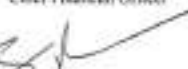
  
per Aravind K.  
Partner  
Membership No. 221268



For and on behalf of Board of Directors  
Updater Services Limited  
(Formerly known as Updater Services Private Limited)

  
T. Ragunandana  
Managing Director  
DIN: 06628914

  
Balaji Swaminathan  
Chief Financial Officer

  
Armitabh Jain  
Chief Executive Officer  
Place: Chennai  
Date: December 31, 2022

  
P.C. Balasubramanian  
Director  
DIN: 00584548

  
L.R. Jayaram  
Company Secretary  
Membership No. 100954



Place: Chennai  
Date: December 31, 2022

**NOTICE TO MEMBERS**

**UPDATER SERVICES LIMITED**

**SHORTER NOTICE IS HEREBY GIVEN THAT THE NINETEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF UPDATER SERVICES LIMITED WILL BE HELD ON SATURDAY, THE 31ST DAY OF DECEMBER 2022 AT 04.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 2/302-A, UDS SALAI, OFF OLD MAHABALIPURAM ROAD, THORAIPAKKAM, CHENNAI 600097 THROUGH VIDEO CONFERENCING**

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**TO TRANSACT THE FOLLOWING BUSINESS**

**ORDINARY BUSINESS:**

**ITEM NO: 1**

To consider and adopt the Standalone and Consolidated Financial Statement along with the audited Balance Sheet as at 31 March 2022, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date and the Report of the Auditors and the Board of Directors thereon.

**“RESOLVED THAT** the audited Standalone and Consolidated Balance Sheet, the Profit and Loss Account along with the Cash Flow Statement and the notes thereto for the year ended 31st March 2022 together with the Auditors’ Report and the Directors’ Report thereon be and are hereby approved and adopted.”

**ITEM NO: 2**

To re-appoint Mr. RAGHUNANDANA TANGIRALA (DIN: 00628914) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mr. RAGHUNANDANA TANGIRALA (DIN: 00628914), who retires by rotation at this Annual General Meeting and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company.”

### **SPECIAL BUSINESS**

#### **3.Regularization of Additional Director, Mr P.C. Balasubramanian and appointment as Whole-Time Director**

The NRC at its meeting held on 16.12.2022 recommended for the regularization of Mr. P.C.Balasubramanian as a Whole-Time Director designated as Executive Director and the Board in its meeting held on 31.12.2022 approved the same, subject to the approval of the shareholders.

To consider and thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 160 & 161 of the Companies Act, 2013 and other applicable provisions of the Act, if any (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr. P.C. Balasubramanian (DIN : 00584548), who was appointed as an Additional Director on 13th September 2022 and who holds office up to the date of this Annual General Meeting and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a Notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Executive Director (Whole-Time Director) of the Company for a period of 4 years”.

**“RESOLVED FURTHER THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded for payment of a remuneration of Rs. 7,39,722/- (Rupees Seven Lakhs Thirty-Nine Thousand Seven Hundred & Twenty Two) per month, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit.



**RESOLVED FURTHER THAT** the period of his office shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in the financial year, the Company will pay remuneration by way of Salary including perquisites and allowances as specified under Section II of Part II of Schedule V to the Companies Act, 2013 or in accordance with any statutory modification(s) thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and/or remuneration based on the recommendation of the Nomination & Remuneration Committee subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

**RESOLVED FURTHER THAT** any one of the Directors of the Company, be and is hereby authorised to file relevant forms with the Registrar of companies, and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment”

**4.To approve the Corporate Guarantee to be issued in favour of Kotak Mahindra Bank on behalf of M/s. Global Flight Handling Services (VIZAG) Private Limited**

To consider and thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to Section 185 & 186 of the Companies Act, 2013 and other applicable provisions, if any, approval be and is hereby accorded for issue of Corporate Guarantee in favour of Kotak Mahindra Bank to the extent of Rs. 4,50,00,000/- (Rupees Four Crore Fifty Lakhs Only) in respect of the financial facility granted to M/s. Global Flight Handling Services (Vizag) Private Limited, step-down subsidiary of the Company.

**RESOLVED FURTHER THAT** Mr. T. Raghunandana, Managing Director or Mr. Balaji Swaminathan, Group CFO be and are hereby authorized to execute the Corporate Guarantee for and on behalf of the Company and to do all such acts, deeds and things as may be required and/or necessary for the purpose of and in connection with the aforesaid matter and in order to give effect to the above resolution.”

**5.To approve the Corporate Guarantee to be issued in favour of Kotak Mahindra Bank on behalf of M/s. Global Flight Handling Services (Surat) Private Limited**

To consider and thought fit, to pass with or without modifications, the following resolution as SpecialResolution:

**“RESOLVED THAT** pursuant to Section 185 & 186 of the Companies Act, 2013 and other applicable provisions, if any, approval be and is hereby accorded for issue of Corporate Guarantee in favour of Kotak Mahindra Bank to the extent of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) in respect of the financial facility granted to M/s. Global Flight Handling Services (Surat) Private Limited, step-down subsidiary of the Company.

**RESOLVED FURTHER THAT** Mr. T. Raghunandana, Managing Director or Mr. Balaji Swaminathan, Group CFO be and are hereby authorized to execute the Corporate Guarantee for and on behalf of the Company and to do all such acts, deeds and things as may be required and/or necessary for the purpose of and in connection with the aforesaid matter and in order to give effect to the above resolution.”

**6.To approve the Corporate Guarantee to be issued in favour of Kotak Mahindra Bank on behalf of M/s. Global Flight Handling Services (Raipur) Private Limited**

To consider and thought fit, to pass with or without modifications, the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to Section 185 & 186 of the Companies Act, 2013 and other applicable provisions, if any, approval be and is hereby accorded for issue of Corporate Guarantee in favour of Kotak Mahindra Bank to the extent of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) in respect of the financial facility granted to M/s. Global Flight Handling Services (Raipur) Private Limited, step-down subsidiary of the Company.

**RESOLVED FURTHER THAT** Mr. T. Raghunandana, Managing Director or Mr. Balaji Swaminathan, Group CFO be and are hereby authorized to execute the Corporate Guarantee for and on behalf of the Company and to do all such acts, deeds and things as may be required and/or necessary for the purpose of and in connection with the aforesaid matter and in order to give effect to the above resolution.”

**7.To approve the Corporate Guarantee to be issued in favour of Kotak Mahindra Bank on behalf of M/s. Global Flight Handling Services (Patna) Private Limited**

To consider and thought fit, to pass with or without modifications, the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to Section 185 & 186 of the Companies Act, 2013 and other applicable provisions, if any, approval be and is hereby accorded for issue of Corporate

Guarantee in favour of Kotak Mahindra Bank to the extent of Rs. 5,50,00,000/- (Rupees Five Crore Fifty Lakhs Only) in respect of the financial facility granted to M/s. Global Flight Handling Services (Patna) Private Limited, step-down subsidiary of the Company.

**RESOLVED FURTHER THAT** Mr. T. Raghunandana, Managing Director or Mr. Balaji Swaminathan, Group CFO be and are hereby authorized to execute the Corporate Guarantee for and on behalf of the Company and to do all such acts, deeds and things as may be required and/or necessary for the purpose of and in connection with the aforesaid matter and in order to give effect to the above resolution.”

**8. To consider and if thought fit, to pass with or without modification, the following Resolution as a SPECIAL RESOLUTION:**

RESOLVED that in terms of provisions contained in Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Rules framed thereunder, including any statutory modifications or re-enactment thereof, and the Articles of Association of the Company and subject to such other approvals as may be necessary, approval of the Members be and is hereby accorded for variation in the terms and conditions of employment with Mr. Raghunandana Tangirala(DIN 00628914), Managing Director, as set out in the Explanatory Statement.

Further RESOLVED that save and except as aforesaid, all other existing terms and conditions of appointment and remuneration of Mr. Raghunandana Tangirala shall continue to remain in full force and effect.

Further RESOLVED that the Board (which will include its committee thereof) be and is hereby authorised to vary and /or revise the remuneration of Mr. Raghunandana Tangirala within limits permissible under the Act and do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid Resolution.

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BY THE ORDER OF THE BOARD OF DIRECTORS

**DATE: 31.12.2022**

**PLACE: CHENNAI**

**-sd**

**L B JAYARAM**

**PAN ABDPJ3094P**

**COMPANY SECRETARY**



## **NOTES**

1. In view of the COVID-19 pandemic, social distancing norms to be followed and pursuant to General Circular Nos. 14/2020 dated 08.04.2020, 17/2020 dated 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020 and 39/2020 dated 31.12.2020, 10/2021 dated 23.06.2021, 20/2021 dated 08.12.2021 21/2021 dated 14.12.2021 and 2/2022 dated 05.05.2022 issued by the Ministry of Corporate Affairs, Government of India ("MCA Circular") and in compliance with the provisions of the Companies Act, 2013 (the "Act"), this Annual General Meeting(AGM) is being convened through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), without the physical presence of the members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company at NO.2/302-A, UDS Salai, Off Old Mahabalipuram Road Thoraipakkam Chennai, Kancheepuram, Tamil Nadu- 600097.
2. As, this AGM is being held through VC / OAVM, in terms of the MCA Circulars therefore, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. The Explanatory Statement pursuant to Section 102(1) of the Act, in respect of the special businesses is annexed and forms part of this Notice.
4. The facility of joining the AGM through VC/OAVM will be opened 30 minutes before and will be open upto 15 minutes after the scheduled start time of the AGM.

5. The VC shall be conducted through Zoom Meeting and link to the meeting will be sent to your registered email address. The details of the meeting shall also be forwarded to your registered email address available with the company before the meeting along with instructions for participating and voting at the meeting. Shareholders can contact 9840963076 for assistance with respect to the technology for VC or OAVM either before or during the meeting.
6. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
7. The meeting is proposed to be held by giving a shorter notice for which necessary consent has to be received from the members.

**Item:2 As per SS-2**

S.No	Directors Name	Mr. Raghunandana Tangirala
1	Age	62 years
2	Qualifications	B.com
3	Experience	32 years
4	Terms and conditions of Appointment	As per Appointment Letter
5	Details of Remuneration	Rs. 16,00,000/- p.m.
6	Date of First appointment	13.11.2003
7	Shareholding in the company	31.01%
8	Relationship with other directors and KMP of the company	None
9	Number of Board Meetings attended during the year	5 Board meetings for Fy2022-2023 as on date

10	Directorship, Membership or Chairmanship of committees of other board	<p>Directorship – 12 (10 public companies including public and deemed public companies)</p> <p>Membership of committees – 2</p> <p>Chairmanship of committees – 1</p>
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**Item:3 As per SS-2**

S.No	Directors Name	Mr. P.C. Balasubramanian
1	Age	57 years
2	Qualifications	Chartered Accountant
3	Experience	30 years
4	Terms and conditions of Appointment	As per Appointment Letter
5	Details of Remuneration	Rs. 7,39,722/- p.m.
6	Date of First appointment	13.09.2022
7	Shareholding in the company	1(one) share
8	Relationship with other directors and KMP of the company	None
9	Number of Board Meetings attended during the year	2 Board meetings for Fy2022-2023 as on date



10	Directorship, Membership or Chairmanship of committees of other board	<p>Directorship – 4</p> <p>Membership of committees –2</p> <p>Chairmanship of committees – NA</p>
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### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

#### **Item:3**

The Board on the recommendation of the Nomination & Remuneration Committee at its meeting held on 13<sup>th</sup> September, 2022, approved the appointment of Mr. P.C. Balasubramanian (DIN : 00584548) as Additional Director designated as Executive Director (Whole Time Director) up to the forthcoming Annual General Meeting. Further, the Board on the recommendation of the Nomination & Remuneration Committee at its meeting held on the 16.12.2022., approved the appointment of Mr. P.C. Balasubramanian as Executive Director (Whole Time Director) for a period of 4(Four) years from the date of approval of the shareholders. The Company has received from Mr. P.C. Balasubramanian consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Act.

In terms of Section 160 of the Companies Act, 2013, the Company has received notice in writing from a member, proposing the candidature of Mr. P.C. Balasubramanian for appointment. Both the Nomination and Remuneration Committee and the Board were of the opinion, after evaluation of his qualifications, experience and other attributes, that his continuance on the Board would be of immense benefit to the Company and it is desirable to avail his services as a Director to strengthen the management of the Company.

The brief resume of Mr. P.C. Balasubramanian is available in the Annexure to the Notice.

Mr. P.C. Balasubramanian holds 1 share in the Company in his individual capacity.

Copy of draft letter for the appointment of Mr. P.C. Balasubramanian setting out the terms and conditions would be available for inspection without any fee by the Members at the

Registered Office of the Company during normal business hours on all working days except Saturdays and Sundays up to the date of ensuing AGM.

The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in Item No. 3 of the Notice above by way of Ordinary resolution. Except Mr. P.C. Balasubramanian, none of the Directors and Key Managerial Personnel of the Company and their relatives, is in any way, concerned or interested in the said resolution.

**Item:4**

M/s. Global Flight Handling Services (Vizag) Private Limited (GFHSVPL), step-down subsidiary of the Company is engaged in the business of Ground Handling Services in Airports.

GFHSVPL is in the process of availing working capital loan from Kotak Mahindra Bank Ltd. (KMBL) to the extent of Rs. 4,50,00,000/- (Rupees Four Crore Fifty Lakhs Only) for its business purposes. One of the terms and conditions of the sanction letter stipulates that the company shall provide Corporate Guarantee for the above said facility.

In order to obtain expeditious disbursements from KMBL and to meet the fund requirements of the business of GFHSVPL, your Company needs to issue Corporate Guarantee on behalf of GFHSVPL for an amount of Rs. 4,50,00,000/- (Rupees Four Crore Fifty Lakhs Only) in favour of KMBL.

The issue of corporate guarantee to KMBL by the Company on behalf of GFHSVPL requires the approval of the Members of the Company by way of Special resolution.

Special under Item No.4 is placed before the Members for their approval.

Your directors recommend passing of resolutions in item no. 4 by way of Special resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution except to the extent of their shareholding.

**Item:5**

M/s. Global Flight Handling Services (Surat) Private Limited (GFHSSPL), step-down subsidiary of the Company is engaged in the business of Ground Handling Services in Airports.

GFHSSPL is in the process of availing working capital loan from Kotak Mahindra Bank Ltd. (KMBL) to the extent of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) for its business purposes. One of the terms and conditions of the sanction letter stipulates that the company shall provide Corporate Guarantee for the above said facility.

In order to obtain expeditious disbursements from KMBL and to meet the fund requirements of the business of GFHSSPL, your Company needs to issue Corporate Guarantee on behalf of GFHSSPL for an amount of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) in favour of KMBL.

The issue of corporate guarantee to KMBL by the Company on behalf of GFHSSPL requires the approval of the Members of the Company by way of Special resolution.

Special Resolution under Item No.5 is placed before the Members for their approval.

Your directors recommend passing of resolutions in item no. 5 by way of Special resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution except to the extent of their shareholding.

#### **Item:6**

M/s. Global Flight Handling Services (Raipur) Private Limited (GFHSRPL), step-down subsidiary of the Company is engaged in the business of Ground Handling Services in Airports.

GFHSRPL is in the process of availing working capital loan from Kotak Mahindra Bank Ltd. (KMBL) to the extent of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) for its business purposes. One of the terms and conditions of the sanction letter stipulates that the company shall provide Corporate Guarantee for the above said facility.

In order to obtain expeditious disbursements from KMBL and to meet the fund requirements of the business of GFHSRPL, your Company needs to issue Corporate Guarantee on behalf of GFHSRPL for an amount of Rs. 1,50,00,000/- (Rupees One Crore Fifty Lakhs Only) in favour of KMBL.

The issue of corporate guarantee to KMBL by the Company on behalf of GFHSRPL requires the approval of the Members of the Company by way of Special resolution.

Special Resolution under Item No.6 is placed before the Members for their approval.

Your directors recommend passing of resolutions in item no. 6 by way of Special resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution except to the extent of their shareholding.

#### **Item:7**



M/s. Global Flight Handling Services (Patna) Private Limited (GFHSPAPL), step-down subsidiary of the Company is engaged in the business of Ground Handling Services in Airports.

GFHSPAPL is in the process of availing working capital loan from Kotak Mahindra Bank Ltd. (KMBL) to the extent of Rs. 5,50,00,000/- (Rupees Five Crore Fifty Lakhs Only) for its business purposes. One of the terms and conditions of the sanction letter stipulates that the Company shall provide Corporate Guarantee for the above said facility.

In order to obtain expeditious disbursements from KMBL and to meet the fund requirements of the business of GFHSPAPL, your Company needs to issue Corporate Guarantee on behalf of GFHSPAPL for an amount of Rs. 5,50,00,000/- (Rupees Five Crore Fifty Lakhs Only) in favour of KMBL.

The issue of corporate guarantee to KMBL by the Company on behalf of GFHSPAPL requires the approval of the Members of the Company by way of Special Resolution.

Special Resolution under Item No.7 is placed before the Members for their approval.

Your directors recommend passing of resolutions in item no. 7 by way of Special Resolution. None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution except to the extent of their shareholding.

**Item: 8**

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Mr. Raghunandana Tangirala was appointed as the Managing Director of the Company effective from January 01, 2021 for a period of 3(Three) years up to December 31, 2023.

It is proposed to revise the terms and conditions of employment with Mr. Raghunandana Tangirala, Managing Director by providing a new Mercedes Benz CBU X-243 EQB2004M car exclusively for him for official purposes and its maintenance and running expenses shall be met by the Company. The use of the said car for official purposes shall not be treated as perquisites. In this regard the Board in its meeting held on 31.12.2022 has approved the said revision to the terms and conditions of employment based on the recommendation of the Nomination and Remuneration Committee in its meeting held on 16.12.2022 and the Audit Committee at its meeting held on 31.12.2022.

Special Resolution under Item No.8 is placed before the Members for their approval.

Your directors recommend passing of resolutions in item no. 8 by way of Special Resolution. Except Mr. Raghunandana Tangirala none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution.

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## BOARD'S REPORT

To the Members,

Your Directors' have pleasure in presenting the Nineteenth Annual Report of the Company together with the Auditor's report and the audited balance sheet for the year ended 31st March 2022

### 1. FINANCIAL SUMMARY

Your company has had a good year in FY 22. Revenue from operations in standalone UDS as well as profit before tax has increased and the consolidated results achieved demonstrate that our subsidiary and associate companies continue to do very well and add significantly to the financial performance of the UDS group. A brief financial summary is presented below. Consolidated revenue has increased from 1,21,003.23 Lacs to 1,48,355.22.61 lacs, which is an increase of 22.6%. consolidated profit before tax increased from 5,442.61 lacs to 7,093.75.04 lacs, which is an increase of 30.% over the previous year FY 21. Consolidated profit after tax also increased by 14.46%. on a stand alone basis also your company has achieved good results with an increase in profit before tax of 15.9% and an increase of 19.8% in profit after tax.

(Rs. in

Lakhs)

Particulars	UDS Standalone		UDS Consolidated	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
Revenue from Operations	1,07,067.27	1,00,516.51	1,48,355.22	1,21,003.23
Profit Before Tax, Finance Charges and Depreciation	4966.11	4384.59	9,755.85	7,625.80



Finance Charges	727.63	634.46	1,008.70	684.60
Provision for Depreciation	565.15	579.52	1,653.40	1,498.58
Profit Before Tax	3,673.33	3,170.61	7,093.75	5,442.61
Provision for Tax	(20.61)	87.27	1,357.24	686.45
Net Profit After Tax	3,693.94	3,083.34	5,736.5	4,756.16
Other Comprehensive Income/(Loss) for the year, net of tax	(172.83)	79.01	(271.70)	60.33
Net Profit After Tax & Exceptional Items and Surplus carried to Balance Sheet	3,521.11	3,162.35	5464.80	4,816.49

## 2. DIVIDEND

The board has decided to conserve cash and retain the profits generated during the year for business expansion activities and hence is not declaring any dividend.

## 3. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

Your Company like all others in India and around the world, was impacted by the Covid 19 pandemic during the year to some extent. Continuous monitoring and timely efforts enabled the Company to handle the situation well and ensured a better performance compared to the last year. On a consolidated basis, Profits rose significantly due to some stellar performances by many of our subsidiary companies.

The Total Income of the Company for the year ended 31st March 2022 was Rs. 1,08,450.36 Lakhs as compared to Rs. 1,01,013.70 Lakhs in the Previous Year.

Profit before Tax was significantly higher at Rs. 3,673.33 lakhs as against Rs. 3,170.61 lakhs for the previous year and the Profit after Tax considering Other Comprehensive Income/(Loss) was Rs. 3,521.11 lakhs compared to Rs. 3,162.35 lakhs during the last year. On a consolidated basis the Total Income of the Company for the year ended 31st March 2022 was Rs. 1,49,789.35 Lakhs as compared to Rs. 1,21,635.13 Lakhs in the Previous Year. Profit before Tax was significantly higher at Rs. 7,093.75.04 lakhs as against Rs. 5,442.61 lakhs for the previous year and the Profit after Tax considering Other Comprehensive Income/(Loss) was Rs. 5,464.80 lakhs compared to Rs. 4,816.49 lakhs during the last year. Your Directors are optimistic about the company's business prospects and are hopeful of a better performance with considerable increase in revenue and profits in the FY23.

**4. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT**

There are no known material changes and commitments affecting the Financial position of the Company between 31<sup>st</sup> March 2022 and the date of Board's Report.

**5. TRANSFER TO RESERVE**

No amount has been proposed to be transferred to any reserves.

**6. CHANGE IN THE NATURE OF BUSINESS**

Your company operates in 2 broad segments;

1. integrated facilities management – IFM and
2. business support services – BSS.

We continue to operate in these 2 segments and there has been no change in the nature of business of the Company.

**7. CHANGES IN SHARE CAPITAL, IF ANY**

During the financial year, there was no change in the Authorised, Issued, Subscribed and Paid-up Capital of the Company. The Company has not made

any issue/ allotment except transfer of shares. Mr. Raghunandana Tangirala transferred one share each to Mr. P.C. Balasubramanian on 18.10.2021, Mr. C.R. Saravanan on 18.10.2021 and Mr. Balaji Swaminathan on 19.10.2021.

**8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

**(A) Conservation of energy:**

The company's operations are not very energy intensive and consume nominal energy. Hence entail low energy consumption costs and there are limited areas where conservation measures can be applied. However, the company is making continuous efforts to conserve energy in the areas of lighting and air conditioning to optimize energy consumption and the use of power.

**(B) Technology absorption:**

your company has always emphasised the development and use of technology to improve its operations in various ways such as automation of routine processes, improving accuracy of record keeping, collecting information from customer sites, analysing and presenting data on customer dashboards as well as to deliver our core service. Your company continues to make investments in its subsidiary Wynwy, how to develop an industry leading enterprise asset management – EAM cum CMMS software. your company has also intensified its engagement with Aubotz Labs - the makers of Peppermint branded cleaning and material handling robots.

**(C) Foreign Exchange Earnings and Outgo:**

The Company has no activity, which requires reporting under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 with regard to Foreign Exchange Earnings and Outgo.

**9. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

During the year, your Directors' have reviewed the Company's enterprise wide risk management framework in respect of the Company's business activities. The Board has an effective audit committee, internal auditors and other control mechanisms ensure a proper control environment in the company. the board



continuously reviews the control framework policies and procedures as well as technology to ensure that controls work as they are designed to. Whenever there are any incidents that still occur in spite of all the controls and whenever an incident gets reported or is detected, the board has taken note of the matter and ensured speedy and proper investigation and follow up action to ensure that controls work effectively and so that the risks involved get managed.

## 10. CORPORATE SOCIAL RESPONSIBILITY

The Company has developed a policy under Corporate Social Responsibility and the same was reviewed. The details of the same is given as **Annexure-A**.

***Composition of the CSR Committee & Details of the meeting held during the year:***

<b><i>Sl.No.</i></b>	<b><i>Name of Director</i></b>	<b><i>Designation</i></b>	<b><i>No. of meetings held during the year</i></b>	<b><i>No. of meetings attended</i></b>
1.	Raghunandana Tangirala	Chairman	4	4
2.	Shanthi Tangirala	Member	4	4
3.	Rammohan Tangirala	Member	4	4

## 11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of loans and investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review are given to the Notes of Financial Statements. Details with reference to guarantees are given in **Annexure-B**.

Your company has move forward on its stated path of converting itself into a full value added business support services platform and has had another great year in the area of acquisitions and towards strengthening its control over its existing

partly owned subsidiaries. your company has made an exciting new investment in India's leading sales enablement company- Denave. this acquisition is expected to give your company a very strong entry into the new age business of sales enablement. Denave has the presence not only in India but also in South East Asia and parts of Europe. The details of the investments made by your company during the year are as follows:

1. The Company made an acquisition of 54.07 % stake in Denave India Private Limited on 27<sup>th</sup> October 2021.
2. The Company acquired additional equity shares in Matrix Business Services India Private Limited during the period, thereby increasing its investment in this subsidiary from 75% to 87.50%.
3. The Company acquired additional equity shares in its Subsidiary Washroom Hygiene Concepts Private Limited from 90% to 100%
4. The company also acquired additional equity shares in its Subsidiary Fusion Foods & Catering Private Limited from 65.40% to 100%.

## **12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All related party transactions that were entered into during the financial year were at arm's length. The details form part of notes to accounts and Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) in Form AOC- 2 annexed as **Annexure C**.

## **13. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS**

During the year, the auditors have carried out extensive work and have certified the UDS standalone as well as the consolidated accounts for the year FY 22 with some comments and observations. They have made certain qualifications on the operating effectiveness of the controls and suggestions for improvement to the company as a part of their report. These have been extensively reviewed by the audit committee of the Company's Board, as well as by the Board itself. Management has also undertaken a thorough review and has undertaken to put in place more effective mechanisms where required. The key qualification on the operating effectiveness of the controls are recorded below along with the Management's commentary and explanation:

Auditors' Observations:

- i. *The internal controls over timely identification of customer claims, their reconciliations and assessment of contractual compliance by the Company for recording the appropriate adjustments, were not operating effectively, which may result in incorrect or inappropriate revenue recognition.*

Management comments:

Though Company had an internal control system around timely identification of customer claims, obtaining the additional relevant information with respect to customer claims and related assessment, with respect to a specific contract this control was not fully responsive to the unique and complex circumstances associated with this contract primarily due to the following:

a) more verbal communications; b) No response on letters sent; c) Multiple stakeholders – Hospital/ Trust/ Consultants/ Other Agencies; d) Adhoc payments without payment advices; e) No periodic statement of accounts from the Customer;

and Certain claims were not considered in the preparation of the financial statements for the earlier years.

A Special review was carried out by an independent external firm to assess the management review controls around accounting of provisions for receivables in respect of FY 2019-20, FY 2020-21 and FY 2021-22 and based on their work performed the specialist has concluded that there are shortcomings in the Company's processes around timely identification and obtaining additional relevant information in respect of customer claims and assessment of consequent contractual compliances by the Company with respect to a specific contract.

The Board has considered the report of the external firm and based on their internal evaluation agree with the conclusion that the prior period errors have occurred due to non-responsiveness of the above control.

Consequently, the comparative amounts have been correctly restated to reflect the above matters and appropriate note disclosure of these restatements have also been included in the current year's standalone/consolidated financial statements (Refer Note 50 of the financial statements for further details).

We propose to further strengthen the timely collation and review process relating to the collation /evaluation / assessment of customer claims (verbal/ written or otherwise) and related documentation on the issues, the possibilities, up sides and downsides, analysis, reflection and conclusion of the possible loss evaluation.



Auditors' Observations:

- ii. *The internal controls over the Company's compliance with GST regulations as regards credit notes were not operating effectively, which may result in recognising incorrect GST credits / receivables and any consequent liabilities under applicable laws and regulations.*

Management comments:

We have taken legal views from experts in this area and we are of the view that our approach is per-se not at fault and is defensible. The Company out of abundant caution has recognized a provision of Rs 361.46 lakhs in the financial statements, without prejudice to its rights under the applicable law. We will examine the process relating the credit notes and propose to further strengthen the process in relation to credit notes and recognition of GST credits.

Auditors' Observations:

- iii. *The IT general controls including controls over change management and access control were not operating effectively, which may result in material misstatements in the Company's financial statements.*

Management comments:

The IT general Controls including controls over change management and access controls exist and have been gradually improved over time. We shall again review the existing process thoroughly and ensure that we exercise absolute IT general control over change management and access control.

Auditors' Observations:

- iv. *The internal controls over monitoring and responding to whistle blower allegations received were not operating effectively.*

One whistle blower complaint was received during the year on misappropriation of funds. Investigation was carried out by a Third Party Agency and it has been found that there has been collusion between certain company employees and

some customer representatives. Company has lodged a police complaint against the people responsible and an FIR has been filed. Police investigation is going on. To further mitigate the potential risk we shall introduce automation in this area and also carry out discrete on going inquiries based checks on the data submitted. We shall also ensure that the Whistle Blower policy and the Company's zero tolerance compliance policy is further reinforced amongst all employees and appropriate training is strengthened.

#### **14. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) of the Companies Act, 2013 relating to constitution of Nomination and Remuneration Committee was not applicable to the Company for the financial year FY22 till 23.03.2022. It became applicable to the Company only upon conversion to Public Company on 24.03.2022, pursuant to which Nomination & Remuneration Committee was formed by the Company on 05.05.2022.

#### **15. ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 is placed in the Company's website and the web-link for accessing the Annual Return is:

[www.uds.in/Investors/AnnualReturn.pdf](http://www.uds.in/Investors/AnnualReturn.pdf)

#### **16. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW**

The Board met 13 times during the financial year 2021-2022. The Maximum time gap between 2 board meetings did not exceed 120 days.

The details are as under:

S.No	Date	Board Strength	No. of Directors present
1	15.04.2021	7	5

2	21.04.2021	7	5
3	25.05.2021	7	7
4	26.05.2021	7	4
5	09.06.2021	7	7
6	29.06.2021	7	3
7	02.09.2021	7	3
8	24.09.2021	7	5
9	19.10.2021	7	4
10	30.10.2021	7	3
11	08.01.2021	7	4
12	21.02.2022	7	4
13	31.03.2022	7	6

#### **17. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a "going concern" basis;

(e) The Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and

(f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **18. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company has no Associates and it has not entered into Joint Venture with any other Company during the financial year under review. The Company has the following subsidiary Companies as on 31<sup>st</sup> March 2022:

- i. Avon Solutions & Logistics Private Limited
- ii. Integrated Technical Staffing and Solutions Private Limited
- iii. Tangy Supplies & Solutions Private Limited
- iv. Stanworth Management Private Limited
- v. Fusion Foods & Catering Private Limited
- vi. Wynwy Technologies Private Limited (Earlier known as Zappy Home Solutions Private Limited)
- vii. Global Flight Handling Services Private Limited
- viii. Updater Services (UDS) Foundation
- ix. Matrix Business Services India Private Limited
- x. Washroom Hygiene Concepts Private Limited
- xi. Denave India Private Limited

Pursuant to section 129 and Rule 5 of the Companies (Accounts) Rules 2014, the Financial Performance of the above-mentioned Subsidiary Companies is furnished in **Form AOC – 1** which is enclosed as **Annexure D** as part of this Report.

## **19. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

## **20. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the financial year under review there was no Appointment, Change in Designation and Resignation of Directors, Managing Directors, Whole Time Directors.



In respect of KMPs', Mr. L.B. Jayaram was appointed as Company Secretary on 29.06.2021. Mr. Amitabh Jaipuria was appointed as Group CEO on 01.03.2022.

Mr. Sunil Rewachand Chandiramani and Mr. Amit Choudhary were the Independent Directors of the Company during the year under review.

## **21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

Proper and adequate internal control systems pertaining to financial statements have been adopted by your company. Your company ensures that existing internal controls serve to assist the operations in the best possible manner and discrepancies are reduced to the least possible extent, resulting in maximum effectiveness of the operations. During the year, such controls were tested and it was observed that:

- A. There needs to be improvement in internal controls over timely identification of customer claims, their reconciliations and assessment of contractual compliance by the Company for recording the appropriate adjustments.
- B. The internal controls over the Company's compliance with GST regulations as regards credit notes needs to be examined.
- C. The IT general controls including controls over change management and access control needs to be strengthened.
- D. The internal controls over monitoring and responding to whistle blower allegations has to be more effective.

The management is committed to ensuring that the above is attended to and the necessary changes will be made. The Audit committee and the board of your company will oversee this and ensure compliance.

## **22. STATUTORY AUDITORS**

The Auditors M/S. S R BATLIBOI & ASSOCIATES LLP., Chartered Accountants were appointed as Statutory Auditors for a period of 4 years in the Annual General Meeting held for the Financial Year 2018-19 on 31<sup>st</sup> December 2019. They continue to be the Statutory Auditors of the Company.

There have been certain observations pointed out by the Auditors in the Auditors' Report for which Management comments have been provided in para 13.

## **23. SECRETARIAL AUDITOR**

The provisions of Sec. 204 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 became applicable to the Company upon its conversion to Public Company on 24.03.2022. Pursuant to which, SPNP & Associates, was appointed as Secretarial Auditor for Fy22 by the Board in its meeting held on 13.09.2022, upon recommendation by the Audit Committee. The MR-3 report of the Secretarial Auditor has been circulated to the Board of Directors. There has been one observation in the Secretarial Auditors report for the Current financial year which has already been complied with.

#### **24. INTERNAL AUDITOR**

Protiviti was appointed as the Internal Auditors for the Fy22. The Internal Auditors gave a presentation of their Internal Audit Report to the Audit Committee in its meeting held on 05.12.2022.

#### **25. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The company is committed to and implementing the sexual harassment prevention policy without exception and in letter and in spirit. The company is committed to the cause of diversity and inclusion and to provide a safe and non-discriminatory workplace to all its employees. The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment.

During the year under review, there were no cases filed pursuant to sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **26. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

Pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is provided as **Annexure E** to the Annual Report.

#### **27. DISCLOSURE WITH REGARD TO EMPLOYEES STOCK OPTION SCHEME**

The details with regard to 'Updater Employee Stock Option Plan 2019'(ESOP 2019) is given below:

1. No. of Options which can be granted under the Scheme: 16,32,640
2. Options granted: 11,50,015
3. Options vested: 6,62,566
4. Options exercised: Nil
5. The total no. of shares arising as a result of exercise of option: Nil
6. Options lapsed/cancelled: 487,449
7. The exercise price: Rs.10/- or Rs.111/- as applicable
8. Variation of terms of options: Relaxation of the terms and conditions of vesting beneficial to the Option Grantees vide shareholders resolution on 31.03.2022
9. Money realized by exercise of options: Nil
10. Total number of options in force: 6,62,566 (all vested)

## **28.FRAUD REPORTING**

The Company has not entered into transactions which are fraudulent or illegal or violative of the Company's code of conduct. However, one whistle blower complaint was received during the year. An investigation was carried out by a Third Party Agency and it was found out that there has been collusion between certain company employees and some customer representatives. Company has lodged a police complaint against the culprits and an FIR has been filed. Police investigation is going on. To mitigate the potential risk we shall introduce automation in this area and also carry out discrete inquiry based checks on the data submitted. We shall also ensure that the Whistle Blower policy and the Company's zero tolerance compliance policy is further reinforced amongst all employees and appropriate training is strengthened.

## **29. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

## **30.VIGIL MECHANISM:**

The Company has framed a vigil mechanism for Directors / Employees and every employee has the right to report to the concerned Director any genuine concerns

or grievances about unprofessional conduct, malpractices, wrongful conduct, fraud, violation of the Company's policies & values, violation of law without any fear of reprisal. The Vigil Mechanism ensures standards of professionalism, honesty, integrity and ethical behaviour. The Whistle-Blower Policy is put on the Company's website and can be accessed at:

[www.uds.in/Investors/whistleblowerpolicy.pdf](http://www.uds.in/Investors/whistleblowerpolicy.pdf)

### **31. BOARD EVALUATION:**

The provision of Section 134(3)(p) of the Companies Act, 2013 relating to formal annual evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors was not applicable to the Company for FY22. It became applicable only upon conversion to a Public Limited Company. In the NRC meeting held on 16.12.2022, the process for carrying out such evaluation was initiated and would be duly complied by the Company for FY23.

### **32. MAINTENANCE OF COST RECORDS**

Maintenance of cost records is not required under the provisions of Section 148 of the Companies Act, 2013.

### **33. COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD - 1 AND SECRETARIAL STANDARD - 2**

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

### **34. PROCEEDINGS PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the year under review there were no application made or any proceedings were instigated under the Insolvency and Bankruptcy Code, 2016.

### **35. LOAN FROM BANKS OR FINANCIAL INSTITUTION AND SETTLEMENT THEREOF**



During the year under review there were no instances of one-time settlement and/or the valuation done while taking loan from the Banks or Financial Institutions


### 36. ACKNOWLEDGEMENT


Your Directors would like to take this opportunity to appreciate the hard work and effort put in by all the employees of the company who have discharged their duties diligently and ensured that the company's interests are well taken care of. The company's dedicated and experienced employees and Leadership team have also ensured that the Company's performance continues to be strong and amongst the best in its peer group. Your Directors place on record their appreciation for the Management Team as well.

The Directors also place on record their sincere thanks to all Bankers, Business associates, Consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors' also acknowledges gratefully the shareholders for their support and confidence reposed in your Company.

DATE:  
31.12.2022  
PLACE:  
CHENNAI

FOR AND ON BEHALF OF THE BOARD OF  
DIRECTORS

  
RAGHUNANDANA  
TANGIRALA  
MANAGING DIRECTOR  
DIN 00628914

  
P.C.  
BALASUBRAMANIAN  
DIRECTOR  
DIN 00584548

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Updater Services Limited (formerly known as Updater Services Private Limited)

**Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of Updater Services Limited ("the Company"), which comprises the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Emphasis of Matter**

We draw attention to Note 50 to the standalone financial statements. The Company has corrected certain prior period errors in respect of the matter more fully described in that note, by restating the comparative amounts for the year ended March 31, 2021 and the opening balances as at April 1, 2020 in accordance with IND AS 8, "Accounting Policies, Change in Accounting Estimates and Errors". Our opinion is not modified in respect of this matter.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of director's report, but does not include the standalone



financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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 for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 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.

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements,





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

- Obtain an understanding of internal 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;





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- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) The matters described in the Qualified Opinion section in Annexure 2 to this report, 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 40 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The management has represented that, to the best of its knowledge and belief, as stated in Note 49 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, 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, as stated in Note 49 to the financial statements, 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, whether,



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

c) Based on such audit procedures performed 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 (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
per Aravind K

Partner

Membership Number: 221268

UDIN: 22221268BGOABV9954

Place of Signature: Chennai

Date: December 31, 2022



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**Annexure 1 referred to in Paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date**

Re: Updater Services Limited ("the Company")

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) (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 intangibles assets.

(b) All Property, Plant and Equipment 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) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements included in property, plant and equipment are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in Note 21 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company and the details are as follows:

Quarter ending	Value per books of account (Rs. in lakhs)	Value per quarterly return/statement (Rs. in lakhs)	Discrepancy ** (Rs. in lakhs)
<b>Debtors</b>			
June 30, 2021	17,378	24,144	(6,765)
September 30, 2021	27,901	27,828	73
December 31, 2021	22,062	29,902	(7,839)
March 31, 2022	17,445	28,494	(11,049)
<b>Creditors</b>			





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Quarter ending	Value per books of account (Rs. in lakhs)	Value per quarterly return/statement (Rs. in lakhs)	Discrepancy ** (Rs. in lakhs)
June 30, 2021	2,294	1,600	694
September 30, 2021	1,351	1,600	(249)
December 31, 2021	1,912	1,600	312
March 31, 2022	2,484	1,600	884
<b>Sales for the period</b>			
June 30, 2021	25,306	24,803	503
September 30, 2021	51,129	51,003	125
December 31, 2021	78,617	77,792	825
March 31, 2022	107,067	106,227	840
<b>Purchases for the period</b>			
June 30, 2021	1,621	1,350	271
September 30, 2021	3,630	2,600	1,030
December 31, 2021	5,463	3,200	2,263
March 31, 2022	8,220	3,200	5,020
<b>Borrowings Outstanding</b>			
June 30, 2021	3,650	1,941	1,709
September 30, 2021	9,531	953	8,577
December 31, 2021	9,403	940	8,463
March 31, 2022	5,700	570	5,130

\*\* Remarks for discrepancy: As represented to us, the discrepancy in respect of borrowings outstanding reported for the quarter ending September 30, 2021, December 30, 2021 and March 31, 2022, was attributable to clerical errors while the discrepancies in respect of debtors, creditors, sales for the period, purchases for the period for all the quarters and borrowings for quarter ending June 30, 2021 were attributable to the Company's financial closure process being not fully completed at the time of filing quarterly statements.

Also refer Note 21 to the Standalone financial statements regarding submission of the revised statements to the respective banks during December 2022.

- (iii) (a) During the year the Company has provided loans to companies as follows:

Particulars	Loans (in INR lakhs)
Aggregate amount granted/ provided during the year - Subsidiaries	846.14
Balance outstanding as at balance sheet date in respect of above cases - Subsidiaries	1,632.36

During the year the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to Limited Liability Partnerships or any other parties.

(b) The Company has granted loans to three subsidiary companies covered in the register maintained under Section 189 of the Companies Act 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.





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(c) The Company has granted loans during the year to its subsidiaries where the schedule of repayment of principal and payment of interest has been stipulated. However, there have been no repayments which have fallen due in the current year.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which had fallen due during the year.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to subsidiary companies. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, professional tax, income-tax, goods and services tax, cess and other statutory dues have been regularly deposited with the appropriate authorities though there have been delays in respect of: Tax Deducted at Source (upto 1 day); Provident Fund (upto 29 days); Employee State Insurance (upto 29 days); Professional Tax (upto 119 days); Goods and Services Tax (upto 365 days) and Labour Welfare Fund (upto 1,066 days).

According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which were outstanding, at the year end, 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
Labour Welfare Fund Act, 1965	Dues relating to gratuity payable, salary payable and bonus payable to employees unpaid for a period greater than 3 years to be transferred to Labour Welfare	28,047,657	FY 2016-17 to FY 2018-19	Various dates	Not Paid	NA



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Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
	fund					
Goods and Services Tax	Dues relating to payment of GST	11,260,432	FY 2020-21 and FY 2021-22	Various dates	Not Paid	Also refer Note 51 to the financial statements.

(b) The dues of 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 not been deposited on account of any dispute, are as follows:

Nature of the statute	Nature of dues	Amount in INR	Period to which the amount relates	Form where dispute is pending
The Gujarat Panchayats, Municipalities, Municipal Corporations and State Tax on Professions, Traders, Callings and Employment Act, 1976	Professional Tax	56,11,749*	March 2011 to December 2019	The Court of Professional Tax Officer and Taluka Development Officer at Sanand.
The Provident Fund Act, 1952	Provident Fund	36,27,876	January 2012 to October 2014	Regional Assistant Provident Fund Commissioner (RAPFC)

\*The Company has paid an amount of INR 56,11,749 under protest with the above-mentioned authorities.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on 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 by the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) In our opinion and according to the information and explanations given by the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.





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(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 loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on 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 /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

- (xi) (a) We draw attention to matter (i) of the Qualified Opinion paragraph in our opinion on internal controls over financial reporting as contained in Annexure 2 to the Independent Auditor's report, relating to material weaknesses in internal controls which may result in incorrect or inappropriate revenue recognition. Consequently, we are unable to comment if any fraud by the Company or fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the one whistle blower complaint received by the Company during the year and informed to us, while determining the nature, timing and extent of audit procedures.

- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 52 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 32 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in Note 32 to the financial statements.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
per Aravind K

Partner

Membership Number: 221268

UDIN: 22221268BGOABV9954

Place of Signature: Chennai

Date: December 31, 2022





**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
STANDALONE FINANCIAL STATEMENTS OF UPDATER SERVICES LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the  
Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of Updater Services Limited ("the Company") as of March 31, 2022, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

**Meaning of Internal Financial Controls With Reference to Standalone Financial Statements**

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



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

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

## **Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements**

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

## **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2022:

- i. The internal controls over timely identification of customer claims, their reconciliations and assessment of contractual compliance by the Company for recording the appropriate adjustments, were not operating effectively, which may result in incorrect or inappropriate revenue recognition.
- ii. The internal controls over the Company's compliance with GST regulations as regards credit notes were not operating effectively, which may result in recognising incorrect GST credits / receivables and any consequent liabilities under applicable laws and regulations.
- iii. The IT general controls including controls over change management and access control were not operating effectively, which may result in material misstatements in the Company's financial statements.
- iv. The internal controls over monitoring and responding to whistle blower allegations received were not operating effectively.

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

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls with reference to the standalone financial statements as of March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over these financial statements were operating effectively as of March 31, 2022.





# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

## **Explanatory paragraph**

We also have audited, in accordance with the Standards on Auditing issued by ICAI, as specified under Section 143(10) of the Act, the standalone financial statements of Updater Services Limited, which comprise the Balance Sheet as at March 31, 2022, and the related Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. The material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2022 standalone financial statements of Updater Services Limited and this report does not affect our report dated December 31, 2022 which expressed an unqualified opinion on those financial statements.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

*Aravind K*

**per Aravind K**

Partner

Membership Number: 221268

UDIN: 22221268BGOABV9954

Place of Signature: Chennai

Date: December 31, 2022



Updater Services Limited (Formerly known as Updater Services Private Limited)

Standalone Balance sheet as at March 31, 2022

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3	2,288.37	881.86	1,218.01
Other intangible assets	4A	1.30	1.85	5.69
Capital Work in Progress	4B	184.72	-	-
Right-of-use assets	36	7.49	0.01	1.44
Contract Assets	10	1,838.12	1,863.60	1,179.57
Financial assets				
(i) Investments	5	16,697.86	9,276.76	9,276.76
(ii) Loans	6	639.84	-	-
(iii) Other financial assets	7	852.18	772.98	739.59
Non-current tax assets (net)	8	4,039.23	4,301.80	3,718.04
Deferred tax asset (net)	35	3,839.29	3,371.29	2,679.67
Other non-current assets	9	1,165.28	50.18	4.36
		<b>31,373.68</b>	<b>19,728.73</b>	<b>18,843.13</b>
<b>Current assets</b>				
Contract Assets	10	3,188.31	3,337.21	2,719.30
Financial assets				
(i) Trade receivables including unbilled revenue	11	23,046.30	20,012.53	28,384.21
(ii) Cash and cash equivalents	12	216.32	2,116.19	699.96
(iii) Bank balances other than (ii) above	13	838.97	1,691.77	49.57
(iv) Loans	6	75.62	95.93	251.06
(v) Other financial assets	7	709.00	392.17	405.49
Other current assets	9	1,088.98	908.70	1,649.39
		<b>29,783.50</b>	<b>29,154.52</b>	<b>33,588.98</b>
<b>Total Assets</b>		<b>61,077.18</b>	<b>48,880.25</b>	<b>52,402.11</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	16	5,281.75	5,281.75	5,281.75
Other equity				
Retained earnings	17	17,391.68	13,870.57	10,708.22
Capital redemption reserve	17	207.50	207.50	207.50
Securities premium	17	5,594.28	5,594.28	5,594.28
Employee stock option reserve	17	363.66	340.52	325.64
<b>Total equity</b>		<b>28,838.87</b>	<b>25,294.62</b>	<b>22,117.39</b>
<b>Non-current liabilities</b>				
Financial liabilities				
(i) Lease liabilities	36	7.85	24.23	65.09
(ii) Other Financial liabilities	23	1,232.00	844.83	1,363.51
Long Term Provisions	18	334.44	-	-
Net Employee defined benefit liabilities	19	8,282.97	3,126.39	2,891.08
		<b>9,857.26</b>	<b>3,995.34</b>	<b>4,319.68</b>
<b>Current Liabilities</b>				
Financial liabilities				
(i) Borrowings	21	5,757.61	1,147.60	8,880.63
(ii) Lease Liabilities	36	38.45	41.32	67.30
(iii) Trade payables				
Total outstanding dues of micro enterprises and small enterprises	22	206.93	136.58	90.44
Total outstanding dues other than micro enterprises and small enterprises	22	1,989.11	1,967.06	1,999.76
(iv) Other current financial liabilities	23	12,039.25	10,254.71	9,154.59
Other current liabilities	24	4,311.72	3,994.24	3,731.04
Current tax liabilities (net)	20	91.43	91.43	91.43
Short Term Provisions	18	202.38	841.31	609.44
Net Employee defined benefit liabilities	19	1,444.17	1,116.02	1,340.41
		<b>26,381.05</b>	<b>19,590.27</b>	<b>25,965.04</b>
<b>Total Liabilities</b>		<b>32,238.31</b>	<b>23,585.63</b>	<b>30,284.72</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>61,077.18</b>	<b>48,880.25</b>	<b>52,402.11</b>

\*Restated (Refer Note 2.1 & Note 30)

Summary of Significant Accounting Policies

The accompanying notes form an integral part of Standalone Financial Statements

For S.R. Baliloi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

*Aravind K*

per Aravind K

Partner

Membership No. 221268



Place: Chennai

Date: December 31, 2022

1-2

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For and on behalf of Board of Directors

Updater Services Limited

(Formerly known as Updater Services Private Limited)

*T. Rajanandana*

T. Rajanandana

Managing Director

DIN : 00628914

*Balaji Swaminathan*

Balaji Swaminathan

Chief Financial Officer

Place: Chennai

Date: December 31, 2022

*P. Balasubramanian*

P. Balasubramanian

Director

DIN : 00584541

*L.R. Jayaraj*

L.R. Jayaraj

Company Secretary

Membership No. 10930

Place: Chennai

Date: December 31, 2022



*Anirudh Jaipuria*

Anirudh Jaipuria

Chief Executive officer



Updater Services Limited (Formerly known as Updater Services Private Limited)  
 Standalone Statement of Profit and Loss for the year ended March 31, 2022  
 (All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
<b>Income</b>			
Revenue from contracts with customers	25	1,07,067.27	1,00,516.51
Other income	26	775.20	339.06
Finance income	27	607.89	158.13
<b>Total Income</b>		<b>1,08,450.36</b>	<b>1,01,013.70</b>
<b>Expenses</b>			
Employee benefits expense	28	93,311.52	88,820.07
Finance costs	29	727.63	634.46
Depreciation and amortization expense	30	565.15	579.52
Impairment losses on financial instrument and contract assets	31	808.86	478.05
Other expenses	32	9,363.87	7,330.99
<b>Total Expense</b>		<b>1,04,777.03</b>	<b>97,843.09</b>
<b>Profit before tax</b>		<b>3,673.33</b>	<b>3,170.61</b>
<b>Tax Expense :</b>			
Current tax		545.13	767.37
Adjustment of tax relating to earlier periods		(155.87)	38.09
<b>Deferred Tax :</b>			
Deferred tax charge / (credit)		(409.87)	(718.19)
<b>Income tax expense</b>	33	<b>(20.61)</b>	<b>87.27</b>
<b>Profit after tax</b>		<b>3,693.94</b>	<b>3,083.34</b>
<b>Other Comprehensive Income:</b>			
<b>Items that will not to be reclassified in profit or loss in subsequent periods:</b>			
Re-measurement gains/(losses) on defined benefits obligations (net)		(230.96)	105.58
Income tax effect		58.13	(26.57)
		<b>(172.83)</b>	<b>79.01</b>
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>(172.83)</b>	<b>79.01</b>
<b>Total comprehensive Income for the year, net of tax</b>		<b>3,521.11</b>	<b>3,162.35</b>
<b>Earnings per equity share</b>			
Basic (Amount in ₹)	34	6.99	5.84
Diluted (Amount in ₹)	34	6.95	5.80

\*Restated (Refer Note 2.1 & Note 50)


Summary of Significant Accounting Policies

The accompanying notes form an integral part of Standalone Financial Statements

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
 per Aravind K  
 Partner  
 Membership No. 221268



For and on behalf of Board of Directors

Updater Services Limited

(Formerly known as Updater Services Private Limited)

  
 K. Raghunandana  
 Managing Director  
 DIN : 00628914

  
 P.C. Balasubramanian  
 Director  
 DIN : 00584548

  
 Balaji Swaminathan  
 Chief Financial Officer

  
 L.B. Jayaram  
 Company Secretary  
 Membership No. 10930



  
 Amitabh Jaipuria  
 Chief Executive officer  
 Place: Chennai  
 Date : December 31, 2022

Place: Chennai  
 Date : December 31, 2022

Updater Services Limited (Formerly known as Updater Services Private Limited)  
 Standalone Statement of Changes in Equity for the year ended March 31, 2021  
 (All amounts are in lakhs of Indian Rupees unless otherwise stated)

(a) Equity share capital

Equity shares of Rs 10 each issued, subscribed and fully paid

Opening balance at 1 April 2020

Add: Shares issued during the period

Balance as on March 31, 2021

Add: Shares issued during the period

Balance as on March 31, 2021

No. of shares	Amount
5,28,17,479	5,281.75
-	-
5,28,17,479	5,281.75
-	-
5,28,17,479	5,281.75

(b) Other equity

Particulars	Retained Earnings	Capital redemption reserve	Securities Premium	Employee Stock Options Reserve	Total
Balance as at April 1, 2020 as previously reported	11,625.72	207.50	5,594.28	325.64	17,753.14
Add: Impact on account of prior period errors (Restated)*	(917.50)	-	-	-	(917.50)
Restated balance as at 1 April 2020	10,708.22	207.50	5,594.28	325.64	16,835.64
Add: Profit for the period (Restated)*	3,083.34	-	-	-	3,083.34
Employee stock options provided	-	-	-	14.88	14.88
Other Comprehensive Income	79.01	-	-	-	79.01
Restated As at March 31, 2021	13,870.57	207.50	5,594.28	340.52	20,012.87
Add: Profit for the year	3,693.94	-	-	-	3,693.94
Other Comprehensive Income	(172.83)	-	-	-	(172.83)
Employee stock options provided	-	-	-	23.14	23.14
As at March 31, 2021	17,391.68	207.50	5,594.28	363.66	23,557.12

\*Restated (Refer Note 2.1 & Note 50)

Summary of Significant Accounting Policies

The accompanying notes form an integral part of Standalone Financial Statements

1-2

3-54

For S.R. Battiloi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

*Aravind K*

per Aravind K

Partner

Membership No. 221268



For and on behalf of Board of Directors

Updater Services Limited

(Formerly known as Updater Services Private Limited)

*T. Raghunandana*

Managing Director

DIN : 00628914

*Balaji Swaminathan*

Chief Financial Officer

*Aravind K*

Chief Executive officer

Place: Chennai

Date : December 31, 2021

*P. C. Balasubramanian*

Director

DIN : 00584548

*E. B. Jayaram*

Company Secretary

Membership No. 19930



Place: Chennai

Date : December 31, 2021

Updater Services Limited (Formerly known as Updater Services Private Limited)  
 Standalone Cash flow statement for the year ended March 31, 2022  
 (All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax		3,673.33	3,170.61
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense		341.76	379.32
Finance costs		727.63	634.46
Finance income		(607.89)	(158.13)
Fair value changes in Liability paid to promoters of acquired subsidiary		120.00	-
Fair value gain on Financial Assets at FVTPL		(16.79)	(38.97)
Impairment for doubtful trade receivables		376.54	306.69
Liability payable to promoters of acquired subsidiary no longer required written back		(189.39)	(197.35)
Impairment on loans to related parties and on other advances		386.67	111.53
Provision for onerous contracts		-	101.30
Provision/Liability no longer required written back		(304.57)	(86.62)
(Profit) on sales of property, plant and equipment and Loss on Scrapping of Property, Plant and Equipment		85.39	(15.32)
Gain on buy back of Company's Investments in Subsidiary		(224.96)	-
Bad debts written off		6.69	-
Provision for doubtful unbilled revenue		45.65	59.83
Advances written off		24.91	9.99
Unrealised Exchange differences (net)		1.68	0.98
Employee stock option expenses		23.14	14.88
<b>Operating cash flow before working capital changes</b>		<b>4,669.79</b>	<b>4,493.40</b>
<b>Movements in working capital:</b>			
(Increase)/decrease in trade receivables, Unbilled Revenue and Contracts Assets		(4,044.88)	6,902.52
(Increase)/decrease in other financial assets		(611.56)	(158.32)
(Increase)/decrease in loans		-	19.48
(Increase)/decrease in non-financial assets		(125.30)	107.04
Increase/(decrease) in trade payables		92.40	100.06
Increase/(decrease) in current liabilities and provisions		3,828.38	1,112.31
<b>Cash generated from operations</b>		<b>3,808.83</b>	<b>12,576.49</b>
Direct taxes paid (net of refunds)		(436.39)	(1,389.22)
<b>Net cash flow from operating activities</b>	<b>A</b>	<b>3,372.44</b>	<b>11,187.27</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment		(3,179.66)	(243.28)
Investment in Subsidiary company		(6,984.22)	(247.76)
Loans given to subsidiaries		(639.53)	(143.51)
Repayment of Loans from subsidiaries		-	215.44
Proceeds from buy back of Company's Investments in Subsidiary		335.46	-
Investments in fixed deposits		(15,758.20)	(10,328.12)
Redemption/Maturity of fixed deposits		16,591.00	8,877.24
Proceeds from sale of property, plant and equipment		12.20	20.51
Monies paid to promoters of acquired subsidiary		(120.40)	-
Interest received		607.89	124.96
<b>Net cash flow used in investing activities</b>	<b>B</b>	<b>(9,135.46)</b>	<b>(1,724.52)</b>
<b>Cash flow from financing activities</b>			
Proceeds from short-term borrowings		88,223.11	1,947.60
Repayment of short-term borrowings		(83,613.10)	(9,680.62)
Payment of principal portion of lease liabilities		(19.25)	(66.84)
Interest paid		(727.61)	(246.66)
<b>Net cash flow from/ (used in) in financing activities</b>	<b>C</b>	<b>3,863.15</b>	<b>(8,046.52)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>A+B+C</b>	<b>(1,899.87)</b>	<b>1,416.23</b>
Cash and cash equivalents at the beginning of the period	12	2,116.19	699.96
Cash and cash equivalents at the end of the period		216.32	2,116.19

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Updater Services Limited (Formerly known as Updater Services Private Limited)

Standalone Cash flow statement for the year ended March 31, 2022

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Non cash investing and financing activities			
Acquisition of Right of use assets (Note 36)		39.87	-
Refer note 14 for change in liabilities arising from financing activities			
Summary of Significant Accounting Policies	1-2		
The accompanying notes form an integral part of Standalone Financial Statements	3-54		

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

  
per Aravind K  
Partner  
Membership No. 221268





For and on behalf of Board of Directors

Updater Services Limited


(Formerly known as Updater Services Private Limited)

  
T. Raghunandana  
Managing Director  
DIN : 00628914

  
Balaji Swaminathan  
Chief Financial Officer

  
Amitabh Jaipuria  
Chief Executive officer  
Place: Chennai  
Date : December 31, 2022

  
P.C. Mahalingam  
Director  
DIN : 00584548

  
L.B. Jayaram  
Company Secretary  
Membership No. 10930



Place: Chennai

Date : December 31, 2022



## 1. Corporate information

Updater Services Limited ("the Company") [Formerly Known as Updater Services Private Limited] was incorporated on November 13, 2003. The Company is a limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at NO.2/302-A, UDS Salai, off Old Mahabalipuram road, Thoraipakkam, Chennai. Updater Services Limited (Formerly Known as Updater Services Private Limited) is engaged in providing facility management services like integrated facility management services to various industries such as information technology, information technology enabled services, manufacturing, hospitality and other industries and catering services, which includes industrial catering, and services at food courts.

Integrated facility management services include housekeeping, staffing, production support, mechanical and electrical services, garden management, pest control and catering solutions.

The standalone financial statements were approved for issue in accordance with a resolution of the directors on December 31, 2022

## 2. Significant accounting policies

### 2.1 Basis of accounting and preparation of standalone financial statements

The standalone financial statements of the Company are prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read together with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

The standalone financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All values are rounded to nearest lakhs except when otherwise stated.

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities measured at fair value as explained in the accounting policies; and
- Defined benefit plan assets measured at fair value.

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

During the year, the Company has identified certain errors in the prior years and has corrected the prior year numbers by retrospective restatement. The Company has also presented balance sheet as at April 1, 2020 (beginning of the preceding period) as per the requirements of Ind AS 1 read with Ind AS 8. Refer to Note 50 for the restatement adjustments.

### 2.2 Summary of Significant accounting policies

#### a. Current versus 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 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 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.

#### b. Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The cost of property, plant and equipment not ready for intended use before such date is disclosed under capital work-in-progress.

For depreciation purposes, the Company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the life of the principal asset and depreciates them separately based on their specific useful lives. Expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognised.

#### Depreciation

The Company, based on technical assessment made by experts and management estimates, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation is calculated on a written down value (WDV) method over the estimated useful lives of the assets as follows:

Asset Classification	Estimated Useful Life (Years)	Useful lives as per Sch-II of Companies Act, 2013 (years)
Plant and machinery*	5	15
Furniture and fittings	10	10
Office equipment	5	5
Vehicles	8	8
Computer and accessories	3	3
Building	30	30





\*The Company is using useful life different from the life prescribed in Schedule II of the Companies act based on technical estimate by expert. The Plant and Machinery are used more than one shift and based on the nature of assets and Industry of the Company, such assets can be used for a period of 5 years.

Leasehold Improvements are depreciated over the leasehold period or useful life estimated by management whichever is lesser.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2017 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

#### c. Intangible assets

Intangible assets 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. 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.

Costs incurred towards purchase of software are depreciated using the straight-line method over a period of 3 years based on management's estimate of useful lives of such software, or over the license period of the software, whichever is shorter.

#### Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gain or loss 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.

Asset Classification	Useful Life (Years)	Amortisation method	Internally generated or acquired
Software	Finite – 3 years	Amortised on a straight-line basis over the life	Acquired

#### d. 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, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods



covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the services, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation / amortization is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation / amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

#### **e. Revenue from contracts with customers**

The Company derives revenue primarily from Integrated Facility Management services. Further, it also provides training and skill development services under the workforce management. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable.

Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The contract with customer for Integrated Facility Management services, generally contains a single performance obligation and revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company's contracts may include variable consideration including discounts and penalties which are reduced from revenues and recognised based on an estimate of the expected payout relating to these considerations (expected price concessions). Revenue is adjusted for expected price concessions based on the management estimates.

Revenue from Integrated Facility Management services (Supply of Manpower) is recognised over time since the customer simultaneously receives and consumes the benefits. The invoicing for these services is either based on cost plus a service fee or fixed fee model.

Revenue from training and skill development services are recognised over time based on satisfaction of specific performance criteria included in contractual arrangements with customers. 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. It is presented under trade receivables. If contractual unconditional right to consideration is dependent on completion of contractual obligations including right to receive the reimbursement of gratuity cost from the customers, then such assets are classified as contract assets. Invoicing in excess of revenues is classified as contract liabilities (referred to as income received in advance).





Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is the tax collected on value added on the services and commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

#### **Dividend income**

Dividend income is recognised when the unconditional right to receive the payment is established, which is generally when shareholders approve the dividend.

#### **Interest income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Financial income" in the statement of profit and loss.

#### **Contract balances**

##### **(i) 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.

Contract Assets (Unbilled revenue) represents revenue in excess of billing.

##### **(ii) Trade receivables**

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).

##### **(iii) 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 the customer. If a 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.

##### **(iv) Refund liabilities**

A refund liability is recognised for the obligation to refund some, or all of the consideration received (or receivable) from the customer. The Company's refund liabilities arise from customers' right of return and volume rebates. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

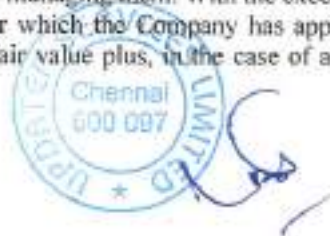
#### **f. Financial Instruments**

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.

##### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value



through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (c) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

#### (i) Financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments on principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

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

The Company has determined the classification of debt instruments in terms of whether they meet amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date. Accordingly, the Company has classified all debt instruments as of the transition date at amortised cost.

Investment in equity instruments issued by subsidiaries are measured at cost less impairment.

#### (ii) 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 through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net 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.

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

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. Investments in Mutual funds are measured 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 re-measurement 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.

**(iv) Impairment of financial assets**

The Company applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost.

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 recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Provision for ECL is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. It is the Company's policy to measure ECLs on financial assets on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expenses in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

**(v) De-recognition 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 de-recognition of a financial asset in its entirety, the difference between the assets carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

**(vi) Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model.

**(vii) Financial liabilities and equity instruments**

**1) Classification as debt or equity**

Debt and equity instruments issued by the 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.





## 2) 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 the Company 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.

### (viii) Financial liabilities

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

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement 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.

Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognised in profit or loss.

### (ix) Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held—for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs" line item.

### (x) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (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 financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### (xi) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired, 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.

The Company has applied the de-recognition requirements, of financial liabilities prospectively for transactions occurring on or after April 01, 2017 (the transition date).

### (xii) Derivative financial instruments

#### Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks.



respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

**(i) Fair value hedges**

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.





**(ii) Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

The Company designates only the spot element of a forward contract as a hedging instrument. The forward element is recognised in OCI.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

**(iii) Hedges of a net investment**

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit and loss (as a reclassification adjustment).

**(xiii) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**g. 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.

**As a 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 to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i. 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 written-down value basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Asset Classification	Estimated Useful Life (Years)
Building	1 – 5

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. Refer to the accounting policies in section (d) Impairment of non-financial assets.

## ii. 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 (see Note 36).

## iii. 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 and Machinery and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

## As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.



**h. Retirement and other employee benefits**

**i. Compensated absences**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period 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.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as non-current employee benefit for measurement purposes. Such non-current compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains / losses are immediately taken to the statement of profit and loss and are not deferred.

**ii. Post-employment obligations**

The Company operates the following post-employment schemes:

**i. Gratuity obligations**

Gratuity liability under the Payment of Gratuity Act, 1972 is a defined benefit obligation. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Company provides the gratuity benefit through annual contribution to Updater Services Limited (Formerly Known as Updater Services Private Limited) - Employee benefit scheme. Under this scheme the settlement obligation remains with the Company although the LIC administers the scheme and determines the contribution premium required to be paid by the Company. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method.

In addition to the above, the Company recognises its liability in respect of gratuity for employees (where customer reimburses gratuity) and its right of reimbursement as an asset. Employee benefits expense in respect of gratuity to employees and reimbursement right is presented in accordance with Ind AS - 19.

Remeasurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurement is not reclassified to profit or loss in subsequent periods.

Past service cost is recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. 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 and
- Net interest expense or income.

**ii. Retirement benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the





provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

## **I. Taxes**

### **Current income tax**

Income tax expense comprises current tax expense and deferred tax charge or credit during the year. Current income tax assets and liabilities are measured at the amount expected to be recovered from 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 reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI 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.

### **Deferred tax**

Deferred tax is recognised using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are 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 (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Minimum alternate rate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is probable evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

The carrying amount of deferred tax assets is reviewed at each reporting date and written off to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.





#### **j. Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e., by equal annual instalments. When 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 a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

The Company is availing of benefits under a government scheme - Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) wherein the Central Government is paying the employer's contribution towards Employee Pension Scheme / Provident Fund in respect of new employees meeting specified criteria. The same is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed (Refer Note 28).

#### **k. 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 debtor 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.

#### **l. 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

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 best economic 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.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised 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

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Involvement of external valuers is decided upon annually by the Company. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. Other fair value related disclosures are given in the relevant notes (Refer Note 44).

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above (Refer Note 45).

#### **m. Segment reporting**

The Management monitors the operating results of its business as a single primary segment "facility management service" for the purpose of making decisions about resource allocation and performance assessment. The business of the Company falls under a single primary segment i.e., 'facility management service' for the purpose of Ind AS 108.

#### **n. Earnings per share**

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### **o. Provisions**

##### **General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when 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.





#### Onerous Contract

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).

If it is no longer probable that the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, the provision shall be reversed.

#### p. Contingent liabilities & Contingent Assets

Contingent liability is disclosed for,

- (i) Possible obligation 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 recognised in the standalone financial statements.

Contingent assets are disclosed in the Standalone financial statements by way of notes to accounts when an inflow of economic benefits is probable.

#### q. Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above. Bank overdrafts are shown within borrowings in financial liabilities in the balance sheet.

#### r. Borrowing costs

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.

#### s. Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

#### Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 37.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement





in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

#### t. Foreign currencies

##### Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates, i.e., the "functional currency". The standalone financial statements are presented in Indian rupee (INR), which is functional and presentation currency of the Company.

##### Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange 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 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).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

#### u. Contingent Consideration

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance



with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

**v. Changes in accounting policies and disclosures**

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 April 01, 2022.

**i. Onerous Contracts – Costs of Fulfilling a Contract – Amendments 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 Company is currently assessing the impact of the amendments to determine the impact they will have on the Company’s accounting policy disclosures.

**ii. Property, Plant and Equipment: Proceeds before Intended Use – Amendments 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.

**iii. Ind AS 109 Financial Instruments – Fees in the ‘10 per cent’ test for derecognition of financial liabilities**

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. The amendments are not expected to have a material impact on the Company.





Updater Services Limited (Formerly known as Updater Services Private Limited)  
Notes to standalone financial statements for the year ended March 31, 2022  
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

3. Property, plant and equipment

Particulars	Building	Plant and machinery	Furniture and fixtures	Office equipments	Vehicles	Computer and accessories	Leasehold improvements	Total
<b>Cost / Deemed Cost</b>								
At April 01, 2020	177.57	2,130.61	98.01	93.96	132.19	249.68	60.20	2,942.22
Additions	-	187.82	4.59	9.46	-	31.46	9.96	243.29
Disposals	-	(38.11)	-	-	-	-	-	(38.11)
At March 31, 2021	177.57	2,280.32	102.60	103.42	132.19	281.14	70.16	3,147.40
Additions	-	391.42	2.19	3.37	1,562.47	85.85	-	2,045.30
Disposals	-	(789.34)	(1.24)	(30.91)	(14.80)	(155.59)	(60.20)	(1,052.08)
At March 31, 2022	177.57	1,882.40	103.55	75.88	1,679.86	211.40	9.96	4,149.62
<b>Depreciation &amp; amortisation</b>								
<b>Depreciation</b>								
At April 01, 2020	39.64	1,284.91	32.66	65.18	68.44	179.40	53.96	1,724.21
Charge for the year	13.30	448.45	15.47	18.08	21.11	49.48	8.36	574.25
Disposals	-	(32.92)	-	-	-	-	-	(32.92)
At March 31, 2021	52.94	1,700.44	48.13	83.26	89.55	228.88	62.34	2,365.54
Charge for the year	11.84	314.90	11.14	10.29	143.21	46.78	3.04	541.20
Disposals	-	(713.23)	(0.50)	(27.18)	(13.79)	(143.60)	(57.19)	(954.49)
At March 31, 2022	64.78	1,302.11	58.77	66.37	219.97	132.06	8.19	1,852.25
<b>Net Block</b>								
At March 31, 2022	112.79	580.29	44.78	9.51	1,459.89	79.34	1.77	2,288.37
At March 31, 2021	124.63	579.88	54.47	20.16	42.64	52.26	7.82	881.86

Note:

Cash credit and working capital loan are secured by first pari-passu charge on certain moveable assets. (Refer Note 21)

4A. Other intangible assets

Particulars	Computer software	Total
<b>Cost / Deemed Cost</b>		
At April 01, 2020	35.76	35.76
Additions	-	-
At March 31, 2021	35.76	35.76
Additions	-	-
At March 31, 2022	35.76	35.76
<b>Amortisation</b>		
At April 01, 2020	30.07	30.07
Charge for the year	3.84	3.84
At March 31, 2021	33.91	33.91
Charge for the year	0.55	0.55
At March 31, 2022	34.46	34.46
<b>Net Block</b>		
At March 31, 2022	1.30	1.30
At March 31, 2021	1.85	1.85





4B Capital work in progress (CWIP)

Particulars	Amount
At April 01, 2020	-
Addition	-
Less: Capitalised	-
At March 31, 2021	-
Addition	184.72
Less: Capitalised	-
At March 31, 2022	184.72

Capital work in progress (CWIP) Aging Schedule

Particulars	As at 31 March 2022	As at 31 March 2021
Projects in progress (In Transit)		
Less than 1 year	184.72	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	184.72	-



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5 Investments			
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
<b>A Non-current investments</b>			
Investments at Cost			
Unquoted equity instruments in subsidiaries			
a. Denave India Private Limited	7,531.55	-	-
96,329 (March 31, 2021: Nil) equity shares of ₹ 10 each fully paid up			
b. Matrix Business Services India Private Limited	4,880.18	4,880.18	4,880.18
1,65,025 (March 31, 2021: 1,13,660) Equity Shares of ₹ 10 each, fully paid up			
c. Washroom Hygiene Concepts Private Limited	1,880.63	1,880.63	1,880.63
87,148 (March 31, 2021: 87,423) Equity Shares of ₹ 10 each, fully paid up			
d. Fusion Foods India Private Limited	1,421.93	1,421.93	1,421.93
11,401 (March 31, 2021: 11,381) equity shares of ₹ 10 each fully paid up			
e. Avon Solutions and Logistics Private Limited	786.02	786.92	786.02
18,883 (March 31, 2021: 21,822) equity shares of ₹ 100 each fully paid up			
f. Suresh Management Private Limited	263.23	263.23	263.23
17,32,000 (March 31, 2021: 17,32,000) equity shares of ₹ 10 each fully paid up			
g. Global High Handling Services Private Limited	11.87	11.87	11.87
7,888 (March 31, 2021: 7,000) equity shares of ₹ 10 each fully paid up			
h. Tange Supplies & Solutions Private Limited	10.00	10.00	10.00
99,999 (March 31, 2021: 99,999) equity shares of ₹ 10 each fully paid up			
i. Wipro Technologies Private Limited (formerly known as Zappy Home Solutions Private Limited)	10.00	10.00	10.00
99,999 (March 31, 2021: 99,999) equity shares of ₹ 10 each fully paid up			
j. Integrated Technical and Staffing Solutions Private Limited	1.00	1.00	1.00
9,999 (March 31, 2021: 9,999) equity shares of ₹ 10 each fully paid up			
k. Updater Services (UDS) Foundation	1.00	1.00	1.00
9,999 (March 31, 2021: 9,999) equity shares of ₹ 10 each fully paid up			
	<b>16,697.86</b>	<b>9,276.76</b>	<b>9,276.76</b>
Current	-	-	-
Non Current	16,697.86	9,276.76	9,276.76
Aggregate value of unquoted investments	<b>16,697.86</b>	<b>9,276.76</b>	<b>9,276.76</b>

**Notes:**

a) Denave India Private Limited - During the year ended March 31, 2022, the Company has acquired 52% equity ownership in Denave India Private Limited ("Denave") by investing a total of ₹ 6,399.55 lakhs as equity share capital. Denave is primarily engaged in the business of providing Sales Enablement & Other support and staffing services to various industries. Investment recorded during the year includes an amount of ₹ 1,232 lakhs of put option liability on account of option to purchase additional shares in future pursuant to Shareholder's Agreement between the Company and the promoters of Denave. (Also refer note 23)

b) Matrix Business Services India Private Limited - During the year ended 31 March 2020, the Company has acquired 75% equity ownership in Matrix Business Services India Private Limited ("Matrix") by investing a total of ₹ 3,012.01 lakhs as equity share capital. Matrix is primarily engaged in the business of providing insurance services, claims processing, including employee background verifications checks and product and process audit inter alia of warehouses, depots, distributors and distribution centres, retail points and outlets and franchisees. Investment recorded during the previous years includes ₹ 965.17 lakhs on account of obligation to purchase future share, recognised pursuant to Shareholder's Agreement between the Company and the promoters of Matrix. During the year ended March 31, 2022 the company has acquired 12.5% Equity ownership in Matrix, out of total obligation of future purchase of shares. (Also refer note 23)

c) Washroom Hygiene Concepts Private Limited - During the year ended 31 March 2020, the Company has acquired 70% equity ownership in Washroom Hygiene Concepts Private Limited ("WHC") by investing a total of ₹ 1,520.00 lakhs as equity share capital. WHC is primarily engaged in the business of providing washroom sanitizing services and hygiene solutions, primarily female hygiene solutions, viz. sanitary napkin vending & disposal and supply of third party sanitary products. Investment recorded during the previous years includes ₹ 360.63 lakhs on account of obligation to purchase future share, recognised pursuant to Shareholder's Agreement between the Company and the promoters of WHC. During the previous year ended March 31, 2021 the company has acquired 14% Equity ownership in WHC, out of total obligation of future purchase of shares. During the year ended March 31, 2022 the company has acquired balance 10% Equity ownership in WHC, out of total obligation of future purchase of shares. (Also refer note 23)

d) Avon Solutions and Logistics Private Limited ("Avon") - During the year ended March 31, 2022 Avon had announced a buy back offer. The Company has submitted 14% of its holding sum of ₹ 786.02 lakhs as a consideration of ₹ 335.46 lakhs. The value of investment has been reduced proportionately to the cost of acquisition and the remaining value realised over cost has been taken to the statement of Profit and loss.

e) Fusion Foods India Private Limited ("Fusion") - During the year ended March 31, 2022, the Company has acquired remaining 6,020 shares (thereby obtaining 100% ownership) of Fusion at nominal value of ₹ 1 per share as per the Shareholder's agreement entered between the Company and the promoters of Fusion.

6 Loans (At Amortised Cost)	Non-current			Current		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
(Considered good, Unsecured unless stated otherwise)						
Loans to related parties at						
- considered good	657.69	-	-	25.23	51.45	233.93
- credit impaired	1,135.76	-	-	-	860.38	749.77
	1,793.45	-	-	25.23	911.75	983.70
Less: Impairment on loans to related parties	(1,135.61)	-	-	-	(860.38)	(749.77)
	<b>657.84</b>	<b>-</b>	<b>-</b>	<b>25.23</b>	<b>51.45</b>	<b>233.93</b>
Loans to employees						
- considered good	-	-	-	50.39	44.48	17.13
- credit impaired	-	-	-	14.00	9.18	9.18
	-	-	-	64.48	53.66	26.31
Less: Impairment for doubtful loans	-	-	-	(14.00)	(9.18)	(9.18)
	-	-	-	<b>50.39</b>	<b>44.48</b>	<b>17.13</b>
	<b>657.84</b>	<b>-</b>	<b>-</b>	<b>75.62</b>	<b>95.93</b>	<b>251.06</b>



**8 Disclosure required under Sec 186(4) of the Companies Act 2013**

Name of the lender	Rate of interest	Secured/ unsecured	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Wynay Technologies Private Limited (Formerly known as Zappy Home Solution Private Limited)*	9.50%	Unsecured	1,135.78	763.25	696.18
Global Flight Handling Services Private Limited**	9.50%	Unsecured	657.68	97.63	53.93
Integrated Technical Staffing Solution Private Limited	9.50%	Unsecured	-	-	2.61
StarWorth Management Private Limited***	9.50%	Unsecured	25.25	51.46	250.97
			<b>1,818.68</b>	<b>912.35</b>	<b>983.70</b>

\* The Non-Current Loan will be paid in installments of 25% for 4 years starting from FY 2024-25. In view of continuing losses, negative net worth and current assessment of Wynay's ability to repay such loan, the Company has made a provision for the outstanding loans receivable at March 31, 2022.

\*\* The Non-Current Loan will be paid in installments of 25% for 4 years starting from FY 2024-25.

\*\*\* The Current loan will be repayable within one year from the end of 31st March 2022 in single installment.

Type of borrower	As on 31 March, 2022		As on 31 March, 2021		As at 1 April 2020	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loan	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loan	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loan
Promoters	-	0%	-	0%	-	0%
Directors	-	0%	-	0%	-	0%
KMPs	-	0%	-	0%	-	0%
Related parties (before impairment)	1,818.68	100%	912.35	100%	983.70	100%

**7 Other financial assets  
 (At Amortised Cost)**

(Considered good, Unsecured unless stated otherwise)

**Retention Deposits**

- considered good

- credit impaired

Less: Impairment for doubtful deposits

	Non-current			Current		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
	23.38	272.48	106.37	-	-	-
	5.96	5.96	4.80	-	-	-
	19.28	266.52	101.57	-	-	-
	(5.96)	(5.96)	(4.80)	-	-	-
	<b>33.38</b>	<b>277.48</b>	<b>106.37</b>	<b>-</b>	<b>-</b>	<b>-</b>
	224.70	122.71	117.69	375.85	351.03	374.53
	-	-	-	64.63	63.85	70.72
	224.70	122.71	117.69	440.48	414.88	445.25
	-	-	-	(64.63)	(63.85)	(70.72)
	<b>224.70</b>	<b>122.71</b>	<b>117.69</b>	<b>375.85</b>	<b>351.03</b>	<b>374.53</b>
	37.32	132.86	305.38	306.54	-	-
	26.97	29.57	26.57	-	-	-
	64.29	162.43	331.95	306.54	-	-
	(26.97)	(29.57)	(26.57)	-	-	-
	<b>37.32</b>	<b>162.86</b>	<b>305.38</b>	<b>306.54</b>	<b>-</b>	<b>-</b>
	-	-	-	11.36	1.77	1.82
	-	-	-	29.04	29.04	29.04
	-	-	-	40.40	30.81	30.80
	-	-	-	(29.04)	(29.04)	(29.04)
	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.36</b>	<b>1.77</b>	<b>1.82</b>
	-	-	-	15.28	16.57	6.30
	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.28</b>	<b>16.57</b>	<b>6.30</b>
	-	-	-	-	-	22.94
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22.94</b>
	246.78	49.73	232.15	-	-	-
	<b>652.88</b>	<b>772.98</b>	<b>759.59</b>	<b>769.89</b>	<b>392.17</b>	<b>485.49</b>

\*\* Fixed deposits given as security (on part of non-current assets)

Fixed deposits with a carrying amount of Rs. 286.83 Lakhs (31 March 2021: Rs. 31.60 Lakhs) is under lien with various banks for guarantees issued to third parties.

**8 Non-current tax assets (net)**

Advance income taxes

Less: Provision for income taxes



	Non-Current		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
	11,217.11	11,887.97	10,891.89
	(7,177.88)	(7,586.17)	(6,772.85)
	<b>4,039.23</b>	<b>4,301.80</b>	<b>3,718.04</b>



9 Other assets (At Amortised Cost)	Non-current			Current		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
(Considered good, Unsecured unless noted otherwise)						
Balance with government authorities (Refer Note 40)						
- considered good	56.12	56.12	-	308.37	211.62	169.98
- credit impaired	-	-	-	41.57	41.57	41.57
	56.12	56.12	-	409.94	253.19	211.55
Less: Provision for doubtful balance with government authorities	-	-	-	(41.57)	(41.57)	(41.57)
	56.12	56.12	-	368.37	211.62	169.98
Capital Advances						
- considered good	1,109.16	0.06	48.66	-	-	-
- credit impaired	9.40	44.30	-	-	-	-
	1,118.62	44.36	48.66	-	-	-
Less: Provision for doubtful capital advances	(9.40)	(44.30)	(44.30)	-	-	-
	1,109.16	0.06	4.36	-	-	-
Advances for supply of goods						
- considered good	-	-	-	129.88	81.85	72.48
- credit impaired	-	-	-	(133.27)	(151.43)	(172.00)
	-	-	-	263.15	213.28	247.38
Less: Provision for doubtful advances for supply of goods	-	-	-	(133.27)	(151.43)	(172.00)
	-	-	-	129.88	61.85	72.48
Advances to employees						
- considered good	-	-	-	87.11	47.00	94.02
- credit impaired	-	-	-	20.00	28.61	-
	-	-	-	107.18	75.61	94.02
Less: Provision for doubtful advances to employees	-	-	-	(20.00)	(75.61)	(38.61)
	-	-	-	87.13	47.66	56.01
Prepaid Expenses	-	-	-	423.60	588.17	749.92
	1,165.28	56.18	4.36	1,868.98	908.76	1,649.35

10 Contract Assets	Non-current			Current		
	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
Unbilled revenue**	1,973.92	1,342.84	1,189.57	3,188.21	3,337.21	2,719.50
Less: Provision for doubtful unbilled revenue	(135.47)	(79.84)	(10.00)	-	-	-
	1,838.12	1,263.00	1,179.57	3,188.21	3,337.21	2,719.50

#### Movement of Contract Assets (Unbilled Revenue)

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
As at 1 April	4,406.21	3,898.87	1,082.92
Add: Addition during the year	8,161.90	4,480.05	1,908.87
Less: Billed during the year	(8,400.21)	(3,898.87)	(1,082.92)
Less: Provision for expected credit losses	(135.47)	(79.84)	(10.00)
As at 31 March	5,828.43	4,400.21	3,898.87

\*Restated (Refer Note 2.1 & Note 56)

\*\*Classified as contract assets as the contractual unconditional right to consideration is dependent on completion of contractual obligations. The Company has recognised primary liability and reimbursement right in respect of employees where there is contractual right to receive reimbursement from customers, pursuant to paragraph 116 of Ind AS - 39. Refer Note 35

#### 11 Trade Receivables

(At Amortised Cost)	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
Trade receivables	17,436.67	15,743.55	23,284.47
Trade receivable from related parties (Note 42)	8.22	0.70	15.97
	17,444.89	15,744.25	23,300.44
Security details			
Considered good, Secured	-	-	-
Considered good, Unsecured	17,462.76	15,769.06	23,325.80
Trade Receivables which have significant increase in credit risk	-	-	-
Trade Receivables - credit impaired	1,126.66	761.28	455.67
	18,589.42	16,530.34	23,781.47
Impairment allowance (allowance for bad and doubtful debts)			
Considered good, Unsecured	(17.87)	(28.81)	(25.26)
Trade Receivables - credit impaired	(1,324.00)	(761.28)	(455.67)
	(1,341.87)	(790.09)	(480.93)
Total Trade receivables	17,444.89	15,744.25	23,300.44



No trade or other receivables are due from Directors or other officers of the Company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0 to 60 days based on the type of the customers. For balances, terms and conditions relating to related parties, Refer note 42.

As at 31 March 2022

Trade Receivables (At Amortised Cost)

	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	10,087.02	6,263.35	406.49	444.14	175.03	48.91	17,444.90
(ii) Undisputed Trade Receivables - credit impaired	-	79.13	266.82	304.08	197.11	57.48	904.62
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	-	68.75	0.27	26.57	14.85	121.59	232.03
	10,087.02	6,431.23	673.54	774.79	386.89	227.98	18,681.25

As at 31 March 2021\*

Trade Receivables (At Amortised Cost)

	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	9,336.25	5,676.05	468.13	229.62	42.34	51.85	15,744.24
(ii) Undisputed Trade Receivables - credit impaired	-	475.82	-	-	-	-	475.82
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	0.43	66.15	85.06	20.18	73.18	42.35	287.40
	9,336.68	6,218.02	493.19	249.80	115.42	94.21	16,505.53

Movement for expected credit loss

As at 1st April

Provision for expected credit loss

As at 31 March

	As at 31 March 2022	As at 31 March 2021 (Restated)**	As at 1 April 2020 (Restated)*
	24.81	25.36	28.62
	(80.94)	(80.55)	(13.28)
	17.87	24.81	25.34

B. Unbilled Revenue

(At Amortised Cost)

Unbilled Revenue\*\*

Total Trade Receivables Including Unbilled Revenue (A+B)

Movement of Unbilled revenue

As at 1 April

Add: Addition during the year

Less: Billed during the year

Less: Provision for expected credit losses

As at 31 March

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
	6,201.41	4,868.30	5,083.77
	23,646.38	10,612.55	28,386.31
	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
	4,868.30	5,083.77	3,886.16
	6,201.41	4,913.30	5,822.77
	(4,868.30)	(3,083.77)	(3,886.16)
	(80.00)	(45.00)	(58.00)
	6,201.41	4,868.30	5,083.77

\*Restated (Refer Note 2.1 & Note 50)

\*\*Classified as financial asset as right to consideration is unconditional upon passage of time

12. Cash and cash equivalents

(i) Balances with banks

- On current accounts

(ii) Cash in hand

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
	216.32	2,116.19	681.93
	-	-	18.03
	216.32	2,116.19	699.96

For the purpose of statement of cash flows, cash and cash equivalents comprise the following:

On current accounts

Cash on hand

Total Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
	216.32	2,116.19	681.93
	-	-	18.03
	216.32	2,116.19	699.96

Non-current

Current

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
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13. (ii) Bank Balances other than cash and cash equivalents as above:

earmarked balances with banks for DOUGKY Project \*

Deposits with Original Maturity of less than 12 months under lien\*\*

long term deposits under lien with maturity more than 12 months but less than 24 months\*\*

long term deposits under lien with maturity more than 24 months

Less: disclosed as part of other financial assets

Total Bank balance other than cash and cash equivalents

	-	-	-	93.22	225.51	(13.31)
	-	-	-	-	672.00	-
	-	-	232.15	365.75	834.26	36.06
	356.78	40.73	-	-	-	-
	(356.78)	(40.73)	(232.15)	-	-	-
	-	-	-	858.97	1,691.77	49.87



\* During the year ended 31 March 2018, the Company had entered into an Memorandum of Understanding (MOU) with Tamil Nadu State Rural Livelihood Mission on August 26, whereby for a period of 5 years in relation to a particular project (DDU GK), Company has to train 2,000 workers under the guidelines of the MoRD, Government of India. Pursuant to the same, Company has received an advance of Rs. 1,592.61 lakhs from (March 31, 2018 - Rs. 674.06 Lakhs and March 31, 2021 - Rs. 918.55 Lakhs) the CEO, Tamil Nadu State Rural Livelihood Mission. The money can be utilised only for the training and related expenses approved as per the MOU agreement.

During the current year ended 31 March 2022, the Company had entered into an Memorandum of Understanding (MOU) with Puducherry State Rural Livelihood Mission on June 24, 2021, whereby for a period of 36 months in relation to a particular project (DDU GK), Company has to train 400 workers under the guidelines of the MoRD, Government of India. Pursuant to the same, Company has received an advance of Rs. 93.95 lakhs as the first instalment. The money can be utilised only for the training and related expenses approved as per the MOU agreement.

\*\* Fixed deposits given as security (Bank Balances other than cash and cash equivalents)

Fixed deposits with a carrying amount of Rs. 538.41 lakhs (31 March 2021 - Rs. 1,471.69 Lakhs) is under lien with various banks for guarantees issued to third parties.

#### 14 Changes in liabilities arising from financing activities

As at March 31, 2022

Particulars

	As at April 2021	Cash Inflows	New Leases and Interest	Cash out Flows	As at 31 March 2022
Current Borrowings	1,147.60	88,617.18	462.87	84,445.96	5,757.61
Current Lease Liabilities	41.32	-	10.71	33.39	18.45
Non Current Lease Liabilities	24.23	-	5.65	22.04	7.85

As at March 31, 2021

Changes in liabilities arising from financing activities

Particulars

	As at April 2020	Cash Inflows	New Leases and Interest	Cash out Flows	As at 31 March 2021
Current Borrowings	8,741.04	35,855.00	217.81	45,606.55	1,147.60
Current Lease Liabilities	67.20	-	9.01	35.81	41.32
Non Current Lease Liabilities	68.08	-	-	40.86	24.23

Break up of financial assets carried at amortised cost

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
Loan (Note 6)	715.40	95.92	251.06
Trade receivables including unbilled revenue (Note 11)	23,646.30	20,812.59	28,284.21
Cash and cash equivalents (Note 12)	214.22	2,114.19	499.90
Other financial assets (Note 7)	1,551.18	1,165.15	1,165.08
Total financial assets carried at amortised cost	25,927.20	23,987.85	30,200.25

\*Restated (Refer Note 2.1 & Note 50)

#### 15 Deferred tax asset (net)

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
Deferred tax assets			
Difference between book balance and Tax balance of Property, plant and equipment	403.48	383.83	345.53
Provision for litigation	7.06	7.06	7.00
Impairment for doubtful advances and Loan	403.71	334.38	299.14
Impairment for doubtful debt and estimated price concession	1,107.41	946.16	596.24
Provision for gratuity	882.76	781.07	608.55
Provision for compensated absences	153.21	179.19	146.32
Expenses allowable on payment basis	797.07	746.41	690.67
Others	84.88	25.49	-
Deferred tax liability			
Ind AS 114 - Lease Adjustments	1.91	(12.30)	(15.84)
	<u>3,839.29</u>	<u>3,371.29</u>	<u>2,679.67</u>

Reconciliation of deferred tax liabilities (net):

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
Opening balance as of Apr 1	3,371.29	2,679.67	2,555.44
Tax income/(expense) during the period recognised is profit or loss	499.87	718.19	72.45
Tax income/(expense) during the period recognised in OCI	58.12	(26.57)	50.78
Closing balance as at March 31	<u>3,839.29</u>	<u>3,371.29</u>	<u>2,679.67</u>

\*Restated (Refer Note 2.1 & Note 50)



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16 Equity share capital

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Authorised			
5,30,00,000 (March 31, 2021: 5,30,00,000) equity shares of Rs 10 each	5,300.00	5,300.00	5,300.00
Issued, subscribed and paid up			
5,28,17,479 (March 31, 2021: 5,28,17,479) equity shares of Rs 10 each fully paid up	5,281.75	5,281.75	5,281.75
	<u>5,281.75</u>	<u>5,281.75</u>	<u>5,281.75</u>

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Equity shares						
At the beginning of the year	5,28,17,479	5,281.75	5,28,17,479	5,281.75	5,28,17,479	5,281.75
Add: Shares issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	<u>5,28,17,479</u>	<u>5,281.75</u>	<u>5,28,17,479</u>	<u>5,281.75</u>	<u>5,28,17,479</u>	<u>5,281.75</u>

b) Terms / rights 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 dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, equity share holders 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.

During the financial year 2016-17, the Company has issued equity shares to India Business Excellence Fund - II and India Business Excellence Fund - IIIA ("Investors"). The Investors have been provided with certain exit rights after a predetermined period (viz. IPO / Exit Trade Sale / Strategic Sale Right as defined in the share purchase agreement) by the Company and other Shareholders.

d) Details of shareholders holding more than 5% shares in the company

Name of shareholder	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10 each fully paid						
T Raghunandan	1,63,77,702	31.01%	1,63,77,702	31.01%	1,62,37,705	30.74%
T Shanthi	1,62,37,705	30.74%	1,62,37,705	30.74%	1,62,37,705	30.74%
Tangi Facility Solutions Private Limited	1,11,73,440	21.15%	1,11,73,440	21.15%	1,13,13,440	21.42%
India Business Excellence Fund - II	28,89,161	5.47%	28,89,161	5.47%	28,89,161	5.47%
India Business Excellence Fund - IIIA	61,39,468	11.63%	61,39,468	11.63%	61,39,468	11.63%
	<u>5,28,17,479</u>	<u>100.00%</u>	<u>5,28,17,479</u>	<u>100.00%</u>	<u>5,28,17,479</u>	<u>100.00%</u>

Shares reserved for issue under options

For details of shares reserved for issue under the Share based payment plan of the company, please refer note 37

As at 31 March 2022					
Promoter Name	No. of shares at the beginning of the period	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the year
T Raghunandan	1,63,77,705	(3,00)	1,63,77,702	31.01%	0.0%
T Shanthi	1,62,37,705	-	1,62,37,705	30.74%	0.0%
Tangi Facility Solutions Private Limited	1,11,73,440	-	1,11,73,440	21.15%	0.0%
As at 31 March 2021					
Promoter Name	No. of shares at the beginning of the period	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the year
T Raghunandan	1,62,37,705	1,40,000	1,63,77,705	31.01%	0.3%
T Shanthi	1,62,37,705	-	1,62,37,705	30.74%	0.0%
Tangi Facility Solutions Private Limited	1,13,13,440	-1,40,000	1,11,73,440	21.15%	-0.3%

17 Other equity

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
Retained earnings	17,391.68	13,870.57	10,708.22
Capital redemption reserve	207.50	207.50	207.50
Securities premium	5,594.28	5,594.28	5,594.28
Employee stock option reserve (Refer Note 37)	363.66	340.52	325.64
	<u>23,457.12</u>	<u>20,012.87</u>	<u>16,835.64</u>



17 Other equity (Continued)

Retained earnings	
Particulars	Amount in lakhs
At 1 April 2020 (Restated)*	10,708.22
Add: Profit for the year	3,085.34
Less: Other Comprehensive Loss	79.01
At 31 March 2021 (Restated)*	13,870.57
Add: Profit for the year	3,693.94
Add: Other Comprehensive Gain	(172.83)
At 31 March 2022	17,391.68
Capital redemption reserve	
Particulars	Amount in lakhs
At 1 April 2020	207.50
Changes during the period	-
At 31 March 2021	207.50
Changes during the period	-
At 31 March 2022	207.50
Securities premium	
Particulars	Amount in lakhs
At 1 April 2020	5,594.28
Changes during the period	-
At 31 March 2021	5,594.28
Changes during the period	-
At 31 March 2022	5,594.28
Employee stock option reserve	
Particulars	Amount in lakhs
At 1 April 2020	323.64
Changes during the period	14.88
At 31 March 2021	348.52
Changes during the period	23.14
At 31 March 2022	363.66

\*Restated (Refer Note 2.1 & Note 50)

Nature and purpose of other reserves

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(ii) Capital redemption reserve

The Company has recognised Capital Redemption Reserve on buy-back of equity shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the equity shares bought back. The Company can utilise the same for the purpose of issue of fully paid-up bonus shares to its members.

(iii) Employee stock option reserve

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan. Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

(iv) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.



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18 Long Term Provisions and Short Term Provisions

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022
Provision for leave benefits	353.44	-	-	274.33
Provision for Onerous Contract *	-	-	-	711.96
Provision for litigations **	-	-	-	101.30
				28.05
	353.44	-	-	841.31

\* The table gives the information about movement of Onerous contract  
Provision for Onerous Contract

	As at 31 March 2022	As at 31 March 2021
At the beginning of the year	101.30	-
Arising during the year	-	101.30
Utilised	-	-
Unused amount reversed	(101.30)	-
At the end of the year	-	101.30

\*\* The table gives the information about movement of the provision :  
Provision for litigations (Refer note 40)

	As at 31 March 2022	As at 31 March 2021
At the beginning of the year	28.05	28.05
Created during the year	-	-
Utilised during the year	-	-
At the end of the year	28.05	28.05

19 Net Employee defined benefit liabilities

	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022
Provision for gratuity (Refer Note 35)	2,309.38	1,983.48	1,701.51	500.00
Provision for gratuity - reimbursement employees (Refer Note 35)	1,973.59	1,342.84	1,189.57	944.17
				200.00
	4,282.97	3,326.30	2,891.08	1,444.17

20 Liabilities for current tax (net)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Provision for income taxes (net of advance income taxes)	91.43	91.43	91.43
	91.43	91.43	91.43

21 Borrowings

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Cash credit from banks (secured) *	37.57	447.07	41.64
Working capital loan (secured) **	5,720.04	790.55	8,138.99
	5,757.61	1,247.60	8,180.63

\* The Company has taken cash credit having interest rate ranging from 7% to 13.75% p.a. These facilities are repayable on demand and are secured primarily by way of pari passu first charge on the entire current assets of the Company on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Company both present and future of the Company and personal guarantee of the Managing Director.

\*\* The Company has taken working capital loan from banks having interest rate ranging from 4.46% to 7.00% p.a. These facilities are repayable within 28 - 87 days and are secured primarily by way of pari passu first charge on the entire current assets of the Company on both present and future and collateral by way of pari passu first charge on the entire movable assets of the Company and personal guarantee of the Managing Director.



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**Borrowings secured against current assets**

Quarterly statement Period	Name of the Bank	Account	Amount as per books of accounts	Amount as reported in the quarterly statement	Difference	Reasons for material discrepancies
30-Jun-21	Refer Note 1 (below)	Debtor	17,378.48	24,343.85	-6,765.37	Refer Note 2 (below)
30-Sep-21		Debtor	27,900.89	27,827.58	73.31	
31-Dec-21		Debtor	22,862.28	29,901.60	-7,039.32	
31-Mar-22		Debtor	17,444.89	28,494.35	-11,049.46	
30-Jun-21		Creditor	2,294.23	1,000.00	694.23	
30-Sep-21		Creditor	1,350.63	1,000.00	-249.37	
31-Dec-21		Creditor	1,912.23	1,600.00	312.23	
31-Mar-22		Creditor	2,483.83	1,600.00	883.83	
30-Jun-21		Sales	25,956.20	24,803.00	503.20	
30-Sep-21		Sales	41,138.68	51,003.38	-125.30	
31-Dec-21		Sales	78,617.15	77,792.11	825.04	
31-Mar-22		Sales	1,07,067.27	1,00,227.00	880.27	
30-Jun-21		Purchases	1,620.75	1,350.00	270.75	
30-Sep-21		Purchases	5,629.84	2,600.00	1,029.84	
31-Dec-21		Purchases	5,462.72	3,200.00	2,262.72	
31-Mar-22		Purchases	8,220.29	3,200.00	5,020.29	
30-Jun-21		Borrowing	5,649.80	1,941.00	1,798.80	
30-Sep-21		Borrowing	9,530.34	952.70	8,577.44	
31-Dec-21		Borrowing	9,403.39	940.40	8,462.99	
31-Mar-22		Borrowing	5,700.00	570.00	5,130.00	

**Note**

1. The Company has submitted the above quarterly statements to HDFC Bank, ICICI Bank, SBI Bank, Citibank, DBS Bank and Kotak Mahindra Bank.  
 2. The discrepancy in respect of borrowings outstanding reported for the quarter ending September 30, 2021, December 30, 2021 and March 31, 2022, was attributable to clerical errors while the discrepancies in respect of debtors, creditors, sales for the period, purchases for the period for all the quarters and borrowings for quarter ending June 30, 2021 were attributable to the Company's financial closure process being not fully completed at the time of filing quarterly statements. The Company has subsequent to year end, re-submitted the above statements to the respective bank during December 2022.

**22 Trade Payables**

(At Amortised Cost)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Total outstanding dues of micro enterprises and small enterprises (refer note 38 for details of dues to micro and small enterprises)	206.93	136.38	90.44
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,989.11	1,967.06	1,999.76
	<b>2,196.04</b>	<b>2,103.64</b>	<b>2,090.20</b>
Dues to Related Party (Refer note 42)	725.14	654.37	780.49
Dues to other than micro enterprises and small enterprises	1,470.90	1,449.27	1,309.71
	<b>2,196.04</b>	<b>2,103.64</b>	<b>2,090.20</b>

**Trade payables Ageing Schedule As at 31 March 2022**

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	28.90	140.35	21.75	12.69	7.18	206.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	611.23	427.92	67.80	50.01	77.04	1,334.00
Disputed dues of micro enterprises and small enterprises	-	-	-	-	3.70	3.70
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	64.98	64.98
<b>Total</b>	<b>636.19</b>	<b>568.27</b>	<b>89.55</b>	<b>62.70</b>	<b>152.90</b>	<b>1,589.61</b>

**Unbilled Trade payables Ageing Schedule**

As at 31 March 2022

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	171.88	20.94	-	-	-	192.82
Total outstanding dues of creditors other than micro enterprises and small enterprises	488.83	4.79	-	-	-	493.62
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>660.71</b>	<b>25.73</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>686.44</b>



Trade payables Ageing Schedule As at 31 March 2021

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	76.35	21.49	31.04	4.91	2.78	136.58
Total outstanding dues of creditors other than micro enterprises and small enterprises	496.83	465.09	86.20	88.35	209.85	1,346.32
Disputed dues of micro enterprises and small enterprises	-	-	-	-	3.79	3.79
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	116.30	116.30
<b>Total</b>	<b>573.18</b>	<b>486.58</b>	<b>117.24</b>	<b>93.27</b>	<b>332.63</b>	<b>1,500.90</b>

Unbilled Trade payables Ageing Schedule  
As at 31 March 2021

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	2.39	20.95	-	-	-	23.34
Total outstanding dues of creditors other than micro enterprises and small enterprises	278.32	1.08	-	-	-	279.40
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>280.71</b>	<b>22.03</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>302.74</b>

23. Other financial liabilities

(At Amortised Cost)	Non-current		Current		As at 1 April 2020
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	
Capital creditors	-	-	197.24	35.98	31.25
Capital creditors to related parties	-	-	62.64	84.95	84.11
Capital creditors to MSME	-	-	27.91	-	-
Employee benefits payable	-	-	7,117.66	6,438.97	6,028.19
Bonus payable	-	-	3,151.09	2,963.71	2,744.22
Director fees payable	-	-	5.40	-	10.80
Liability payable to promoters of acquired subsidiary*	-	844.83	1,363.51	717.10	256.02
Put Option Liability (Refer Note 5(a))	1,232.00	-	-	-	-
	<b>1,232.00</b>	<b>844.83</b>	<b>12,030.25</b>	<b>10,251.71</b>	<b>9,154.59</b>

\* Liability payable to promoters of acquired subsidiary

During the year ended March 31, 2020 the Company has acquired 75% stake in Matrix Business Services India Private Limited at an agreed price of INR 3,915.91 lakhs from the promoters of Matrix and 76% stake in Washroom Hygiene Solutions Private Limited at an agreed price of INR 1,520.09 lakhs. As per the Shareholder's Agreement between Company, these two companies and its erstwhile promoters, the Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Accordingly, the Company has recognised a Liability payable to promoters of acquired subsidiary for the present value of such future obligation based on a best estimate available with the management. Consequently, such amounts have also been recorded as an investment as at March 31, 2020 (Refer Note 5).

The Company has reassessed the Liability payable to promoters of acquired subsidiary during the year ended March 31, 2021 based on the actual results available (applying the agreed methodology) and accordingly reversed an amount of Rs. 197.35 Lakhs as the same is no longer required to be paid (Refer Note 26).

The Company reassessed the Liability payable to promoters of acquired subsidiary (Matrix Business Services India Private Limited) under the terms of the relevant share purchase agreement during the year ended March 31, 2022 based on the actual results available (applying the agreed methodology) as fair value change. Subsequent to year end but before approval of the Company's financial statements for the year ended March 31, 2022, the Company's subsidiary, Matrix Business Services India Private Limited ("Matrix") announced a scheme for buy-back of its shares pursuant to which the erstwhile promoters of Matrix tendered a portion of their outstanding shares under the said buy-back scheme. Accordingly, the Company has considered this in determining the liability payable to promoters of Matrix as at March 31, 2022 and has written back a net liability no longer required amounting to Rs. 189.40 lakhs under other Income under Statement of Profit and Loss. (Refer Note 26)

24. Other current liabilities

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Advance from customers	439.93	758.91	71.23
Statutory dues and related liabilities	3,710.33	3,235.33	3,859.71
Other current liabilities	361.46	-	-
	<b>4,511.72</b>	<b>3,994.24</b>	<b>3,931.04</b>



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25 Revenue from contracts with customers	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)**
Sale of services	1,07,067.27	1,00,516.51
	<u>1,07,067.27</u>	<u>1,00,516.51</u>
<b>Disaggregated revenue information</b>		
<b>Type of services</b>		
Facility Management Services (including materials sales as part of compounding service)	1,05,414.32	1,00,027.30
Catering Services	224.76	144.07
Others Services	4,144.26	1,905.05
<b>Total revenue from contracts with customers</b>	<u>1,09,783.34</u>	<u>1,02,076.42</u>
<b>Timing of revenue recognition</b>		
Services transferred over time	1,09,783.34	1,02,076.42
	<u>1,09,783.34</u>	<u>1,02,076.42</u>
<b>Contract Balances</b>		
Trade receivables including unbilled revenue (Refer Note 11)	23,646.30	20,612.55
Contract Assets (Refer Note 10)	5,026.43	4,400.21
<b>Contract Liabilities</b>		
Advance from customers	439.93	758.91
<b>Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:</b>		
Revenue as per contracted price	1,09,783.34	1,02,076.42
Adjustments:		
- Estimated price concessions**	(2,716.07)	(1,559.91)
	<u>1,07,067.27</u>	<u>1,00,516.51</u>
 *Restated (Refer Note 2.1 & Note 50)		
**The table gives the information about movement of the Estimated price concessions		
At the beginning of the period	2,153.15	1,887.71
Created during the period	2,716.07	1,559.91
Utilised during the period	(1,623.66)	(1,294.47)
<b>At the end of the period</b>	<u>3,245.56</u>	<u>2,153.15</u>

26 Other income	Year ended 31 March 2022	Year ended 31 March 2021
Profit on sale of property, plant and equipment	3.17	15.32
Provision/Liability no longer required written back	304.57	86.62
Liability payable to promoters of acquired subsidiary no longer required written back *	189.39	197.35
Fair value gain on Financial Assets at FVTPL	16.79	38.97
Gain on buy back of Company's Investments in Subsidiary [Refer note 5(d)]	224.96	-
Bad debts recovery	35.91	-
Other non-operating income	0.41	0.80
	<u>775.30</u>	<u>339.06</u>

\* Liability payable to promoters of acquired subsidiary no longer required written back

During the year ended March 31, 2020, the Company has entered the Shareholder's Agreement with the two companies (Matrix Business Services India Private Limited & Washroom Hygiene Solutions Private Limited "WHC") and its erstwhile promoters, the Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Accordingly, the Company has recognised a liability payable to promoters of acquired subsidiary for the present value of such future obligation based on a best estimate available with the management amounting to Rs. 1,619.53.

The Company has reassessed the Liability payable to promoters of Matrix Business Services India Private Limited during the year ended March 31, 2022 based on the actual results available (applying the agreed methodology) and accordingly reversed an amount of Rs. 189.39 Lakhs. Refer note 23.





Updater Services Limited (Formerly known as Updater Services Private Limited)  
Notes to standalone financial statements for the year ended March 31, 2022  
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

27 Finance income	Year ended	
	31 March 2022	31 March 2021
Interest income - Bank deposits	182.12	68.81
Interest Income on Loans to related party	113.61	87.85
Interest income on income tax refund	312.16	1.47
	<u>607.89</u>	<u>158.13</u>
28 Employee benefits expense	Year ended	
	31 March 2022	31 March 2021
Salaries and wages*	82,943.47	79,178.96
Contribution to provident and other fund (Refer note 35)	9,676.33	9,084.11
Less: Income from government grants <sup>1</sup>	(98.48)	(319.46)
Gratuity expense (Refer note 35)	567.38	519.17
Staff welfare expenses	300.68	342.40
Employee stock option expenses (Refer note 27)	23.14	14.89
	<u>93,311.52</u>	<u>88,820.07</u>

\*The Company is availing of benefits under a government scheme - Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) wherein the Central Government is paying the employer's contribution towards Employee Pension Scheme / Provident Fund in respect of new employees (joined till March 2019) meeting specified criteria.

\* The Company during the previous year for the lockdown period (March 25, 2020 to May 17, 2020), adopted the principle of "No work, No pay", in case of workers working on essential services projects, where certain employees have opted to take voluntary leave. Furthermore, in relation to certain employees working for projects involving non-essential services, the Company had verbal consensus/understanding for non / part payment of wages depending on the extent of work performed and amounts recovered from the customers. The Company has evaluated the impact of legal provisions in this regard including the requirements of the Ministry of Home Affairs (MHA) order dated March 29, 2020 as well as obtained an external legal opinion basis which the management considers that the position taken by the Company is legally tenable and accordingly no additional provision has been made in this regard in the books of records. No claims have been received as on date in this regard from any of the employees concerned.

29 Finance costs	Year ended	
	31 March 2022	31 March 2021
Interest on borrowings	440.16	237.34
Unwinding of discount on Liability payable to promoters of acquired subsidiary	281.96	387.51
Interest on lease liabilities	5.51	9.61
	<u>727.63</u>	<u>634.46</u>
30 Depreciation and amortization expense	Year ended	
	31 March 2022	31 March 2021
Depreciation of property, plant & equipment (Refer note 3)	541.21	574.25
Amortization of intangible assets (Refer note 4A)	0.55	3.84
Depreciation of Right-of-use assets (Refer note 36)	23.39	1.43
	<u>565.15</u>	<u>579.52</u>
31 Impairment losses on financial instrument and contract assets	Year ended	
	31 March 2022	31 March 2021 (Restated)*
Impairment on loans to related parties	370.35	110.51
Impairment on other advance	16.32	1.02
Impairment for doubtful trade receivables	376.54	306.69
Provision for doubtful unbilled revenue	45.65	59.83
	<u>808.86</u>	<u>478.05</u>

\*Restated (Refer Note 2.1 & Note 30)



32 Other expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Site maintenance expenses	3,819.12	3,348.99
Cleaning materials and consumables	2,454.67	2,370.92
Canteen materials	212.14	95.82
Travelling and conveyance	369.11	212.02
Rent	340.62	316.52
Legal and professional fees	451.75	130.61
Training expenses	396.15	105.64
Repairs and maintenance - others	248.36	200.83
Communication expenses	94.30	90.56
Rates and taxes	415.44	39.67
Bad debts written off	6.69	-
CSR expenditure ***	69.11	67.53
Printing and stationery	61.18	49.44
Provision for Onerous Contract	-	101.30
Power and fuel	48.99	42.09
Payment to auditor ***	99.25	35.76
Director sitting fees	21.00	-
Loss on Scrapping of Property, Plant and Equipment	88.56	-
Advances written off	24.91	9.99
Fair value changes in Liability paid to promoters of acquired subsidiary*	120.00	-
Exchange differences (net)	1.68	0.98
Miscellaneous expenses	36.03	112.32
	<b>9,363.87</b>	<b>7,336.99</b>

\*The Company has reassessed the Liability payable to promoters of Global Flight Handling Services Private Limited during the year ended March 31, 2022 based on the actual results available (applying the agreed methodology) and accordingly accounted Rs. 120 lakhs (Paid) as Fair value changes in Liability payable to promoters of acquired subsidiary during the year

	Year ended 31 March 2022	Year ended 31 March 2021
*** Payment to auditors		
As auditors		
Audit fees	60.00	33.50
In other capacity		
Other services	39.25	0.60
Reimbursement of expenses	-	1.07
	<b>99.25</b>	<b>35.17</b>

\*\*\* Details of CSR expenditure

Consequent to the requirements of Section 135 and Schedule VII of the Companies Act, 2013, the Company is required to contribute 2% of its average net profits during the immediately three preceding financial years in pursuance of its Corporate Social Responsibility Policy.

	Year ended 31 March 2022	Year ended 31 March 2021	
a) Gross amount required to be spent by the company during the period	69.11	67.53	
b) Amount approved by the Board to be spent during the period	69.11	67.53	
c) Amount spent during the period ending on 31 March 2022	In Cash	Yet to be Paid In Cash	Total
(i) Construction/acquisition of any asset	69.11	-	69.11
(ii) On purposes other than (i) above	-	-	-
d) Amount spent during the period ending on 31 March 2021	In Cash	Yet to be Paid In Cash	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	67.53	-	67.53



33 Income tax expense

The major components of income tax expense are

Profit and Loss Section

Current Income tax:

Current income tax charge

Tax related to earlier years

Deferred tax:

Relating to origination and reversal of temporary differences

Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
545.13	767.37
(155.87)	38.09
(409.87)	(718.19)
(20.61)	87.27

Other Comprehensive income (OCI) Section

Deferred tax related to items recognised in OCI during the year:

Re-measurement gains and (losses) on defined benefit obligations (net)

Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
58.13	(26.57)
58.13	(26.57)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Accounting Profit before income tax

Enacted tax rate in India

Profit before income tax multiplied by enacted tax rate

Affects of:

Adjustment in respect of tax related to earlier years

Additional deduction under Income Tax based on employment generation

Liability payable to promoters of acquired subsidiary re-measurement

Others

Net effective income tax

Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
3,673.33	3,170.61
25.17%	25.17%
924.58	797.98
(155.87)	38.09
(705.04)	(817.44)
53.50	47.86
(137.57)	20.78
(20.61)	87.27

Deferred tax

Deferred tax relates to the following:

Difference between books balance and Tax balance of Property, plant and equipment

Impairment for doubtful advances and Loan

Impairment for doubtful debts and estimated price concession

Provision for gratuity

Provision for compensated absences

Expenses allowable on payment basis

Others

Ind AS 116 - Lease Adjustments

Net Deferred assets/(liabilities)

Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
19.66	38.30
69.34	35.24
161.22	349.93
101.69	170.51
(25.97)	32.87
46.66	55.74
59.18	25.49
36.21	(16.46)
467.99	691.62

Reconciliation of deferred tax liabilities(net)

Opening balance of 1st April

Tax Income/(Expenses) during the period recognised in profit or loss

Tax Income/(Expenses) during the period recognised in OCI

Closing Balance

Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
3,371.29	2,679.67
409.87	718.19
58.13	(26.57)
3,839.29	3,371.29

\*Restated (Refer Note 2.1 & Note 50)





34 Earnings per equity share

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares

The following reflects the profit and share data used in the basic and diluted EPS

	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
Profit attributable to equity holders of the Company for basic earnings	3,693.94	3,083.34
Profit attributable to equity holders of the Company adjusted for the effect of dilution	3,693.94	3,083.34
Weighted average number of Equity shares for basic EPS	5,28,17,479	5,28,17,479
Effect of dilution:		
Employee Stock Options	3,63,033	3,48,114
Weighted average number of Equity shares adjusted for the effect of dilution	5,31,80,512	5,31,65,593
Earning per share of Rs. 10 each		
- Basic	6.99	5.84
- Diluted	6.95	5.80

\*Restated (Refer Note 2.1 & Note 50)



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35 Disclosure pursuant to Ind AS 19 "Employee benefits":

(i) Defined contribution plan:

The Company provident fund are the defined contribution plan. An amount of ₹ 9,675.71 Lakhs being contribution made to recognised provident fund is recognised as expense for the year ended 31 March 2022 (31 March 2021 (audited): ₹ 9,084.11 Lakhs) and included under Employee benefit expense (Note 28) in the Statement of Profit and loss.

(ii) Defined benefit plans:

A. Gratuity (Regular)

The Company has defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed 4 years and 240 days of service are eligible for gratuity on departure at 15 days salary (last drawn) for each completed year of service or part thereof in excess of 6 months. The level of benefits provided depends on the member's length of service and salary at retirement.

The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan.

(a) The amounts recognised in Balance Sheet are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of Defined Benefit Obligation	2,896.05	2,246.80
Fair value of plan assets	(86.67)	(63.34)
<b>Net Liability or asset</b>	<b>2,809.38</b>	<b>2,183.46</b>
Current	500.00	200.00
Non - Current	2,309.38	1,983.46

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Service cost :		
Current service cost	472.58	428.18
Net interest cost :		
Interest Expense on Defined Benefit Obligation	98.09	94.11
Interest Income on Plan Assets	(3.29)	(3.12)
<b>Total included in 'Employee Benefit Expense'</b>	<b>567.38</b>	<b>519.17</b>

(c) Remeasurement recognized in other comprehensive income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Components of actuarial (gain)/ losses on obligations		
Due to change in financial assumptions	19.98	(68.31)
Due to change in demographic assumption	74.20	43.79
Due to experience adjustments	137.78	(80.47)
Return on plan assets	(0.99)	(0.59)
	<b>230.97</b>	<b>(105.58)</b>

(d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Opening defined benefit obligation	2,246.80	1,800.32
Current service cost	472.58	428.19
Interest cost	98.09	94.11
Actuarial losses/(gains)		
Due to change in financial assumptions	19.98	(68.31)
Due to change in demographic assumption	74.20	43.79
Due to experience adjustments	137.78	(80.47)
Benefit Paid	(153.29)	(60.83)
<b>Closing balance of the present value of defined benefit obligation</b>	<b>2,896.14</b>	<b>2,246.80</b>

(e) The changes in the present value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Opening plan assets	63.34	63.81
Expected return on plan assets	3.29	3.12
Contributions	172.34	56.64
Benefits paid and charges deducted	(153.29)	(60.83)
Actuarial gain/ (loss) on plan assets	0.99	0.59
<b>Closing balance of the present value of plan assets</b>	<b>86.67</b>	<b>63.33</b>



35 Disclosure pursuant to Ind AS 19 "Employee benefits" (Continued)

(f) Reconciliation of Net Liability / (Asset)

Particulars

	As at 31 March 2022	As at 31 March 2021
Net Liability / (Asset) at the beginning of the period	2,182.46	1,826.50
Defined Benefit cost included in the Profit / Loss	567.29	519.18
Defined Benefit cost included in Other Comprehensive Income	230.56	(105.38)
Benefit Paid	(172.34)	(56.65)
Net Liability / (Asset) at the end of the period	2,809.37	2,183.45

(g) Principal actuarial assumptions at the Balance Sheet date:

Particulars

	As at 31 March 2022	As at 31 March 2021
1) Discount rate	5.15%	4.52%
2) Salary growth rate	6.45% to 7.10%	3.5% to 6.9%
3) Attrition rate	26.76% to 42.98%	29.79% to 46.28%
4) Retirement age	58	58
5) Maturity tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

(h) A quantitative sensitivity analysis for significant assumptions are as follows

	As at 31 March 2022		As at 31 March 2021	
	Change	Obligation	Change	Obligation
(i) Discount rate	-BP50	2,861.98	-BP50	2,222.78
	+BP50	2,931.03	+BP50	2,271.38
(ii) Salary growth rate	+BP50	2,936.57	+BP50	2,276.06
	-BP50	2,856.18	-BP50	2,217.96

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

(i) Expected cashflows based on past service liability

Particulars

	As at 31 March 2022	As at 31 March 2021
Year 1	900.76	737.73
Year 2	705.10	582.92
Year 3	526.84	414.78
Year 4	390.14	289.36
Year 5	280.33	192.42
Next 5 years	441.00	255.07

(j) The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars

	As at 31 March 2022	As at 31 March 2021
Investment Details		
Others	86.67	63.34
	86.67	63.34

B. Gratuity (Reimbursement from clients)

The Company has recognised gratuity liability and reimbursement right in respect of associate employees in accordance with Ind AS 19. The following table summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

(a) Net defined benefit liability

Particulars

	As at 31 March 2022	As at 31 March 2021
Present value of Defined Benefit Obligation	2,917.76	2,052.71
Net Liability	2,917.76	2,052.71
Current	944.17	910.02
Non - Current	1,973.59	1,142.84

(b) Net benefit cost (refer note below)

Particulars

	Year ended 31 March 2022	Year ended 31 March 2021
Service cost :		
Current service cost	290.10	428.45
Net actuarial (gain) / loss recognised in the period	834.82	(541.45)
Interest cost on defined benefit obligation	82.78	106.01
	1,207.70	(6.99)





**Notes:**

The employee benefits expenses towards gratuity and related reimbursement right for associate employees for year ended March 31, 2022 ₹ 1307.70 Lakhs [March 31, 2021 - ₹ 6.99 Lakhs] have been netted off in the Statement of Profit and Loss.

(c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31 March 2022	As at March 31, 2021
Opening defined benefit obligation	2,052.70	2,130.56
Current service cost	390.10	428.45
Interest cost	82.78	106.01
Actuarial losses/(gains)		
Due to change in financial assumptions	(28.77)	(143.15)
Due to change in demographic assumption	138.96	23.93
Due to experience adjustments	724.63	(420.23)
Benefit Paid	(442.65)	(70.87)
Closing balance of the present value of defined benefit obligation	2,917.75	2,052.70

(d) The changes in the present value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31 March 2022	As at March 31, 2021
Opening plan assets	-	-
Expected return on plan assets	-	-
Contributions	442.65	70.87
Benefits paid and charges deducted	(442.65)	(70.87)
Actuarial gain/ (loss) on plan assets	-	-
Closing balance of the present value of plan assets	-	-

(e) Principal actuarial assumptions used in determining the gratuity obligations are shown below

Particulars	As at 31 March 2022	As at March 31, 2021
1) Discount rate	5.15%	4.52%
2) Salary growth rate (duration based)	7.44%	7.24%
3) Attrition rate (age based)	39.85% at all ages	44.70% at all ages
4) Retirement age (years)	58	58.00
5) Mortality tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

(f) A quantitative sensitivity analysis for significant assumptions are as follows:

A quantitative sensitivity analysis for significant assumptions on defined benefit obligation as at March 31, 2022 and March 31, 2021 are as shown below:

	As at 31 March 2022		As at March 31, 2021	
	Change	Obligation	Change	Obligation
(i) Discount rate	+BP50	2,882.45	+BP50	2,031.14
	-BP50	2,954.00	-BP50	2,074.79
(ii) Salary growth rate	+BP50	2,959.83	+BP50	2,078.91
	-BP50	2,876.40	-BP50	2,026.88

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

(g) Expected cashflows based on past service liability

Particulars	As at 31 March 2022	As at March 31, 2021
Year 1	819.52	714.31
Year 2	728.80	494.77
Year 3	555.42	382.68
Year 4	416.65	263.13
Year 5	296.87	173.72
Next 5 years	471.45	228.40



### 36 Leases

The Company has lease contracts for building used in its operations. Leases of building generally have lease terms between 2 and 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The Company also has certain leases of machinery with lease terms of 12 months. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Particulars	Building
As at April 01, 2020	1.44
Additions	-
Depreciation expense	(1.43)
As at March 31, 2021	0.01
Additions	30.87
Depreciation expense	(23.39)
As at March 31, 2022	7.49

Set out below are the carrying amounts of lease liabilities (included under financial liabilities) and the movements during the period:

Particulars	As at 31 March 2022	As at March 31, 2021
Opening balance	65.55	132.39
Additions	30.87	-
Accretion of interest	5.51	9.61
Payments	(55.63)	(26.45)
Closing balance	46.30	65.55
Current	38.45	41.32
Non-current	7.85	24.23

The maturity analysis of lease liabilities are disclosed in Note 46 (Financial risk management objectives and policies).  
The effective interest rate for lease liabilities is 8.84%, with maturity between 2022-2024.

The following are the amounts recognised in profit or loss:

Particulars	As at 31 March 2022	As at March 31, 2021
Depreciation expense of right-of-use assets	23.39	1.43
Interest expense on lease liabilities	5.51	9.61
Expense relating to short-term leases (included in other expenses)	340.63	316.52
Interest income on Right of use assets	-	-
Total amount recognised in profit or loss	369.53	327.56

The Company had total cash outflows for leases of ₹ 55.63 lakhs in March 31, 2022 (₹ 76.45 lakhs in March 31, 2021).

### 37 Share-based payments

#### Employee Share-option Plan

On April 17, 2019, 'Updater Employee Stock Option Plan' 2019 ("ESOP 2019") has been approved by the Board of Directors and also has been approved by Extra-Ordinary General Meeting of the members of the Company. The purpose of the ESOP 2019 is to reward the critical employees for their association, dedication and contribution to the goals of the Company. The options issued under the plan has a term of 1-3 years as provided in the stock grant agreement and vest based on the terms of individual grants. When exercisable, each option is convertible into one equity share.

The expense recognised (net of reversal) for share options during the year is ₹ 23.14 lakhs (Mar 31, 2021): ₹ 14.89 lakhs. There are no cancellations or modifications to the awards for the year ended March 31, 2022.

#### Tranche I (A)

The Company has granted certain options during the previous year to the employees based on past performance of such employees and vesting condition being continued employment with the Company as on date of vesting. (April 17, 2020)

#### Tranche I (B), II and III

The Company has granted certain options during the previous year with future performance of the Company as criteria which has been defined based on a matrix as per the ESOP 2019 (for Tranche I (B), II and III). During the year, the Company has modified the vesting conditions (other than market condition) stipulated with respect to the options granted already pursuant to the Updater Employee Stock Option Plan 2019 (25-Sep-2020 & 25-Sep-2021) in a manner which is beneficial to employees. The performance criteria stipulated in the Grant letter issued to the employees was revised according to the actual performance achieved for the Financial Years 2019-20 and 2020-21 and consequently, the options granted to the eligible employees are vested with immediate effect. Accordingly, the ESOP reserve is created based on the revised plan. Further, management has considered future projections and related changes in determining the number of options expected to be vested and has accounted for the ESOP reserve accordingly.



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37 Share-based payments (Continued)

A. Details of ESOP 2019

Name of the scheme - ESOP 2019	Tranche - I (A)	Tranche - I (B)	Tranche - II	Tranche - III
Date of grant	17-04-2019	17-04-2019	18-10-2019	10-01-2020
Number granted	4,06,772	5,21,235	1,44,788	77,220
Exercise price (in INR)	10	111	111	111
Vesting period	1 year	1 - 3 years	1 - 3 years	1 - 3 years
Vesting condition	100% on April 17, 2020	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022	25% on September 30, 2020 25% on September 30, 2021 50% on September 30, 2022

B. Movement in the options granted to employees

Particulars	Number of options		Weighted Average Exercise Price	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Outstanding at the beginning of the period	8,33,895	10,53,490	61.73	72.60
Options granted during the period	-	-	-	-
Options exercised during the period	-	-	-	-
Options forfeited during the year	-	-	-	-
Options expired during the period	(1,71,332)	(2,19,995)	111.00	111.00
Outstanding at the end of the period	6,62,563	8,33,895	48.99	61.73
Exercisable at the end of the period	-	-	-	-

The range of exercise prices for options outstanding at the end of the period was Rs. 10 to Rs. 111 (March 31, 2021: Rs. 10 to Rs. 111)

The weighted average remaining contractual life for the share options outstanding as at March 31, 2022 is 0.50 years (March 31, 2021: 1.5 years).

C. Fair value of options granted

The Black-Scholes valuation model has been used for computing the weighted average fair value considering following inputs:

Particulars	As at 31 March 2022	As at March 31, 2021
Exercise price		
Expected volatility		
Expected dividend yield (%)	No Option have been granted during the period	No Option have been granted during the period
Risk free interest rates		
Expected life of the option		
Weighted average share price		
Fair Value of the Option		

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

38 Details of dues to micro enterprises and small enterprises

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2022 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company:

Particulars	As at 31 March 2022	As at March 31, 2021
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period		
Principal amount due to micro enterprises and small enterprises	173.11	93.65
Interest due on above	10.30	7.02
(b) Payment made to suppliers (other than interest) beyond the appointed day, during the period	1,158.30	573.26
(c) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(d) Interest due and payable to suppliers under MSMED Act, for payments already made	26.21	13.40
(e) Interest accrued and remaining unpaid at the end of the period to suppliers under MSMED Act	61.16	45.13





### 39 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. 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 monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	As at 31 March 2022	As at March 31, 2021
Current borrowings	5,757.61	1,147.60
Lease Liabilities	46.30	65.55
Less: cash and cash equivalents	(216.32)	(2,116.19)
<b>Net debt</b>	<b>5,587.59</b>	<b>(903.04)</b>
<b>Total capital</b>	<b>28,838.87</b>	<b>25,294.62</b>
<b>Capital and net debt</b>	<b>34,426.46</b>	<b>24,391.58</b>
<b>Gearing ratio</b>	<b>16.23%</b>	<b>-3.70%</b>

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2022 and year ended 31 March 2021.

### 40 Commitments and Contingencies

Particulars	As at 31 March 2022	As at March 31, 2021
<b>a. Contingent Liabilities</b>		
Income tax*	1,556.05	-
Professional Tax**	56.12	56.12
Others***	13.44	13.44
<b>b. Commitments</b>		
-Estimated amount of contracts remaining to be executed on capital account and not provided for net of capital advances.	693.44	5.42

\* The Company has claimed a deduction u/s 80JAA of the Income tax Act for the AY 2019-20 amounting to Rs. 4,452.99 lakhs. The Company had filed a belated return of income on 24 January 2020 claiming the said deduction (due date for the said AY being 31 October 2019 for the Company). The Company had filed an application with Central Board of Direct Taxes ["CBDT"] on 30 January 2020 to condone the delay in filing the return of income on the grounds that due to unavoidable circumstances there was a delay in finalization of audit and books of accounts leading to delay in filing of return of income. The said application has not been disposed till date.

During the year, the assessment u/s 143(3) of the Income Act has been completed for the said AY disallowing the said claim of the Company on the grounds that the return of income was filed beyond the due date prescribed u/s 139(1) of the Income tax Act. The Company has not filed any appeal against the order u/s 143(3) of the Income Tax Act, 1961 pending disposal of its condonation application and is evaluating its future course of action on this matter in consultation with its advisors. Pending this, based on the facts involved as well as considering the bonafide reasons for delay in filing of the return of income for AY 2019-20 (which has been stated in the condonation application filed with the CBDT), management is confident of a favourable outcome on this matter and hence no provision is considered necessary as on date.

\*\*The Gujarat Panchayats and Municipal Corporations has made claim against the Company for amount Rs. 56.12 Lakhs in respect of Professional Tax. The Company has filed the appeal at Court of Professional Tax Officer and Taluka Development Officer at Sanand and deposited the said amount under Protest and presented same as Balance with Government Authority in the Standalone Financial Statements.

\*\*\*Include claim made against the Company by labour department amounting to Rs. 13.44 Lakhs in respect of minimum wages and currently stay order is granted by High Court of Madras.

### 41 Segment information

The Company is engaged in one business namely providing facility management services & associated services and the operation primarily caters to the domestic market. The Managing director of the company has been identified as being the chief operating decision maker (CODM), he evaluates the company's performance, allocate resources based on the analysis of the various performance indicator of the company as a single unit.

#### Geographic information

The geographical information analyses the Company's revenues 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. The company has only one geographical location based on location of assets.



41 Segment information (Continued)  
Particulars

	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
India	1,06,907.25	1,00,429.05
Outside India	160.02	87.46
Total Revenue as per Profit and Loss Statement	1,07,067.27	1,00,516.51

Non-current operating assets:

	As at 31 March 2022	As at March 31, 2021
India	2,297.16	883.72
Outside India	-	-
	2,297.16	883.72

Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets and intangible assets.

Information about major customers

Revenue from one customer amounting to INR 14,817.00 lakhs (31 March 2021: INR 11,508.97 lakhs), constitutes more than 10% of the total revenue of the Company in the current period.

\*Restated (Refer Note 2.1 & Note 50)

42 Related party disclosures

(A) Names of related parties and nature of relationship are as follows:

Description of Relationship	Name of the related parties
Subsidiary company	Wynwy Technologies Private Limited (Formerly known as Zappy Home Solutions Private Limited) Stanworth Management Private Limited Global Flight Handling Services Private Limited Tangy Supplies and Solutions Private Limited Integrated Technical Staffing and Solutions Private Limited Fusion Foods & Catering Services Private Limited Avon Solutions & Logistics Private Limited Matrix Business Services India Private Limited Washroom Hygiene Concept Private Limited Updater Services (UDS) Foundation Denave India Private Limited
Step Subsidiary company	Denave Europe Limited, UK Denave (M) SDN BHD, Malaysia Denave Poland Sp. z o.o. Global Flight Handling Services (Pune) Private Limited Global Flight Handling Services (Patna) Private Limited Global Flight Handling Services (Raipur) Private Limited Global Flight Handling Services (Vizag) Private Limited Global Flight Handling Services (Surat) Private Limited
Entities under Common Control	Best Security Services Private Limited Tangy Facility Solutions Private Limited Tangirala Infrastructure Development Private Limited Denave Pte Limited, Singapore Updater services Private Limited - Employees group gratuity scheme
Key Management Personnel (KMP)	Mr. T Raghunadana, Director Mrs. T Shanthy, Director (till September 13, 2022) Mr. Jayaram L.B., Company Secretary (from June 29, 2021) Mr. Balaji Swaminathan, Chief Financial Officer Mr. Sanil Renuchand Chandiramani, Director Mr. Amit Choudhary, Director Mr. Shankar Gopalakrishnan, Director Mr. Vijay Dhanuka, Director Mr. Anantabh Jaipuri, Chief Operating Officer (from March 1, 2022) Mr. P.C. Balasubramanian, Director (from September 13, 2022)



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42 Related party disclosures (continued)

(B) Transactions entered during the year

	Year ended 31 March 2022	Year ended 31 March 2021
<b>Materials purchased</b>		
Tangy Supplies & Solutions Private Limited	1,987.34	2,006.27
<b>Purchase of capital goods</b>		
Tangy Supplies & Solutions Private Limited	167.84	168.71
Wynwy Technologies Private Limited (Formerly known as Zappy Home Solutions Private Limited)	-	15.30
<b>Rent expense</b>		
Mr. T. Raghunadana	114.37	109.61
Mrs. T. Shanthy	114.37	109.61
<b>Interest income</b>		
Stanworth Management Private Limited	2.67	14.86
Wynwy Technologies Private Limited	82.68	66.43
Global Flight Handling Services Private Limited	28.26	6.57
<b>Services received</b>		
Best Security Services Private Limited	174.19	148.74
Stanworth Management Private Limited	139.54	227.42
Matrix Business Services India Private Limited	0.44	0.24
Washroom Hygiene Concept Private Limited	12.31	7.30
Avon Solutions and Logistics Private Limited	0.00	0.03
Tangirala Infrastructure Development Private Limited	-	2.34
Integrated Technical Staffing and Solutions Private Limited	20.00	27.73
Denave India Private Limited	25.64	-
<b>Services provided</b>		
Wynwy Technologies Private Limited (Zappy Home Solutions Private Limited)	0.38	-
Updater Services (UDS) Foundation	2.37	3.55
Tangy Supplies & Solutions Private Limited	1.04	0.73
Avon Solutions and Logistics Private Limited	35.68	-
Matrix Business Services India Private Limited	0.26	1.86
Global Flight Handling Services Private Limited	146.58	-
<b>Impairment on loans to related parties</b>		
Global Flight Handling Services Private Limited	-	44.09
Wynwy Technologies Private Limited	370.35	66.43
<b>Reimbursement of Expenses (receivables)</b>		
Stanworth Management Private Limited	1.88	-
<b>Profit on Sale of Investment</b>		
Avon Solutions and Logistics Private Limited	224.96	-
<b>Managerial remuneration</b>		
Mr. T. Raghunadana	192.00	149.60
Mr. Jayaram I. B.	9.02	30.55
Mr. Amitabh Jaipuria	13.65	-
Mr. Balaji Swaminathan	63.10	40.09
<b>Director sitting fees</b>		
Mr. Sunil Rewachand Chandiramani	11.00	-
Mr. Amit Choudhary	10.00	-
Best Security Private Limited	-	1.48
<b>Investment in equity</b>		
Denave India Private Limited	7,531.55	-
<b>Loans given to</b>		
Wynwy Technologies Private Limited	288.74	19.11
Stanworth Management Private Limited	25.00	-
Global Flight Handling Services Private Limited	532.40	36.53





42 Related party disclosures (continued)

(B) Transactions entered during the year

	Year ended 31 March 2022	Year ended 31 March 2021
<b>Security Deposit - Paid / (Refund)</b>		
Mr. T. Raghurandana	-	19.06
Mrs. T. Shanthi, Director	-	19.06
Stanworth Management Private Limited	-	(29.83)
<b>Loan Repayment from</b>		
Wynwy Technologies Private Limited	-	18.46
Stanworth Management Private Limited	51.45	104.37
Integrated Technical Staffing and Solutions Private Limited	-	2.62
<b>Contribution to Gratuity</b>		
Updater Services Private Limited - Employees Company Gratuity Scheme	172.34	184.97
<b>Contribution for CSR expenditure</b>		
Updater Services (UDS) Foundation	-	67.53

(C) Balance outstanding at the end of the year

	As at March 31, 2022	As at 31 March 2021
<b>Investment in Equity</b>		
Tangy Supplies & Solutions Private Limited	10.00	10.00
Avon Solutions and Logistics Private Limited	686.41	796.92
Integrated Technical Staffing and Solutions Private Limited	1.00	1.00
Stanworth Management Private Limited	263.23	263.23
Wynwy Technologies Private Limited	10.00	10.00
Fusion Foods and Catering Private Limited	1,421.99	1,421.93
Global Flight Handling Services Private Limited	11.87	11.87
Updater Services (UDS) Foundation	1.00	1.00
Denave India Private Limited	7,531.55	-
Matrix Business Services India Private Limited	4,880.18	4,880.18
Washroom Hygiene Concept Private Limited	1,880.63	1,880.63

**Security Deposits given to**

Mr. T. Raghurandana	114.37	114.37
Mrs. T. Shanthi	114.37	114.37

**Loan and accrued interest receivable from**

Stanworth Management Private Limited	25.23	51.46
Wynwy Technologies Private Limited (excluding impairments on loan)	1,135.76	763.26
Global Flight Handling Services Private Limited	657.68	97.03

**Interest Received**

Stanworth Management Private Limited	2.45	-
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**Trade Payable**

Tangy Supplies & Solutions Private Limited	632.88	585.84
Best Security Services Private Limited	29.72	14.75
Mr. T. Raghurandana	5.43	-
Mrs. T. Shanthi	5.86	-
Stanworth Management Private Limited	25.10	31.27
Integrated Technical Staffing and Solutions Private Limited	20.00	19.05
Denave India Private Limited	2.78	-
Matrix Business Services India Private Limited	0.39	0.02
Washroom Hygiene Concept Private Limited	2.97	2.54

**Director Fee payable**

Mr. Amit Choudhary	2.70	-
Mr. Sanil Ravachand Chandiramani	2.70	-

**Capital creditors**

Tangy Supplies & Solutions Private Limited	62.64	84.95
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42 Related party disclosures (continued)

(C) Balance outstanding at the end of the year

	As at March 31, 2022	As at 31 March 2021
Trade Receivable		
Targy Supplies & Solutions Private Limited	0.09	0.09
Updater Services (UDS) Foundation	2.71	0.61
Global Flight Handling Services Private Limited	146.58	-
Zappy Home Solutions Private Limited	0.13	-
Avon Solutions And Logistics Private Limited	5.29	-

(D) Compensation to key managerial personnel is follows:

Consideration to key managerial personnel	As at March 31, 2022	As at 31 March 2021
Salaries and other employee benefits* @	277.77	210.24

@The employee stock compensation expenses for the period ended March 31, 2022 and March 31, 2021 include charges of ₹ 1.75 lakhs and ₹ 0.85 Lakhs towards key managerial personnel respectively.

\*The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as these are determined on an actuarial basis for the Company as a whole.

Terms and conditions of transactions with related parties

The sales to and purchases from related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and interest free and settlement occurs in cash. As at period ended March 31, 2022, the company has recorded ₹ 1133.61 lakhs towards impairment of loans and receivables relating to amounts owed by related parties (As at year ended 31 March 2021: ₹ 860.30 Lakhs). 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.

43 Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, 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 periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone 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) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation 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 reporting date. Further details about defined benefit obligations are given in Note 35.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rate of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

b) Revenue Recognition and Estimate related to expected price concession

Revenue Recognition

The performance obligation is satisfied over-time and payment is generally due upon completion of service. There is a single performance obligation for providing the facility management services.

Estimate related to expected price concession

Expected price concessions from customers are based on assumptions relating to risk of credit notes issued. The Company uses judgment in making these assumptions and selecting the inputs to the calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) 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 estimation 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 Black Scholes valuation model has been used by the Management for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 37.

d) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.





#### 43 Significant accounting judgements, estimates and assumptions (Continued)

##### e) Leases - Determining the lease term of contracts with renewal and termination options - Company as a lessee

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 applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

##### f) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

##### g) Determining the lease term of contracts with renewal and termination options - Company as lessee

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 has lease contracts and rental contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if 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 renew or to terminate.

The Company included the renewal period as part of the lease term for leases of Building with shorter non-cancellable period (i.e., three to five years). The renewal periods for leases of building with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Refer to Note 36 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

##### h) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 44 and 45 for further disclosures.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor. (Refer Note 44 for details)

The Company has remeasured the financial liabilities in current year as well as in previous year. Refer note 23.

#### 44 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those the carrying amounts that are reasonable approximations of fair value:

Particulars - Non-Current and Current	Carrying value		Fair value	
	As at March 31, 2022	As at 31 March 2021	As at March 31, 2022	As at 31 March 2021
<b>Financial Assets</b>				
Loans	735.46	95.93	735.46	95.93
Security deposits	600.55	473.74	600.55	473.74
Rental deposits	343.86	332.06	343.86	332.06
	<b>1,679.87</b>	<b>901.73</b>	<b>1,679.87</b>	<b>901.73</b>
<b>Financial Liability</b>				
Liability payable to promoters of acquired subsidiary	877.31	1,561.93	877.31	1,561.93
Put Option Liability	1,232.00	-	1,232.00	-
	<b>2,109.31</b>	<b>1,561.93</b>	<b>2,109.31</b>	<b>1,561.93</b>

The carrying value of above financial assets and liabilities are same as fair value of financial items.

The management assessed that cash and cash equivalents, Bank balances other than cash and cash equivalents, trade receivables including unbilled revenue & contract assets, trade payables, bank overdrafts, other financial assets and Other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Investment are measured at cost.

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





45 Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's asset and liabilities

Particulars	Carrying value		Fair value	
	As at March 31, 2022	As at 31 March 2021	As at March 31, 2022	As at 31 March 2021
<b>Financial assets</b>				
Loan (Level 3)	735.46	95.93	735.46	95.93
Security deposits (Level 3)	600.55	473.74	600.55	473.74
Rental deposits (Level 3)	343.86	332.06	343.86	332.06
	<b>1,679.87</b>	<b>901.73</b>	<b>1,679.87</b>	<b>901.73</b>
Particulars	Carrying value		Fair value	
	As at March 31, 2022	As at 31 March 2021	As at March 31, 2022	As at 31 March 2021
<b>Financial liabilities</b>				
Liability payable to promoters of acquired subsidiary (Level 3)	877.31	1,561.93	877.31	1,561.93
Put Option Liability (Level 3)	1,232.00	-	1,232.00	-
	<b>2,109.31</b>	<b>1,561.93</b>	<b>2,109.31</b>	<b>1,561.93</b>

There have been no transfers between the levels during the period.

Notes

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

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.

Level 3 inputs are unobservable inputs for the asset or liability.

Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2022 and 31 March 2021 are as shown below:

Financial Items	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Rental deposits	DCF	IRR - Incremental borrowing rate from bank	7%-9%	2% (31 March 2021: 2%) increase (decrease) in the borrowing rate would result in increase (decrease) in fair value by INR 3.20 lacs (31 March 2021: INR 6.92 lacs)
Liability payable to promoters of acquired subsidiary	DCF	WACC	20%-30%	5% (31 March 2021: 5%) increase (decrease) in the WACC would result in increase (decrease) in fair value by INR 43.87 lacs (31 March 2021: INR 78.1 lacs)



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#### 46 Financial risk management objectives and policies

The Company's principal financial liabilities is borrowings and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as loan, trade and other receivables, cash and short-term deposits, which arise directly from its operations.

The Company is exposed to credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. The following disclosures summarises the company's exposure to financial risks:

##### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, and equity investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March 2022.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2022 and 31 March 2021 including the effect of hedge accounting.

##### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. 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 Company is exposed to credit risk from its operating activities (primarily trade receivables) and loans receivables.

##### Trade and other receivables

In cases of customers where credit is allowed, the average credit period on such sale of service ranges from 1 day to 90 days. The customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with this assessment and outstanding customer receivables are regularly monitored.

Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Company assesses at each date of statements of financial position whether a financial asset or a Company of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a age wise provision matrix which is prepared considering the historical data for collection of receivables.

As at March 31, 2022

Particulars	Less than 120 days	More than 120 days	Total
ECL & EPC rate	-1.3%	-26.2%	
Estimated total gross carrying amount at default	22,122.14	1,369.30	23,491.44
ECL- simplified approach	(286.57)	(358.36)	(644.93)
Net carrying amount	21,835.57	1,010.94	22,846.51

As at March 31, 2021 (Restated)\*

Particulars	Less than 120 days	More than 120 days	Total
ECL & EPC rate	-1.0%	-29.0%	
Estimated total gross carrying amount at default	22,178.77	2,223.19	24,401.95
ECL- simplified approach	(231.79)	(645.50)	(877.28)
Net carrying amount	21,946.98	1,578.69	23,526.67

\*Restated (Refer Note 2.1 & Note 50)

##### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 28,672.73 Lakhs and ₹ 25,012.76 Lakhs as of March 31, 2022 and March 31, 2021 respectively, being the total of the carrying amount of balances with trade receivables.

##### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company operating activities (when revenue or expense is denominated in a foreign currency). However the net investment in subsidiaries are in Indian rupees, as a result there is no exposure to the risk of changes in foreign exchange rates. Consequently, the Company does not use derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables. The Company has not entered into foreign currency swap / derivative transactions to cover the risk exposure on account of foreign currency transactions.



46 Financial risk management objectives and policies (Continued)

Foreign currency sensitivity

The following tables demonstrate the sensitivity in a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives.

Foreign Currency Risk Management:

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	As at March 31, 2022		As at 31 March 2021	
	Amount in FC	Amount in Rs.	Amount in FC	Amount in Rs.
Trade Receivables - USD	0.67	58.23	0.16	11.93

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. 5% 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 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

USD	Profit and loss		Equity	
	Increased by 5%	Decreased by 5%	Increased by 5%	Decreased by 5%
March 31, 2022	2.56	(2.56)	2.56	(2.56)
March 31, 2021	0.60	(0.60)	0.60	(0.60)

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.

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 rate.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Effect on profit before tax	As at March 31, 2022	As at 31 March 2021
Increase in rate by 2%	(170.71)	(77.82)
Decrease in rate by 2%	170.71	77.82

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company monitors its risk of a shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

All financial liabilities are due within 1 year from the balance sheet date. The existing surplus funds along with the cash generated by the company are sufficient to meet its current obligations.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments.

As at March 31, 2022

Particulars	Within 1 year	1 - 3 years	3 - 5 years	Total
Borrowings	5,757.61	-	-	5,757.61
Trade Payables	2,196.04	-	-	2,196.04
Other financial liabilities	12,039.25	1,232.00	-	13,271.25
Lease Liabilities	38.45	7.85	-	46.30
	20,031.35	1,239.85	-	21,271.20

As at March 31, 2021

Particulars	Within 1 year	1 - 3 years	3 - 5 years	Total
Borrowings	1,147.60	-	-	1,147.60
Trade Payables	2,103.64	-	-	2,103.64
Other financial liabilities	10,254.71	844.83	-	11,099.54
Lease Liabilities	41.32	24.23	-	65.55
	13,547.27	869.06	-	14,416.33





**47 Impact of Covid-19 Pandemic**

The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these standalone financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, the management does not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 on the Company's standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements. The Company will continue to monitor future economic conditions for any significant change.

**48 Code on wages, 2019 and Code on Social Security, 2020**

Parliament has approved the Code on Wages, 2019 and the Code on Social Security, 2020 which govern, and are likely to impact, the contributions by the Company towards certain employee benefits. The government has released draft rules for these Codes and has invited suggestions from stakeholders which are under active consideration by the concerned Ministry. The effective date of these Codes have not yet been notified and the Company will assess the impact of these codes as and when they become effective and will provide for the appropriate impact in its standalone financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**49 Other Statutory Information**

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

(ii) The Company has balance/transactions with the below-mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act,

Name of struck off Company	Nature of transactions with struck-off Company	Balances outstanding		Relationship with the Struck off company, if any, to be disclosed
		As at March 31, 2022	As at March 31, 2021	
Cross Limits Services and Solutions Private Limited	Trade Payables	0.56	0.56	None
Pancyber Infotech Private Limited	Trade Payables	0.27	0.27	None
Wilway Engineering and Construction Private Limited	Trade Payables	0.04	0.04	None
MN Aircon System Private Limited	Trade Payables	-	0.12	None

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v)(a) To the best of the knowledge and belief of the management of the Company, 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 any other person or entity, 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)(b) To the best of its knowledge and belief of the management of the Company, 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 directly or indirectly, lender 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.

(vii) The Company has not 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).



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60 Retrospective restatement : Correction of prior period errors

The company has a manpower supply contract with one of its customers since FY 2018-19. The current term of the contract (including extension) expired in September 2022 and the same has been extended till the appointment of new service provider through tender process or one year whichever occurs earlier.

During earlier years, the customer had made on account payments against the services rendered/ invoices raised by the Company without sharing written payment advice or statement of account with the Company. The Customer had verbally communicated their intent to claim certain penalties/ adjustments from time to time. The internal controls established by the Company were not sufficiently responsive to the unique and complex circumstances associated with this contract, resulting in shortcomings in the Company's processes around timely identification and obtaining additional relevant information in respect of customer claims and assessment of consequent contractual compliances by the Company, certain claims were not considered in the preparation of financial statement for earlier years. Subsequent to March 31, 2022, the Company had initiated additional processes and obtained the cumulative transaction confirmation statement since inception of the contract, based on which the Company identified cumulative adjustments of Rs. 2,351.52 lakhs on account of various claims by the customer, relating to the services rendered by the Company, from inception of the contract till 31 March 2022.

Consequent to and in respect of the foregoing matters, the previously reported amounts in the Ind AS financial statements of the Company for the years ended March 31, 2021 and March 31, 2020, have been restated during the current year, as summarised below. Accordingly, and in line with the requirements of Ind-AS 8, the Company has adjusted the cumulative effect of the adjustments pertaining to the year ended March 31, 2020 and March 31, 2019 in the reserves as at March 31, 2020, and the effect of the adjustments pertaining to the year ended March 31, 2021 have been adjusted in the comparative figures for that year, included in these financial statements.

Sl. No	Particulars	31st March 2021 (Restated)	31st March 2020 (Previously reported)	Effect on Profits/Variance	1st April 2020 (Restated)	1st April 2020 (Previously reported)	Effect on Profits/Variance
<b>Restatements having effect to Profit &amp; Loss (refer following table below)</b>							
A	Revenue from contracts with customers	1,50,516.51	90,871.84	644.67	1,08,471.55	1,09,379.05	(907.48)
B	Impairment for doubtful trade receivables	308.69	220.74	(85.95)	419.03	255.68	(163.35)
C	Total Effect on Profit before tax			558.72			(1,070.83)
D	Deferred tax charge / (credit)	(718.19)	(828.31)	(140.02)	(73.45)	180.88	254.33
E	Total effect on Profit after tax			418.10			(816.50)
<b>Restatements having effect to Balance Sheet</b>							
F	Opening Retained earnings	10,708.22	11,625.72	(917.50)	8,635.72	8,736.72	(101.00)
G	Trade receivables including unbilled revenue and Contract Assets	25,012.76	25,680.11	(667.35)	32,283.08	33,509.15	(1,226.07)
H	Deferred tax asset	3,373.29	3,203.33	167.96	2,679.67	2,371.09	308.58
I+E	Profit after Tax	3,003.34	3,665.24	418.10	2,437.37	3,253.87	(816.50)
J+E	Total Comprehensive Income	3,162.35	3,744.35	418.10	2,286.39	3,102.89	(816.50)
K	Earnings per share (Rs)	5.84	5.05	0.79	4.61	6.16	(1.55)
L	Diluted earnings per share (Rs)	5.80	5.01	0.79	4.58	6.12	(1.54)

Particulars	FY 2018-19	FY 2019-20	FY 2020-21
Gross Deductions / Penalties identified (including GST but excluding GST on credit note issued)	155.25	1,070.83	1,125.44
Amounts originally reported in the respective years' financial statements*	-	-	1,094.16
Balance (Shortfall)	(155.25)	(1,070.83)	558.72

\*Includes specific receivable provision of Rs 1,476.38 lakhs and Expected credit loss of Rs 207.78 lakhs provided against the respective customer balances.

The correction of the error had no impact on previously reported cash flows from operating, investing and financing activities.

51 The Company had availed of GST credits aggregating to Rs 361.46 lakhs arising from the credit notes issued to certain customers, which have also been since utilized against discharge of output GST obligations of the Company, based on management's assessment and as supported by legal advice taken. However, having regard to the facts of the case as well as possible interpretation issues in this regard, and pending final assessment, the Company out of abundance of caution has recognized a provision of Rs 361.46 lakhs in the financial statements, without prejudice to its rights under the applicable law.



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52. Ratio Analysis and its elements

Ratio	As on 31st March, 2022	As on 31st March, 2021 (Restated)*	% variance	Reason for Variance
a) Current ratio	1.13	1.40	-24%	
b) Return on equity ratio	0.16	0.16	1%	
c) Trade receivables turnover ratio	3.99	3.51	14%	
d) Trade payables turnover ratio	3.64	3.24	12%	
e) Net capital turnover ratio	12.23	10.31		The Company has availed Working capital loan from Bank which is outstanding as on March 31, 2022 amounting to Rs. 107% 4,573 lakhs and repaid subsequently in Apr-22. However in the previous year significant loan amount has been paid off before March 31, 2021 leading to variance in the current year.
f) Net profit ratio	0.03	0.03	3%	
g) Return on capital employed	0.12	0.14	-12%	
h) Debt-equity ratio	0.20	0.05		The Company has availed Working capital loan from Bank which is outstanding as on March 31, 2022 amounting to Rs. 140% 4,173 lakhs and repaid subsequently in Apr-22. However in the previous year significant loan amount has been paid off before March 31, 2021 leading to variance in the current year.
i) Debt Service Coverage ratio	6.05	5.56	9%	
j) Return on investment	Not Applicable	Not Applicable		

Note:

- a. There is no inventory in the Company. Hence inventory turnover ratio is not furnished.  
 b. There is no dividend income or any other income from the investments. Hence return on investment ratio is not furnished.

Annexure	As on 31st March, 2022	As on 31st March, 2021 (Restated)*
a) Current ratio (A)/(B)		
Current Assets (A)	29,703.50	29,154.52
Current Liabilities (B)	26,281.07	19,790.27
b) Return on equity ratio		
Earnings before Interest and Taxes	4,400.96	3,805.07
Average Shareholders equity	27,060.74	23,706.01
Closing Shareholders equity	26,838.87	25,294.62
Opening Shareholders equity	25,294.62	22,117.39
c) Trade receivables turnover ratio		
Net Sales (Revenue from Operations)	1,07,067.27	1,00,516.51
Average Trade Receivable	26,842.75	28,687.02
Closing Trade receivable (including Unbilled Revenue)	26,872.73	25,012.76
Opening Trade receivable (including Unbilled Revenue)	25,012.76	32,283.08
d) Trade payables turnover ratio		
Purchases	1,825.81	6,795.86
Average Trade payables	2,149.84	2,090.93
Closing Trade payables	2,196.04	2,103.64
Opening Trade payables	2,103.64	3,090.23
e) Net capital turnover ratio		
Net Sales (Revenue from Operations)	1,07,067.27	1,00,516.51
Working Capital (Current Assets - Current Liabilities)	3,322.43	9,364.25
f) Net profit ratio		
Net Profit after Interest and Taxes	3,521.11	3,162.55
Net Sales (Revenue from Operations)	1,07,067.27	1,00,516.51
g) Return on capital employed		
Net profit before Interest and Taxes	4,400.96	3,805.07
Capital employed (Tangible Net worth + Total Debt + Deferred Tax Liability)	34,596.48	26,442.22
h) Debt-Equity Ratio		
Total Debt	5,153.61	1,247.60
Shareholder's Equity	26,838.87	25,294.62





Updater Services Limited (Formerly known as Updater Services Private Limited)  
 Notes to standalone financial statements for the year ended March 31, 2022 (continued)  
 (All amounts are in Indian Rupees, unless otherwise stated)

52 Ratio Analysis and its elements (Continued)  
 Amounts:

	As on 31st March, 2022	As on 31st March, 2021 (Restated)*
2) Debt Service Coverage ratio		
Earnings for debt service = Net profit after taxes + Non-cash operating expenses	4,859.10	4,322.04
Debt service = Interest & Lease Payments + Principal Repayments	882.51	777.75

\*Restated (Refer Note 2.1 & Note 50)

53 Subsequent Event

The Company has entered into a definitive agreement on 14th December 2022 to acquire 100% of equity share capital in Athena BPO Private Limited ("Athena") in a phased manner. The Company has acquired 57% stake in Athena on 23rd December 2022 for Rs. 4,194.02 lakhs and balance stake of 43% shall be purchased in a phased manner in three tranches. The consideration for the balance three tranches will be determined based on the future business performance and other terms contained in the share purchase agreement. Athena is in the business of providing business process outsourcing (BPO).

54 Previous Year/Period Figures

Previous year/period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure. (Refer Note 50)

As per our report of even date  
 For S.R. Baliboi & Associates LLP  
 Chartered Accountants  
 ICAI Firm Registration Number: 101049W/E200004

  
 per Arvind K.  
 Partner  
 Membership No. 211208




Place: Chennai  
 Date: December 31, 2022

For and on behalf of Board of Directors  
 Updater Services Limited  
 (Formerly known as Updater Services Private Limited)

  
 Y. Rajkumar  
 Managing Director  
 DIN: 00628914

  
 P.C. Balasubramanian  
 Director  
 DIN: 00584548

  
 Rajaji Sankaranarayanan  
 Chief Financial Officer

  
 S.R. Jayaram  
 Company Secretary  
 Membership No. 49910

  
 Anishb Jaiswal  
 Chief Executive Officer

Place: Chennai  
 Date: December 31, 2022

