

INDEPENDENT AUDITOR'S REPORT

To the Members of Updater Services Private Limited

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

We have audited the accompanying consolidated financial statements of Updater Services Private Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2021, 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, 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, 2021, 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 Opinion

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 audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 56 to the consolidated IND AS financial statements relating to rectification and restatement of items described therein (primarily intangible assets and deferred taxes) as at and for the year ended March 31, 2020 in accordance with Ind AS 8 "Accounting Policies, Change in Accounting Estimates and Errors". Our opinion is not qualified 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 the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 the Group 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 the Group.

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



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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 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, 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

- (a) We did not audit the financial statements and other financial information, in respect of 7 subsidiaries, whose financial statements include total assets of Rs 10,104.45 lakhs as at March 31, 2021, and total revenues of Rs 16,694.65 and net cash inflows of Rs 1,261.59 lakhs for the year ended on that date. These financial statement 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-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) 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

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid 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) 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) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 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, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its three subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure I" to this report; Based on the information and explanation provided to us, six subsidiaries of the Company incorporated in India is exempted from reporting on internal financial controls over financial reporting vide MCA notification no G.S.R 583(E) dated June 13, 2017 read with corrigendum date July 13, 2017;
- (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company, its subsidiaries incorporated in India for the year ended March 31, 2021;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us 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:



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- 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 material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2021; and
- 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, 2021.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Chirag Shah**

Partner

Membership Number: 121648



UDIN: 21121648AAAABX5633

Place of Signature: Chennai

Date: September 24, 2021

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF Updater Services Private Limited**Report on the Internal Financial Controls 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 Private Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its three subsidiary companies, which are companies incorporated in India, as of that date. Six subsidiaries of the holding Company incorporated in India is exempted from reporting on internal controls over financial reporting vide MCA notification no. G.S.R. 583 [E] dated June 12, 2017, read with corrigendum dated July 13, 2017.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Holding Company, its three subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls 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 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, 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 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 audit opinion on the 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 controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its three subsidiary companies, 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, 2021, 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 consolidated financial statements of the Holding Company, in so far as it relates to these three (3) subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Chirag Shah**

Partner

Membership Number: 121648

UDIN: 21121648AAAABX5633

Place of Signature: Chennai

Date: September 24, 2021



Updater Services Private Limited
 Consolidated Balance sheet as at March 31, 2021
 (All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Notes	As at 31-Mar-2021	As at 31-Mar-2020 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,351.56	1,995.02
Capital Work in Progress		32.00	-
Goodwill	3A	4,570.27	4,570.27
Other Intangible assets	3A	1,201.60	1,444.17
Right-of-use assets	41	366.92	534.42
Financial assets			
(i) Investments	4	1.00	1.00
(ii) Loans	5	569.21	587.73
(iii) Other financial assets	6	1,924.30	1,606.79
Deferred tax asset (Net)	15	3,643.21	2,717.62
Non-Current tax assets (net)	9	4,895.31	4,971.82
Other non-current assets	7	88.20	10.27
		18,643.58	18,439.11
Current assets			
Inventories	8	501.41	663.03
Financial assets			
(i) Investments	4	403.40	153.40
(ii) Trade receivables	10	20,813.30	29,231.08
(iii) Cash and cash equivalents	11	4,558.87	1,743.45
(iv) Bank balances other than (iii) above	11A	1,862.63	722.79
(v) Loans	12	571.34	490.46
(vi) Other financial assets	13	8,070.39	6,641.47
Other current assets	14	3,022.95	3,295.52
		39,804.29	42,941.20
Total Assets		58,447.87	61,380.31
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	5,281.75	5,281.75
Other equity	17	23,743.39	19,569.00
Equity attributable to equity holders of the parent		29,025.14	24,850.75
Non controlling interest		692.67	454.33
Total Equity		29,717.81	25,305.08
Non-current liabilities			
Financial liabilities			
(i) Borrowings	18	-	0.91
(ii) Lease Liabilities	41	231.87	394.54
(iii) Other Financial liabilities	22A	844.83	1,363.51
Provisions	19	3,396.37	3,234.83
Deferred Tax Liabilities	23	255.61	310.72
		4,728.68	5,304.51
Current Liabilities			
Financial liabilities			
(i) Borrowings	20	1,161.01	8,995.23
(ii) Lease Liabilities	41	217.50	318.80
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	21	388.78	769.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	2,796.47	2,923.27
(iv) Other financial liabilities	22	11,743.68	11,045.77
Provisions	24	2,786.90	2,290.85
Current tax liabilities (net)	25	383.68	119.48
Other current liabilities	26	4,523.36	4,307.55
		24,001.38	30,770.72
Total Liabilities		28,730.06	36,075.23
TOTAL EQUITY AND LIABILITIES		58,447.87	61,380.31

Summary of significant accounting policies 1 - 2

The accompanying notes form an integral part of the Consolidated Financial Statements.
 As per our report of even date 3 - 61

For S.R. Batliboi & Associates LLP
 Chartered Accountants
 ICAI Firm Registration Number: 101049W/E300004

per Chirag Shah
 Partner
 Membership No. 121648



Place: Chennai
 Date : September 24, 2021

For and on behalf of Board of Directors
 Updater Services Private Limited

T. Raghunadana
 Managing Director
 DIN : 0000628914

Balaji Swaminathan
 Chief Financial Officer

Place: Chennai
 Date : September 24, 2021

T. Shanthi
 Director
 DIN : 0000939218

L.B. Jayaram
 Company Secretary

Updater Services Private Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2021
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Note No.	Year Ended 31-Mar-2021	Year Ended 31-Mar-2020 (Restated)
Income			
Revenue from contracts with customers	27	120,358.57	132,396.04
Other income	28	416.04	118.61
Finance income	29	215.86	70.92
Total Income		120,990.47	132,585.57
Expenses			
Cost of materials consumed	30	1,593.16	2,338.92
Purchases of traded goods	31	1,411.54	2,398.38
Changes in inventories of Finished goods and traded goods	32	156.14	(293.76)
Employee benefits expense	33	98,165.48	105,425.71
Finance costs	34	684.60	1,053.86
Depreciation and amortization expense	35	1,498.33	1,616.64
Impairment losses on financial instrument and contract assets	36	468.76	503.51
Other expenses	37	12,128.52	14,805.77
Total Expense		116,106.53	127,849.03
Profit before tax		4,883.94	4,736.54
Tax Expense :			
Current tax	38	1,534.25	675.79
Adjustment of tax relating to earlier periods	38	13.90	2.94
Deferred tax Charge/ (Credit)	38	(1,002.32)	(66.44)
Income tax expense		545.83	612.29
Profit for the year		4,338.11	4,124.25
Other Comprehensive Income:			
Items that will not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit obligations (net)		81.96	(129.79)
Income tax effect		(21.63)	15.41
Other comprehensive income for the year, net of tax		60.33	(114.38)
Total comprehensive Income for the year, net of tax attributable to:		4,398.44	4,009.87
Profit for the year			
Attributable to:			
Equity holders of the parent		4,086.25	4,134.46
Non-controlling interests		251.86	(10.21)
Other Comprehensive income for the year			
Attributable to:			
Equity holders of the parent		73.12	(136.74)
Non-controlling interests		(12.79)	22.38
Total comprehensive income for the year			
Attributable to:			
Equity holders of the parent		4,159.37	3,997.72
Non-controlling interests		239.07	12.16
Earnings per equity share			
Basic (Amount in ₹)	39	7.74	7.83
Diluted (Amount in ₹)	39	7.68	7.78
Summary of significant accounting policies	1 - 2		
The accompanying notes form an integral part of the Consolidated Financial Statements.	3 - 61		

As per report of even date

For S.R.Baliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Chirag Shah
Partner
Membership No. 121648



Place: Chennai
Date : September 24, 2021

For and on behalf of Board of Directors
Updater Services Private Limited

T. Raghunandana
Managing Director
DIN : 0000628914
Balaji Swaminathan
Chief Financial Officer

Place: Chennai
Date : September 24, 2021

T. Shanthi
Director
DIN : 0000939218
L.B. Jayaraj
Company Secretary

Updater Services Private Limited
 Consolidated 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	No. of shares (in lakhs)	Amount
Balance as on March 31, 2019	528.17	5,281.75
Add: Shares issued during the year	-	-
Balance as on March 31, 2020	528.17	5,281.75
Add: Shares issued during the year	-	-
Balance as on March 31, 2021	528.17	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 parent	Non- Controlling Interest	Total
At 1 April 2019	9,507.54	207.50	150.43	5,594.28	-	15,459.75	442.16	15,901.91
Profit for the year (Restated)	4,134.46	-	-	-	-	4,134.46	(10.21)	4,124.25
Other Comprehensive Income	(136.74)	-	-	-	-	(136.74)	22.38	(114.36)
Total comprehensive Income	3,997.72	-	-	-	-	3,997.72	12.17	4,009.89
Effect of adoption of Ind AS 116	(214.12)	-	-	-	-	(214.12)	-	(214.12)
Transfer to general reserve	(22.26)	-	22.26	-	-	-	-	-
Employee stock options provided	-	-	-	-	325.64	325.64	-	325.64
As at March 31, 2020	13,268.88	207.50	172.69	5,594.28	325.64	19,568.99	454.33	20,023.32
Profit for the year	4,086.25	-	-	-	-	4,086.25	251.86	4,338.11
Other Comprehensive Income	73.27	-	-	-	-	73.27	(13.53)	59.74
Total comprehensive Income	4,159.52	-	-	-	-	4,159.52	238.33	4,397.85
Transfer to general reserve	(93.28)	-	93.28	-	-	-	-	-
Employee stock options provided	-	-	-	-	14.89	14.89	-	14.89
As at March 31, 2021	17,335.12	207.50	265.97	5,594.28	340.53	23,743.40	692.67	24,436.06

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

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As per our report of even date
 For S R Batliboi & Associates LLP
 Chartered Accountants
 Firm Registration no. 101049WE300004

per 
 Prag B Shah
 Partner
 Membership No. 121648





For and on behalf of Board of Directors
 Updater Services Private Limited


 T. Raghunandana
 Managing Director
 DIN : 0000628914


 Balaji Swaminathan
 Chief Financial Officer

Place: Chennai
 Date : September 24, 2021


 T. Shanthi
 Director
 DIN : 0000939218


 L.B. Jayaram
 Company Secretary

Place: Chennai
 Date : September 24, 2021

Updater Services Private Limited
 Consolidated Statement of Cash flows for the year ended March 31, 2021
 (All amounts are in lakhs of Indian Rupees unless otherwise stated)

Particulars	Year ended	Year ended
	31-Mar-21	31-Mar-2020 (Restated)
Profit before tax	4,883.94	4,736.54
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	1,498.33	1,616.64
Interest expenses	684.60	1,053.86
Interest income	(215.86)	(70.92)
Dividend income	-	(0.60)
Impairment for expected credit loss of trade receivables	398.34	442.11
Impairment for doubtful advances	10.59	61.40
Impairment for reimbursement of gratuity	59.83	-
Bad debts and advances written off	109.03	258.12
Provision for onerous contract	101.30	-
Fair value gain on Financial Assets at FVTPL	(55.28)	(30.66)
Provision no longer required written back	(114.96)	(45.60)
Liability payable to promoters of acquired subsidiary no longer required written back *	(197.35)	-
(Profit)/Loss on sale of investments	-	(4.15)
Loss on sale of Property, plant and equipment	0.97	7.88
Profit on Sale of Property, plant and equipment	(21.88)	-
Employee stock option expenses	14.89	325.64
Unrealised exchange differences (net)	0.98	6.45
Operating cash flow before working capital changes	7,157.47	8,356.71
Movements in working capital :		
(Increase)/decrease in trade receivables	7,955.04	(5,690.24)
(Increase)/decrease in other financial assets	(1,773.63)	(2,159.57)
(Increase)/decrease in non - financial assets	240.35	(591.36)
(Increase)/decrease in Loans	(7.78)	(107.31)
(Increase)/decrease in Inventory	161.62	(183.52)
Increase/ (decrease) in Provision	556.28	1,619.50
Increase/(decrease) in trade payables	(393.81)	611.67
Increase/ (decrease) in financial liabilities	(10.80)	1,700.06
Increase/ (decrease) in other liabilities	215.81	(574.78)
Cash generated from / (used in) operations	14,100.55	2,981.16
Income taxes paid (net of refunds)	(1,251.05)	(2,448.91)
Net cash flow from/ (used in) operating activities	12,849.50	532.25
Cash flow from investing activities		
Purchase of property, plant and equipment	(427.35)	(1,345.05)
Purchase of investments	(250.00)	(73.85)
Investments in fixed deposits (having original maturity of more than three months)	(10,116.03)	(554.97)
Redemption/Maturity of fixed deposits	8,976.20	1,018.55
Proceeds from sale of property, plant and equipment	67.27	17.54
Interest received	182.22	102.17
Dividend received	-	0.60
Acquisition of subsidiary	-	(5,435.15)
Net cash flow from/ (used in) investing activities	(1,567.69)	(6,270.16)
Cash flow from financing activities		
Repayment of long-term borrowings	(0.91)	(18.90)
Proceeds from short-term-borrowings	1,947.07	31,683.77
Repayment of short-term-borrowings	(9,781.29)	(25,536.87)
Payment of principal portion of lease liabilities	(334.17)	(304.07)
Interest paid	(297.09)	(191.91)
Net cash flow from/ (used in) in financing activities	C (8,466.39)	5,632.02
Net increase/(decrease) in cash and cash equivalents	A+B+C 2,815.42	(105.88)
Cash and cash equivalents at the beginning of the year	1,743.45	1,040.33
Additions on acquisition of Subsidiaries	-	809.00
Cash and cash equivalents at the end of the year	4,558.87	1,743.45
Non Cash investing and financing activities		
Acquisition of Right of use assets	70.19	362.34

Summary of significant accounting policies 1-2
 The accompanying notes form an integral part of the Consolidated Financial Statements. 3 - 61

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



 per Chirag Shah
 Partner
 Membership No. 121648




Place: Chennai
 Date : September 24, 2021

for and on behalf of Board of Directors of
 Updater Services Private Limited


 T. Raghunandana
 Managing Director
 DIN : 0000628914


 Balaji Swaminathan
 Chief Financial Officer
 Place: Chennai
 Date : September 24, 2021


 T. Shanthi
 Director
 DIN : 0000939218


 L.B. Jayaram
 Company Secretary

1. Corporate information

The consolidated financial statements comprise financial statements of Updater Services Private Limited ('UDS'/ 'Company') and its subsidiaries (collectively, the Group) for the year ended March 31, 2021. 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 authorised for issue in accordance with a resolution of the directors on September 24, 2021.

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.

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

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, 2021. 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



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Updater Services Private Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2021

[All amounts are in lakhs of Indian Rupees unless otherwise stated]

-
- 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



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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



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Updater Services Private Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2021

[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.



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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.

d. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and 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 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.



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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. 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)
Plant and machinery	5 to 15
Furniture and fittings	10
Office equipment	5
Vehicles	8
Computer and accessories	3
Building	60
Leasehold improvements #	1-5 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.

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.



Updater Services Private Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2021

[All amounts are in lakhs of Indian Rupees unless otherwise stated]

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 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 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



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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.

Revenues in excess of invoicing are classified as contract assets (referred to as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred to as income received in advance).

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.

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 "Financial 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.

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).

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:

- **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.



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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.



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Updater Services Private Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021
[All amounts are in lakhs of Indian Rupees unless otherwise stated]

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

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

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

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. 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.

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.



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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.

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.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting 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.

i. 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:



Updater Services Private Limited

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[All amounts are in lakhs of Indian Rupees unless otherwise stated]

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 insubstance 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.

The Group's lease liabilities are included in Interest-bearing loans and borrowings (see Note 41).

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.



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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



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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.

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.



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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.

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.



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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 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 Group falls under a single primary segment i.e. 'facility management service' for the purpose of Ind AS 108.

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.



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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 42.



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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.

x. Changes in accounting policies and disclosures

New and amended standards

(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. 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 the 1 April 2019. This amendment had no impact on the consolidated financial statements of the Group.

(ii) Amendments to Ind AS 103 *Business Combinations*

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the consolidated financial statements of the Group but may impact future periods should the Group enter into any business combinations.



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(iii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to the Group.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Group’s consolidated financial statements.

y. Recent Pronouncements

The Ministry of Corporate Affairs through a notification dated 24 March 2021 amended Schedule III to the Companies Act, 2013. These amendments are applicable from 1 April 2021 and enhances the disclosures required to be made by the Company in its financial statements. The Company is evaluating the effect of these amendments on its financial statements.



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3 Property, Plant and Equipment (Restated)

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 1 April 2019	1,835.24	187.95	163.63	177.01	309.69	177.57	67.93	2,919.02
Additions	987.43	123.18	109.80	61.93	282.76	23.27	64.75	1,653.12
Transfer to RoU (Refer Note a)	-	-	-	(13.60)	-	-	-	(13.60)
Disposals	(83.84)	(15.87)	(8.29)	(23.57)	(7.75)	-	-	(139.32)
At 31 March 2020 (Restated)	2,738.83	295.26	265.14	201.77	584.70	200.84	132.68	4,419.22
Additions	245.84	15.21	39.41	-	61.54	-	9.96	371.98
Disposals	(40.57)	(53.97)	(47.62)	(10.60)	(22.16)	-	(7.73)	(182.65)
At 31 March 2021	2,944.10	256.50	256.93	191.17	624.08	200.84	134.89	4,608.53
Depreciation								
At 1 April 2019	916.97	52.12	75.37	69.74	172.77	25.16	47.02	1,359.15
Charge for the year	831.60	57.32	62.64	34.08	152.59	37.74	14.68	1,190.65
Transfer to RoU (Refer Note a)	-	-	-	(0.91)	-	-	-	(0.91)
Disposals	(76.63)	(15.87)	(8.29)	(16.13)	(7.75)	-	-	(124.69)
At 31 March 2020	1,671.94	93.57	129.72	86.76	317.61	62.90	61.70	2,424.20
Charge for the year	651.34	38.81	60.59	35.34	137.44	13.30	32.24	969.06
Disposals	(34.60)	(37.67)	(26.65)	(10.60)	(19.04)	-	(7.73)	(136.29)
At 31 March 2021	2,288.68	94.71	163.66	111.50	436.01	76.20	86.20	3,256.97
Net Block								
At 31 March 2020 (Restated)	1,066.89	201.69	135.42	115.01	267.09	137.94	70.98	1,995.02
At 31 March 2021	655.42	161.79	93.27	79.67	188.07	124.64	48.69	1,351.56

Note:

- a. Certain finance lease vehicles have been reclassified from Property, Plant and Equipments 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 moveable assets. (Refer Note 20)

3A Intangible assets & Goodwill on consolidation (Restated)

Particulars	Intangibles Assets (Refer note below)					
	Computer software	Customer relationship	Non Compete	Vendor Contract	Brand	Total
Gross carrying value						
At 1 April 2019	90.69	-	-	-	-	90.69
Additions	269.46	365.00	215.00	617.00	155.00	1,621.46
Disposals	(5.94)	-	-	-	-	(5.94)
At 31 March 2020	354.21	365.00	215.00	617.00	155.00	1,706.21
Additions	36.59	-	-	-	-	36.59
Disposals	-	-	-	-	-	-
At 31 March 2021	390.80	365.00	215.00	617.00	155.00	1,742.80
Amortization						
At 1 April 2019	63.64	-	-	-	-	63.64
Charge for the year	59.10	47.36	16.28	70.66	-	193.40
Impairment	5.39	-	-	-	-	5.39
Other adjustments	(0.39)	-	-	-	-	(0.39)
At 31 March 2020	127.74	47.36	16.28	70.66	-	262.04
Charge for the year	60.18	72.91	22.66	123.40	-	279.15
At 31 March 2021	187.92	120.27	38.94	194.06	-	541.19
Net Block						
At 31 March 2020	226.47	317.64	198.72	546.34	155.00	1,444.17
At 31 March 2021	202.88	244.73	176.06	422.94	155.00	1,201.61

Particulars	March 31, 2021	March 31, 2020
Opening Balance of Impairment	31.16	25.77
Charge during the year	-	5.39
Closing balance of Impairment	31.16	31.16

Goodwill on Consolidation (Restated)

Particulars	Goodwill on Consolidation
At 1 April 2019	1,575.59
Additions	2,994.68
At 31 March 2020	4,570.27
Additions	-
At 31 March 2021	4,570.27

The Goodwill and intangible asset with indefinite life 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 and Washroom Hygiene Concepts Private Limited) by the Group.

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 five year period. The cash flow projections have been updated to reflect the impact of COVID-19. The discount rate applied to cash flow projections for Impairment testing during the current year is 12.9% and cash flow beyond the five years are extrapolated using a growth rate of 2% 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 amounts exceeded their carrying amount.



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3A Goodwill on consolidation & Intangible assets (continued)

On April 25, 2019, the Group acquired 75% equity ownership in Matrix Business Services India Private Limited ("Matrix") by investing a total of ₹ 3,915.01 lakhs as equity share capital. Matrix is primarily engaged in the business of providing assurance services, claims processing, including employee background verifications checks and product and process audits inter alia of warehouses, depots, distributors and distribution centres, retail points and outlets and franchisees. Investment recorded during the year includes ₹ 965.16 lakhs on account of obligation to purchase the remaining equity shares in the future, recognised pursuant to Shareholder's Agreement between the Group and the promoters of Matrix.

On September 5, 2019, the Group has acquired 76% 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 year includes ₹ 360.63 lakhs on account of obligation to purchase the remaining equity shares in the future, recognised pursuant to Shareholder's Agreement between the Company and the promoters of WHC.

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

Intangible assets out of acquisition

Customer relationship

Customer contracts and related Customer relationships include the relationships that Matrix and WHC have 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 Company has ascertained the useful life to be 5 years.

Non Compete

Non compete is based on a contractual agreement which protects the value of the purchased assets from Matrix and WHC (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 Matrix and WHC, the promoters have agreed to non-competence for a period of 7 years from the expiry of Contract of service or the promoters ceasing to hold any securities of Matrix and WHC (i.e. after June 30, 2021 and June 30, 2022 respectively). Thus effectively 8 - 10 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".

Vendor contract

Vendor Contract is an agreement where the vendor has agreed to supply agreed products for a specified period of time and within a specific geographic area exclusively to WHC and 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 Company has ascertained the useful life to be 5 years.

Brand

WHC uses the brand 'Washroom Hygiene Concepts' 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 WHC. 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.



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Updater Services Private Limited
Notes to consolidated financial statements for the year ended March 31, 2021
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Note	Particulars	As at March 31, 2021	As at March 31, 2020
4	Investments		
	Investments at 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)	1.00	1.00
	Investments at Fair Value through Profit & Loss		
	L&T Liquid Fund Direct Plan - Growth - Nil units (March 2020 - 2074.9 Units)	-	50.33
	L&T Low Duration Fund Direct Plan - Growth - 816,851.04 units (March 2020 - Nil units)	176.99	-
	Baroda Short Term Bond Fund A/C - 555,288.30 units (March 2020- 704,489.949 units)	226.41	76.41
	L&T Ultra short fund direct - Dividend reinvestment - Nil units (March 2020 - 2,54,761.711)	-	26.66
		404.40	154.40
	Non Current	1.00	1.00
	Current	403.40	153.40
	Aggregate value of investments	404.40	154.40
5	Loans (At Amortised Cost)	As at March 31, 2021	As at March 31, 2020
	(Considered good, Unsecured unless stated otherwise)		
	Rental Deposit *		
	- considered good	418.57	424.91
	- credit impaired	30.36	30.36
		448.93	455.27
	Less: Impairment for doubtful deposits	(30.36)	(30.36)
		418.57	424.91
	Security Deposits		
	- considered good	150.64	162.82
		150.64	162.82
		569.21	587.73
	* - Rental deposit includes amounts held by related parties of ₹ 228.74 lakhs (March 31, 2020 - ₹ 220.45 lakhs) Refer Note 47.		
6	Other non current financial assets (At Amortised Cost)	As at March 31, 2021	As at March 31, 2020
	(Considered good, Unsecured unless stated otherwise)		
	Retention Deposits		
	- considered good	277.48	104.37
	- credit impaired	5.90	4.89
		283.38	109.26
	- Impairment for doubtful deposits	(5.90)	(4.89)
		277.48	104.37
	Reimbursement right of gratuity (Refer Note 40) *	1,142.84	1,189.57
	Other advances	-	-
	Balances with Banks #		
	- in long term deposits under lien with maturity more than 12 months	503.98	312.77
	Other deposits	-	0.08
		1,924.30	1,606.79

* The Company 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 40)

Fixed deposits are under lien with various banks with respect to guarantees issued to third parties.



Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

7 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

	As at March 31, 2021	As at March 31, 2020
	56.12	-
	-	44.34
	56.12	44.34
	-	(44.34)
	56.12	-
	27.66	4.41
	44.30	44.30
	71.96	48.71
	(44.30)	(44.30)
	27.66	4.41
	4.42	5.86
	88.20	10.27

8 Inventories

Raw materials
Stock-in-trade
Finished Goods
Consumables

	As at March 31, 2021	As at March 31, 2020
	26.27	33.99
	363.15	470.39
	81.63	130.53
	30.36	28.12
	501.41	663.03

9 Non-Current Tax Assets (Net)

Advance income tax
Less: Provision for income taxes

	As at March 31, 2021	As at March 31, 2020
	13,094.26	12,414.00
	(8,198.95)	(7,442.18)
	4,895.31	4,971.82

10 Trade Receivables (At Amortised Cost)

Trade receivables
Trade receivable from related parties (Note 47)

Security details
Considered good , Secured
Considered good , Unsecured
Trade Receivables - credit impaired

Impairment allowance
Unsecured, considered good
Trade Receivables - credit impaired

Total Trade receivables

	As at March 31, 2021	As at March 31, 2020
	20,810.21	29,224.90
	3.09	6.19
	20,813.30	29,231.09
	-	-
	20,813.30	29,231.08
	1,051.47	666.55
	21,864.77	29,897.63
	-	-
	(1,051.47)	(666.55)
	(1,051.47)	(666.55)
	20,813.30	29,231.08

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.



Updater Services Private Limited
Notes to consolidated financial statements for the year ended March 31, 2021
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

11 Cash and cash equivalents

(i) Balances with banks:

- On current accounts
- deposits with original maturity of less than three months
- earmarked for DDU-GKY Project *
- Cash in hand

As at March 31, 2021	As at March 31, 2020
3,302.82	1,706.11
1,027.50	-
225.57	13.51
2.98	23.83
4,558.87	1,743.45

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

On current accounts

Deposits

Cash on hand

Total Cash and cash equivalents

As at March 31, 2021	As at March 31, 2020
3,302.82	1,706.11
1,253.07	13.51
2.98	23.83
4,558.87	1,743.45

11A

(ii) Bank Balances other than cash and cash equivalents as above

- Deposits with Original Maturity of less than 3 months under lien**
- in long term deposits under lien with maturity more than 3 months but less than 12 months
- Total Bank balance other than cash and cash equivalents**

As at March 31, 2021	As at March 31, 2020
632.00	-
1,230.63	722.79
1,862.63	722.79

* During the year ended 31 March 2018, the Company had entered into a 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), Company has to train 2,002 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 and March 31, 2021 - Rs. 918.55) 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.

** 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.

12 Loans (At Amortised Cost)

(Considered good, Unsecured unless stated otherwise)

Security deposits

- considered good

- credit impaired

Less: Provision for doubtful deposits

Rental Deposit

- considered good

Loans to related party

- considered good

- credit impaired

Less: Provision for doubtful deposits

Loans to related party

Loans to employees

- considered good

- credit impaired

Less: Provision for doubtful loans

Total

As at March 31, 2021	As at March 31, 2020
364.11	413.03
71.41	70.72
435.52	483.75
(71.41)	(70.72)
364.11	413.03
161.75	59.92
161.75	59.92
0.99	-
0.01	-
1.00	-
(0.01)	-
0.99	-
44.48	17.49
9.18	9.18
53.66	26.67
(9.18)	(9.18)
44.48	17.49
571.34	490.46

13 Other current financial assets (At Amortised Cost)

(Considered good, Unsecured unless stated otherwise)

Reimbursement right of gratuity (Refer Note 40) *

- considered good

- credit impaired

Less: Provision for doubtful reimbursement right of gratuity

Interest accrued

Contract Assets- Unbilled revenue #

Total

As at March 31, 2021	As at March 31, 2020
1,286.52	1,215.41
59.83	-
1,346.35	1,215.41
(59.83)	-
1,286.52	1,215.41
56.02	22.38
6,727.85	5,403.68
8,070.39	6,641.47

* - 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 40)

- Classified as financial asset as right to consideration is unconditional upon passage of time.



Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

14 Other current assets

	As at March 31, 2021	As at March 31, 2020
Prepaid expenses *	611.20	771.98
Balance with government authorities		
- considered good	279.09	349.54
- credit impaired	41.57	41.57
	320.66	391.11
Less: Provision for doubtful advances	(41.57)	(41.57)
	279.09	349.54
Advances for supply of goods		
- considered good	86.91	100.56
- credit impaired	194.47	216.94
	281.38	317.50
Less: Provision for doubtful advances for supply of goods	(194.47)	(216.94)
	86.91	100.56
Advances to employees		
- considered good	54.77	72.51
- credit impaired	43.78	43.78
	98.55	116.29
Less: Provision for doubtful advances	(43.78)	(43.78)
	54.77	72.51
Contract Asset- Unbilled revenue #	1,990.98	1,999.26
Other Advances	-	1.67
Total	3,022.95	3,295.52

* - Includes cost of uniform and shoes provided to service staff written off over a period of 12 months from the date of purchase - INR 331.54 lakhs (March 31, 2020 - INR 339.30 lakhs).

- Classified as non-financial asset as the contractual unconditional right to consideration is dependent on completion of contractual obligations. Includes Rs. 597.71 lakhs related to government projects for Skills and Development (DDUGKY) for which milestones have not been achieved due to COVID-19 outbreak, but State government authorities have extended the timelines.

15 Deferred tax asset (Net)

	As at March 31, 2021	As at March 31, 2020 (Restated)
Property, plant & equipment and intangible assets	585.23	506.93
On Account of Ind AS 116 adoption	(4.77)	-
Unabsorbed Carry forward Losses	21.53	-
Provision for Bonus	39.44	-
Provision for Leave	7.86	-
Provision for doubtful debts	911.07	344.96
Provision for doubtful advances	110.71	140.66
Provision for gratuity	824.08	663.20
Provision for compensated absences	281.85	253.81
Disallowances on account of TDS	14.54	-
Provision for litigation	14.19	7.06
Expenses allowable on payment basis	837.48	801.00
Deferred tax asset (Net)	3,643.21	2,717.62
Opening Balance (Deferred Tax Assets) (Refer Note 15)	2,717.62	2,562.18
Opening Balance (Deferred Tax Liabilities) (Refer Note 23)	(310.72)	-
Total Opening Balance (Net)	2,406.90	2,562.18
Tax Expense during the year recognised in Statement of Profit and Loss	1,002.32	66.44
Tax (Income) / Expense during the year recognised in OCI	(21.63)	15.41
Deferred Tax Liability on Intangible assets arising out of acquisition	-	(340.29)
Tax on acquisition of subsidiaries	-	90.69
Others	-	12.47
Closing Balance (Net)	3,387.59	2,406.90
Closing Balance (Deferred Tax Asset) (Refer Note 15)	3,643.21	2,717.62
Closing Balance (Deferred Tax Liabilities) (Refer Note 23)	(255.61)	(310.72)



16 Share capital

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Authorised		
530.00 (March 31, 2020: 530.00) equity shares of Rs 10 each	5,300.00	5,300.00
Issued, subscribed and paid up		
528.17 (March 31, 2020: 528.17) equity shares of Rs 10 each fully paid up	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 March 31, 2021		As at March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the beginning of the year	528.17	5,281.75	528.17	5,281.75
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the year	528.17	5,281.75	528.17	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) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	-	395.21
Equity shares bought back by the company	-	-	-	-	20.75

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

Name of shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of shares held	% of holding	No. of shares held	% of holding
Equity shares of Rs. 10 each fully paid				
T Raghunandana	163.78	31.01%	162.38	30.74%
T Shanthy	162.38	30.74%	162.38	30.74%
Tangi Facility Solutions Pvt Ltd	111.73	21.16%	113.13	21.42%
India Business Excellence Fund – II	28.89	5.47%	28.89	5.47%
India Business Excellence Fund – IIA	61.39	11.62%	61.39	11.62%
Total	528.17	100.00%	528.17	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 42.



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Updater Services Private Limited
Notes to consolidated financial statements for the year ended March 31, 2021
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Note	Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
17	Other equity		
	Retained earnings	17,335.12	13,268.88
	Capital redemption reserve	207.50	207.50
	General Reserve	265.97	172.69
	Employee stock option reserve (Refer Note 42)	340.52	325.64
	Securities premium	5,594.28	5,594.28
	Total other equity	23,743.39	19,569.00

Retained Earnings

Amount in Lakhs

At 1 April 2019	9,507.54
Add: Profit for the year	4,134.46
Less: Other Comprehensive Loss	(136.74)
Less Effect of adoption of Ind AS 116 Leases	(214.12)
Less: Transfer to General Reserve	(22.26)
At 31 March 2020	13,268.88
Add: Profit for the year	4,086.25
Add: Other Comprehensive Gain	73.27
Less: Transfer to General Reserve	(93.28)
At 31 March 2021	17,335.13

Capital Redemption Reserve

Amount in Lakhs

At 1 April 2019	207.50
Changes during the period	-
At 31 March 2020	207.50
Changes during the period	-
At 31 March 2021	-

General Reserve

Amount in Lakhs

At 1 April 2019	150.43
Add: Transfer from Retained earnings	22.26
At 31 March 2020	172.69
Add: Transfer from Retained earnings	93.28
At 31 March 2021	265.97

Employee stock option reserve

Amount in Lakhs

At 1 April 2019	-
Add: Employee stock options provided	325.64
At 31 March 2020	325.64
Add: Employee stock options provided	14.88
At 31 March 2021	340.52

Securities Premium

Amount in Lakhs

At 1 April 2019	5,594.28
Changes during the period	-
At 31 March 2020	5,594.28
Changes during the period	-
At 31 March 2021	5,594.28



Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

Note	Particulars	As at	As at
		March 31, 2021	March 31, 2020
17A	Non Controlling Interest	692.67	454.33
	Total	24,436.06	20,023.33

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.

Note	Particulars	As at	As at
		March 31, 2021	March 31, 2020
18	Borrowings (Non-current)		
	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, 2021 - Nil and March 31, 2020 - INR 0.91 lakhs)

Note	Particulars	As at	As at
		March 31, 2021	March 31, 2020
19	Long term provisions		
	Provision for Gratuity (Refer Note 40(A))	2,253.53	2,045.26
	Provision for gratuity - reimbursement employees (Refer Note 40(B))	1,142.84	1,189.57
	Total long term provisions	3,396.37	3,234.83



Updater Services Private Limited**Notes to consolidated financial statements for the year ended March 31, 2021***(All amounts are in lakhs of Indian Rupees unless otherwise stated)*

Note	Particulars	As at	As at
		March 31, 2021	March 31, 2020
20	Current borrowings (At Amortised Cost)		
	Cash credit from banks (secured)*	447.79	8,982.02
	Working capital loan (secured)**	700.00	-
	Loan from others #	13.22	13.22
	Total Current borrowings	1,161.01	8,995.23

Updater Services Private Limited

* The Company has taken cash credit having interest rate ranging from 6.6% to 10.50% 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 4.9% to 8.50% 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.

Global Flight Handling Services Private Limited

The subsidiary has obtained an interest free loan from the director repayable on demand.

21 Trade payables (At Amortised Cost)

	As at	As at
	March 31, 2021	March 31, 2020
Dues to micro enterprises and small enterprises (refer note 43)	388.78	769.77
Dues to Related Party (refer note 47)	-	69.59
Dues to other than micro enterprises and small enterprises	2,796.47	2,853.68
Total dues outstanding to micro enterprises and small enterprises	2,796.47	2,923.27
Total trade payables	3,185.25	3,693.04

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.

22 Other current financial liabilities (At Amortised Cost)

	As at	As at
	March 31, 2021	March 31, 2020
Capital creditors *	47.08	47.21
Employee benefits payable	7,503.53	7,150.97
Security Deposit	9.00	9.00
Bonus payable	3,325.00	2,935.92
Director fees payable (Refer note 47)	-	10.80
Liability payable to promoters of acquired subsidiary # @	842.10	875.02
Other payables	16.97	16.85
Total other financial liabilities	11,743.68	11,045.77

* Includes as amount of Rs 2.11 lakhs (March 31, 2020 Rs 3.10 lakhs) payable to Micro enterprises and small enterprises.

During the previous year, the 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 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 had also been recorded as an Investment in the standalone financial statements of the Company as at March 31, 2020.

The Company has reassessed the Liability payable to promoters of acquired subsidiary during the current year 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 28)



Updater Services Private Limited**Notes to consolidated financial statements for the year ended March 31, 2021***(All amounts are in lakhs of Indian Rupees unless otherwise stated)*

@ On the date of acquisition of Matrix Business Services India Private Limited ("Matrix"), Matrix had a refund of Income Tax Receivable for the Assessment Years 2018-19 and 2019-20 amounting to INR 619 lakhs. As per the terms of the investment agreement entered for the acquisition of Matrix, upon receipt of the aforementioned refund, the Group is required to pay the refund received to the promoters of Matrix, as defined in the investment agreement. A financial liability towards this refund which was recognised in the consolidated financial statements and the amount outstanding above includes Rs 125 lakhs withheld towards any potential adjustments that may arise upon completion of the income tax assessment.

The Company believes that the amount withheld is adequate to cover for any potential adjustments that may arise upon completion of the assessment for the aforesaid years, post which the amounts will be paid to the erstwhile promoter/ selling shareholders, net of adjustments, if any.

22A Other non current financial liabilities (At Amortised Cost)

Liability payable to promoters of acquired subsidiary (Refer note 22)

As at March 31, 2021	As at March 31, 2020
844.83	1,363.51
844.83	1,363.51

23 Deferred Tax Liabilities (Non-Current)

Intangible assets arising on acquisition (Refer Note 3A)

As at March 31, 2021	As at March 31, 2020 (Restated)
255.61	310.72
255.61	310.72

24 Short term provisions

Provision for gratuity (Refer Note 40(A))
 Provision for gratuity - reimbursement employees (Refer Note 40(B))
 Provision for leave benefits
 Provision for tax litigations *
 Provision for Onerous Contract **
 Other provisions
Total short term provisions

As at March 31, 2021	As at March 31, 2020
391.22	268.19
1,346.35	1,215.41
919.98	769.05
28.05	28.05
101.30	-
-	10.15
2,786.90	2,290.85

The table gives the information about movement of the provision :*** Provision for litigations (Refer note 34)**

At the beginning of the year	28.05	44.74
Created during the year	-	-
Utilised during the year	-	(16.69)
At the end of the year	28.05	28.05

**** The table gives the information about movement of Onerous contract****Provision for Onerous Contract**

At the beginning of the year	-	-
Created during the year	101.30	-
Utilised during the year	-	-
At the end of the year	101.30	-

25 Current tax liabilities (net)

Provision for income taxes (net of advance income taxes)

As at March 31, 2021	As at March 31, 2020
383.68	119.48
383.68	119.48

26 Other current liabilities

Advance from customers
 Advance from DDU-GKY
 Statutory dues and related liabilities
 Provision against PF order (Refer Note 33)
Total other non-current liabilities

As at March 31, 2021	As at March 31, 2020
18.30	72.92
742.08	-
3,734.67	4,206.32
28.31	28.31
4,523.36	4,307.55



Updater Services Private Limited
Notes to consolidated financial statements for the year ended March 31, 2021
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Note	Particulars	As at March 31, 2021	As at March 31, 2020
27	Revenue from operations		
	Sale of services	1,20,068.36	1,32,043.86
	Sale of products	290.21	352.18
	Total Revenue from operations	1,20,358.57	1,32,396.04
	Revenue by Geography		
	India	1,19,680.51	1,32,176.40
	Outside India	678.06	219.64
	Total revenue from contracts with customers	1,20,358.57	1,32,396.04
	Timing of revenue recognition		
	Goods transferred at a point in time	290.21	352.18
	Service transferred at a point in time	3,692.34	1,229.79
	Service transferred over a period of time	1,16,376.02	1,30,814.07
	Total	1,20,358.57	1,32,396.04
	Reconciliation of Revenue from sale of products/services with the contracted price		
	Revenue as per contracted price	1,22,563.15	1,33,092.23
	Adjustments - Estimated price concessions	(2,204.58)	(696.19)
	Total	1,20,358.57	1,32,396.04
	*The table gives the information about movement of the Estimated price concessions		
	At the beginning of the year	848.67	704.35
	Created during the year *	2,204.58	696.19
	Utilised during the year	-1,294.47	-551.87
	At the end of the year	1,758.78	848.67

* includes provision in relation to expected penalty amounting to Rs.1,476.38 lakhs (Refer note below)

includes credit notes passed in relation to penalty amounting to Rs. 561.98 lakhs (Refer note below)

Adjustment made in relation to potential penalty from customer

During the current year, the company has received an intimation from one of its customer intending to withheld certain payments based on their interpretation of the penalty clauses contained in the agreement with the said customer. The Company believes that considering various factual and circumstantial aspects, the interpretation taken by the customer may not be tenable. The Company continues to negotiate with the customer on interpretation and the extent to which the penalties can be levied under the contract. However, on a prudent basis management has made adjustments amounting to Rs. 1,476.38 lakhs (which includes an amount of Rs. 1,299 lakhs for services provided during earlier years) to cover the risk of potential penal adjustments arising on account of such request from the customer. These adjustments are one off in nature and recorded over and above the variable price concession estimates accounted using historical trends. The entire adjustment have been accounted in the current year in line with the timing of the intimation received from the customer as the Company considers this to be a change in estimate.

Contract Balances

	As at March 31, 2021	As at March 31, 2020
Trade Receivables (Refer Note 10)	20,813.30	29,231.09
Unbilled Revenue (Refer Note 13 & Note 14)	8,718.83	7,402.94

Trade receivables are non - interest bearing and are generally on credit terms of up to 90 days (31st March 2020 : 90 days).

28 Other income

	As at March 31, 2021	As at March 31, 2020
Profit on sale of investment	-	4.15
Profit on sale of property, plant & equipment (net)	21.88	3.04
Provision no longer required written back	114.96	45.60
Other non-operating income	10.03	28.71
Fair value gain on Financial Assets at FVTPL	55.28	30.66
Exchange Differences (net)	16.54	6.45
Liability payable to promoters of acquired subsidiary no longer required written back *	197.35	-
Total Other income	416.04	118.61

*** Liability payable to promoters of acquired subsidiary no longer required written back**

During the previous year, 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 acquired subsidiary during the current year 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.



Updater Services Private Limited
Notes to consolidated financial statements for the year ended March 31, 2021
(All amounts are in lakhs of Indian Rupees unless otherwise stated)

29 Finance income

Interest income - Bank deposits	
Interest on Income Tax refund	
Interest income - Others	
Total Finance income	

As at March 31, 2021	As at March 31, 2020
124.54	63.55
71.84	-
19.48	7.37
215.86	70.92

30 Cost of materials consumed

Inventory at the beginning of the year	
Add: Purchase	
Less : Inventory at the end of the year	
Cost of materials consumed	

As at March 31, 2021	As at March 31, 2020
33.99	141.47
1,585.44	2,231.44
1,619.43	2,372.91
26.27	33.99
1,593.16	2,338.92

31 Purchase of traded goods

Purchase of traded goods	
Total Purchase of traded goods	

As at March 31, 2021	As at March 31, 2020
1,411.54	2,398.38
1,411.54	2,398.38

32 Changes in inventories of finished goods and traded goods

Finished goods		
Closing stock		
Opening stock		
	Sub total (A)	
Stock-in-trade		
Closing stock		
Opening stock		
	Sub total (B)	
Total Changes in Inventories		

As at March 31, 2021	As at March 31, 2020
81.63	130.53
130.53	121.26
(48.90)	9.27
363.15	470.39
470.39	185.90
(107.24)	284.50
156.14	(293.76)

33 Employee benefit expenses

Salaries and wages *	
Contribution to provident and other fund ** (Refer Note 40)	
Less: Income from government grants #	
Gratuity expense (Refer Note 40)	
Staff welfare expenses	
Employee stock option expenses (Refer Note 42)	
Total Employee benefit expenses	

As at March 31, 2021	As at March 31, 2020
87,547.54	94,050.22
9,844.40	10,550.08
(319.46)	(802.57)
676.55	547.02
401.55	755.32
14.89	325.64
98,165.48	1,05,425.71

* The company has during 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 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.

**During the previous year, one of the subsidiary Company received an order from the High Court (against the appeal made by the PF department) directing the Company to pay PF on certain allowances to be considered for PF computation for the salary paid for the period FY 2008-11. Based on the High court order and in compliance with Supreme Court judgement dated February 28, 2019, the said Company has created provision amounting to Rs.Nil for FY 2020-21 (March 31, 2020 : Rs. 72.65). The Company had paid an amount Rs.44.34 Lakhs under protest in earlier years and the same will be utilised against the payment of such liability.

#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.

34 Finance costs

Interest on borrowings	
Unwinding of discount on Liability payable to promoters of acquired subsidiary	
Interest on income tax	
Interest on lease liabilities (Refer Note 41)	
Total Finance costs	

As at March 31, 2021	As at March 31, 2020
248.03	695.21
387.51	293.73
-	13.33
49.06	51.59
684.60	1,053.86

35 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 41)	
Impairment of Intangible Assets (Refer Note 3A)	
Total Depreciation and amortization expense	

As at March 31, 2021	As at March 31, 2020 (Restated)
278.90	193.39
969.06	1,190.66
250.37	227.20
-	5.39
1,498.33	1,616.64



Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

36 Impairment losses on financial instrument and contract assets

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

	As at March 31, 2021	As at March 31, 2020
	398.34	442.11
	10.59	61.40
	59.83	-
	468.76	503.51

37 Other expenses

Payment to Associates	
Verification expenses	
Consumption of stores and spares	
Communication expenses	
Canteen materials	
Cleaning materials and consumables	
Advances written off	
Bad debts written off	
Freight and forwarding charges	
Insurance	
Legal and professional fees	
Power and fuel	
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 tangible assets	
Training Expense	
Miscellaneous expenses	
Total Other Expenses	

	As at March 31, 2021	As at March 31, 2020 (Restated)
	644.83	701.03
	635.06	874.09
	47.96	55.79
	165.04	254.74
	94.77	696.30
	2,599.47	3,225.50
	44.63	20.89
	64.40	237.23
	67.19	74.02
	185.83	22.33
	270.57	604.15
	132.30	212.64
	1,679.99	919.58
	163.85	123.22
	101.30	-
	-	2.00
	-	29.00
	75.45	79.22
	92.38	59.88
	385.46	670.32
	93.95	-
	443.42	130.35
	73.26	69.70
	3,257.91	4,025.42
	470.13	973.85
	0.97	10.92
	105.65	545.73
	232.75	187.87
	12,128.52	14,805.77

Payment to auditors :

As auditors :

Statutory audit	
Other Services	

In other capacity :

Reimbursement of expenses

	As at March 31, 2021	As at March 31, 2020
	71.70	67.55
	3.75	10.00
	-	1.67
	75.45	79.22

Details of CSR expenditure:

Gross amount required to be spent by the Group during the year :

Amount spent during the year ending on 31st March, 2021:

- (i) Construction/acquisition of any asset
- (ii) On purposes other than (i) above

Amount spent during the year ending on 31st March, 2020:

- (i) Construction/acquisition of any asset
- (ii) On purposes other than (i) above

Details relating to spent/unspent obligations

i) Contribution to Charitable Trust

	As at March 31, 2021	As at March 31, 2020
	73.26	69.70
In Cash		Yet to be Paid In Cash
	-	-
	73.26	-
In Cash		Yet to be Paid In Cash
	-	-
	69.70	-
	March 31, 2021	March 31, 2020
	73.26	69.70
	73.26	69.70



Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

Note	Particulars	As at March 31, 2021	As at March 31, 2020 (Restated)
38	Income Tax Expense		
	The major components of income tax expense for the years ended 31st March 2021 and 31st March 2020 are:		
	Current income tax:		
	Current income tax charge	1,534.25	675.79
	Tax related to earlier years	13.90	2.94
	Deferred tax:		
	Relating to origination and reversal of temporary differences	(1002.32)	(66.44)
	Total Income tax expense reported in the statement of profit or loss	545.83	612.29
	Other Comprehensive income (OCI) Section		
	Deferred tax related to items recognised in OCI during in the year:	-	-
	Re-measurement gains and (losses) on defined benefit obligations (net)	(21.63)	15.41
	Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020:		
	Accounting Profit before income tax	4,883.94	4,736.54
	Enacted tax rate in India	25.17%	25.17%
	Profit before income tax multiplied by enacted tax rate	1,229.19	1,192.09
	Effects of:		
	Effect of change in substantively enacted tax rates on deferred tax	(5.68)	714.90
	Ind as adjustments	3.69	18.96
	Additional deduction under Income Tax based on employment generation	(846.47)	(1,389.33)
	Others income taxable at different rate	-	6.37
	Interest on income tax	5.83	4.17
	Adjustment in respect of tax related to earlier years	16.88	7.29
	Adjustment related to change in tax rate	-	(44.56)
	Liability payable to promoters of acquired subsidiary re-measurement	47.86	73.92
	Tax exempt income	-	(1.36)
	Others	94.53	29.83
	Net effective income tax	545.83	612.29
	Other Comprehensive income (OCI) Section		
	Deferred tax related to items recognised in OCI during in the year:		
	Re-measurement gains and (losses) on defined benefit obligations (net)	(21.63)	15.41
		(21.63)	15.41

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.

39 **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	As at March 31, 2021	As at March 31, 2020 (Restated)
Profit attributable to equity shareholders of Group	4,086.25	4,134.46
Profit attributable to equity holders of the Group adjusted for the effect of dilution	4,086.25	4,134.46
Weighted average number of Equity shares for basic EPS	528.17	528.17
Effect of dilution:		
Employee Stock Options	3.63	3.48
Weighted average number of Equity shares adjusted for the effect of dilution	531.80	531.65
Earning per share of INR 10 each		
- Basic	7.74	7.83
- Diluted	7.68	7.78



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40 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.9,844.40 Lakhs being contribution made to recognised provident fund is recognised as expense for the year ended 31 March 2021 (31 March 2020: INR. 10,550.08 Lakhs and included under Employee benefit expense (Note 33) 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 March 31, 2021	As at March 31, 2020
Present value of Defined Benefit Obligation	2,958.23	2,583.41
Fair value of plan assets	(313.48)	(269.95)
Net Liability or asset	2,644.75	2,313.46
Current	391.22	268.19
Non - Current	2,253.53	2,045.26

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

Particulars	As at March 31, 2021	As at March 31, 2020
Service cost :		
Current service cost	558.38	424.68
Past service cost and loss/ (gain) on curtailments and settlement	-	11.16
Net interest cost :		
Interest Expense on Defined Benefit Obligation	121.86	115.80
Interest Income on Plan Assets	(3.69)	(4.61)
Total included in 'Employee Benefit Expense' (Refer Note 33)	676.55	547.03

c) Remeasurement recognized in other comprehensive income

Particulars	As at March 31, 2021	As at March 31, 2020
Components of actuarial gain/losses on obligations		
Due to change in financial assumptions	1.46	(42.18)
Due to change in demographic assumption	43.79	182.69
Due to experience adjustments	(126.39)	(11.81)
Return on plan assets	(0.82)	0.90
Total	(81.96)	129.60

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 March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	2,583.40	1,781.60
Defined benefit obligation for accquisition during the year	-	214.45
Current service cost	537.94	424.68
Interest cost	125.31	123.85
Actuarial losses/(gains)	(1.55)	-
Due to change in financial assumptions	76.88	(42.20)
Due to change in demographic assumption	(104.16)	182.69
Due to experience adjustments	(19.79)	(12.53)
Past Service Cost	-	11.16
Benefit Paid	(239.81)	(100.30)
Closing balance of the present value of defined benefit obligation	2,958.22	2,583.40



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Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

e) Reconciliation of Net Liability / (Asset)

Particulars	As at March 31, 2021	As at March 31, 2020
Net Liability / (Asset) at the beginning of the period	2,277.84	1,692.09
Defined benefit obligation for accquisition during the year	-	46.63
Defined Benefit cost included in the Profit / Loss	649.00	554.83
Defined Benefit cost included in Other Comprehensive Income	(54.84)	129.82
Benefit Paid	(259.24)	(145.53)
Net Liability / (Asset) at the end of the period	2,612.76	2,277.84



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

f) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at March 31, 2021	As at March 31, 2020
1) Discount rate	4.52% - 6.29%	5.06% - 6.36%
2) Salary growth rate	5.00% - 8.92%	5.00% - 11.62%
3) Attrition rate	31.87% - 51.87% at all ages	13.73% - 49.25%
4) Retirement age	58	58
5) Maturity tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

g) A quantitative sensitivity analysis for significant assumption as at 31 March 2021 and 31 March 2020

Particulars	As at March 31, 2021		As at March 31, 2020	
	Change	Obligation	Change	
i) Discount rate	+0.5%	2,811.42	+0.5%	2,309.37
	-0.5%	2,876.17	-0.5%	2,364.89
ii) Salary growth rate	+0.5%	2,883.28	+0.5%	2,369.63
	-0.5%	2,803.08	-0.5%	2,304.47

h) Expected cashflows based on past service liability

Particulars	As at March 31, 2021	As at March 31, 2020
1) Year 1	945.36	862.86
2) Year 2	716.16	608.84
3) Year 3	516.76	483.34
4) Year 4	355.21	345.84
5) Year 5	242.09	236.83
6) Next 5 years	377.94	345.19

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

Particulars	As at March 31, 2021	As at March 31, 2020
Investment Details		
Others	136.20	269.95
Total	136.20	269.95

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 March 31, 2021	As at March 31, 2020
Present value of Defined Benefit Obligation	2,489.18	2,404.98
Fair value of plan assets	-	-
Net Liability	2,489.18	2,404.98
Current	1,346.35	1,215.41
Non - Current	1,142.83	1,189.57

b) Net benefit cost (refer note 1 below)

Particulars	As at March 31, 2021	As at March 31, 2020
Current service cost	590.51	283.62
Net actuarial (gain) / loss recognised in the year	(541.45)	729.76
Interest cost on defined benefit obligation	106.01	76.62
Net benefit expense	155.07	1,090.00

Note:

The employee benefits expenses towards gratuity and related reimbursement right for associate employees for year ended March 31, 2021 Rs.155.08 lakhs (March 31, 2020: Rs. 1,090.00 lakhs) have been netted off in the Statement of Profit and Loss.



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

Particulars	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	2,404.98	1,512.00
Current service cost	590.51	283.62
Interest cost	106.01	76.62
Actuarial losses/(gains)		
Due to change in financial assumptions	-	68.48
Due to change in demographic assumption	(121.21)	166.94
Due to experience adjustments	(420.23)	494.34
Benefit Paid	(70.87)	(197.02)
Closing balance of the present value of defined benefit obligation	2,489.19	2,404.98

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

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

Particulars	As at March 31, 2021	As at March 31, 2020
1) Discount rate	4.52%	5.06%
2) Salary growth rate (Duration based)	7.24%	10.39%
3) Attrition rate (Age based)	44.70% at all ages	45.72% at all ages
4) Retirement age (Years)	58	58
5) Mortality tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2006-08) Ultimate Table

e) Sensitivity analysis

A quantitative sensitivity analysis for significant assumptions on defined benefit obligation as at March 31, 2021 and March 31, 2020 are as shown below:

Gratuity Plan (Reimbursement from clients)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Change	Obligation	Change	Obligation
i) Discount rate	+0.5%	2,031.14	+0.5%	2,382.48
	-0.5%	2,074.79	-0.5%	2,428.02
ii) Salary growth rate	+0.5%	2,078.91	+0.5%	2,431.63
	-0.5%	2,026.88	-0.5%	2,378.71

f) Expected cashflows based on past service liability

Particulars	As at March 31, 2021	As at March 31, 2020
1) Year 1	714.31	1008.17
2) Year 2	494.77	535.51
3) Year 3	382.68	378.4
4) Year 4	263.13	279.55
5) Year 5	173.72	189.08
6) Next 5 years	228.40	256.4



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Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

41 Lease details

The Group has lease contracts for building used in its operations. Leases of building generally have lease terms between 1 - 5 years, vehicles have lease terms of 1 - 3 years and furniture and fittings between 1-2 years. 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, 2019	603.24	0.00	1.27	604.51
Additions	131.73	12.69	0.00	144.42
Transfer from PPE	12.69	0.00	0.00	12.69
Depreciation expense	(224.42)	(1.70)	(1.08)	(227.20)
As at March 31, 2020	523.24	10.99	0.19	534.43
Additions	194.15	-	-	194.15
Deletions	22.03	(9.34)	-	12.69
Disposal	(123.96)	-	-	(123.96)
Depreciation expense	(248.54)	(1.65)	(0.18)	(250.37)
As at March 31, 2021	366.92	0.00	0.01	366.92

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

Particulars	As at	As at
	31 March 2021	31 March 2020
As at April 01	713.35	655.06
Additions (net)	70.19	362.34
Accretion of interest	49.06	51.59
Payments	(383.23)	(355.66)
As at March 31	449.37	713.33
Current	217.50	318.80
Non-current	231.87	394.54

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:

	As at	As at
	31 March 2021	31 March 2020
Depreciation expense of right-of-use assets	250.37	227.20
Interest expense on lease liabilities	49.06	51.59
Expense relating to short-term leases (included in other expenses)	385.46	670.32
Total amount recognised in profit or loss	684.89	949.11

The Company had total cash outflows for leases of ₹ 383.23 lakhs in 31 March 2021 ₹ 380.23 in 31 March 2020).

42 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 INR 14.89 lakhs (March 31, 2020: 325.64). There are no cancellations or modifications to the awards in March 31, 2021.

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). Management based on future projections believes that number of options expected to be vested is Nil and accordingly ESOP reserve have not been created for said tranches.

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	406,772	521,235	144,788	77,220
Exercise price (in INR)	10	111	111	111
Vesting period	1 year	1 - 3 years	1 - 3 years	1 - 3 years



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Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

Vesting condition	100% on April 17, 2020	25% on September 30, 2020	25% on September 30, 2020	25% on September 30, 2020	25% on September 30, 2020	25% on September 30, 2020
		25% on September 30, 2021	25% on September 30, 2021	25% on September 30, 2021	25% on September 30, 2021	25% on September 30, 2021
		50% on September 30, 2022	50% on September 30, 2022	50% on September 30, 2022	50% on September 30, 2022	50% on September 30, 2022

B. Movement in the options granted to employees

Particulars	Number of options		Number of options	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Outstanding at the beginning of the year	1,053,490	-	72.00	-
Options granted during the year	-	1,150,015	-	75.28
Options exercised during the year	-	-	-	-
Options expired during the year	(219,595)	(96,525)	111.00	111.00
Outstanding at the end of the year	833,895	1,053,490	61.73	72.00
Exercisable at the end of the year	-	-	-	-

The range of exercise prices for options outstanding at the end of the year was Rs. 10 to Rs. 111 (March 31, 2020: Rs 111)

The weighted average remaining contractual life for the share options outstanding as at March 31, 2021 is 1.5 years (March 31, 2020: 0.50 to 2.5 years).

42 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	March 31, 2021	March 31, 2020
Exercise price		10 to 111
Expected volatility		20%
Expected dividend yield (%)		-
Risk free interest rates	No Option have been granted during the year	7.40%
Expected life of the option		1 - 3 years
Weighted average share price		93.00
Fair Value of the Option		83.71

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.

43 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, 2021 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	As at
	March 31, 2021	March 31, 2020
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	366.19	718.58
Interest due on above	9.19	26.27
(b) Payment made to suppliers (other than interest) beyond the appointed day, during the year	573.26	206.87
(d) Interest due and payable to suppliers under MSMED Act, for payments already made	13.40	24.92
(e) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	22.59	51.19

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, 2021	March 31, 2020
Non-current borrowings	-	0.91
Current borrowings	1,161.01	8,995.23
Lease Liabilities	449.37	713.34
Less: cash and cash equivalents	(4,558.87)	(1,743.45)
Net debt	(2,948.49)	7,966.04
Total capital	29,025.14	24,850.75
Capital and net debt	26,076.65	32,816.79
Gearing ratio	-11.31%	24.27%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.



Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

45 Commitments and Contingencies

Particulars	March 31, 2021	March 31, 2020
a. Contingent Liabilities		
- Claims made against the Company not acknowledged as debts in respect of income tax matters	-	97.28
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
- Claims made against the Company not acknowledged as debts in respect of GST		27.77
- Others*	69.56	13.44
b. Commitments		
-Estimated amount of contracts remaining to be executed on capital account and not provided for net of capital advances	5.42	123.19

* (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 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 (Non-current assets) in the consolidated 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

The Group is engaged in one business namely providing facility management services & associated services 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 Group operates in more than one geographical segment outlined in the table below:

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	March 31, 2021	March 31, 2020
India	119,680.51	132,176.40
Outside India	678.06	219.64
Total revenue as per statement of profit and loss	120,358.57	132,396.04

Information about Major Customers

Revenue from one customer amounting to INR 11,508.97 lakhs (31 March 2020: INR 8,437.36 lakhs), constitute more than 10% of the total revenue of the Company in the current year.

Non-Current operating assets

	March 31, 2021	March 31, 2020
India	7,522.35	8,543.88
Outside India	-	-
	7,522.35	8,543.88

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



Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

(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:

<u>Description of Relationship</u>	<u>Name of the related parties</u>
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 Mr. Jayaram L B, Company Secretary Mr. Omprakash B R, Chief Financial Officer (from June 01, 2019 till January 10,2020) Mr. Balaji Swaminathan, Chief Financial Officer (from January 10, 2020) Mr. Sunil Rewachand Chandiramani, Director Mr. Shankar Gopalakrishnan, Director

* 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 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

	<u>Year ended</u> <u>31 March 2021</u>	<u>Year ended</u> <u>31 March 2020</u>
Rent Expense		
Mr. T. Raghunandana	109.61	114.37
Mrs. T. Shanthi	109.61	114.37
Services Provided		
Tangirala Infrastructure Development Private Limited	0.13	1.03
Updater Services (UDS) Foundation	3.55	4.83
Services received		
Best Security Services Private Limited	172.14	206.82
Tangirala Infrastructure Development Private Limited	2.34	-
Supply of Material		
Best Security Services Private Limited	17.93	10.81
Managerial remuneration		
Mr. T. Raghunandana	149.60	192.00
Mr. Jayaram L B	40.09	54.80
Mr. Balaji Swaminathan	40.09	16.74
Mr. Om Prakash B.R	-	44.34
Director sitting fees		
Mr. Sunil Rewachand Chandiramani	-	12.00
Mr. Shankar Gopalakrishnan	-	12.00
Reimbursement / (recovery) of expenses		
Updater Services (UDS) Foundation	-	0.09
Mr. Shankar Gopalakrishnan	-	0.10
Best Security Services Private Limited	1.48	-
CSR Expenses		
Updater Services (UDS) Foundation	67.53	69.70
Security Deposit - Paid / (Refund)		
Mr. T. Raghunandana	19.06	-



Updater Services Private Limited**Notes to consolidated financial statements for the year ended March 31, 2021***(All amounts are in lakhs of Indian Rupees unless otherwise stated)*

Mrs. T Shanthi, Director	19.06	-
Contribution to Gratuity		
Updater Services Private Limited - Employees Company Gratuity Scheme	184.97	327.31
47 Related party disclosures (continued)		
(C) Balance outstanding at the end of the year	Year ended	Year ended
Investment in Equity	31 March 2021	31 March 2020
Updater Services (UDS) Foundation	1.00	1.00
Security Deposits (Asset)		
Mr. T. Raghunandana	114.37	95.31
Mrs. T. Shanthi	114.37	95.31
Trade Payable		
Best Security Services Private Limited	15.14	38.17
Mr. T. Raghunandana	-	4.24
Mrs. T. Shanthi	-	26.93
Tangirala Infrastructure Development Private Limited	-	0.25
Director Fee payable		
Mr. Shankar Gopalakrishnan	-	5.40
Mr. Sunil Rewachand Chandiramani	-	5.40
Trade Receivable		
Updater Services (UDS) Foundation	0.61	6.19

(D) Compensation to key managerial personnel is follows:

Consideration to key managerial personnel	Year ended	Year ended
	31 March 2021	31 March 2020
Salaries and other employee benefits* [@]	210.24	307.88

[@]The employee stock compensation expenses for the year ended March 31, 2021 and March 31, 2020 include charges of ₹ 0.85 lakhs and ₹ 19.88 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 2021, the group has not recorded any amount towards impairment of loans and receivables relating to amounts owed by related parties (31 March 2020: 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.



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 40.

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 useful life

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 41 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.



Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

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 47 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 49 for details)

As part of the accounting for the acquisition of Washroom Hygiene Concepts Private Limited Limited, contingent consideration with an estimated fair value of INR 135.55 lakhs was recognised at the acquisition date and remeasured to INR 29.19 lakhs as at the reporting date. The contingent consideration is classified as other financial liability.

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 40.

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 3A.

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, in respect of its subsidiary.



Updater Services Private Limited**Notes to consolidated financial statements for the year ended March 31, 2021***(All amounts are in lakhs of Indian Rupees unless otherwise stated)***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-21	31-Mar-20	31-Mar-21	31-Mar-20
Financial assets				
Rental deposits	580.32	484.84	580.32	484.84
Reimbursement right of gratuity	2,429.36	2,404.98	2,429.36	2,404.98
Total	3,009.68	2,889.82	3,009.68	2,889.82
Financial liabilities				
Lease Liabilities	449.37	713.34	449.37	713.34
Liability payable to promoters of acquired subsidiary	1,686.93	2,238.53	1,686.93	2,238.53
Total	2,136.30	2,951.87	2,136.30	2,951.87

The management assessed that cash and cash equivalents, trade receivables, 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 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-21	31-Mar-20	31-Mar-21	31-Mar-20
Financial assets					
Investments	Level 1	404.40	154.40	404.40	154.40
Rental deposits	Level 3	580.32	484.84	580.32	484.84
Reimbursement right of gratuity	Level 3	2,429.36	2,404.98	2,429.36	2,404.98
Total		3,414.08	3,044.22	3,414.08	3,044.22
Financial liabilities					
Lease Liabilities	Level 3	449.37	713.34	449.37	713.34
Liability payable to promoters of acquired subsidiary	Level 2	1,686.93	2,238.53	1,686.93	2,238.53
Total		2,136.30	2,951.87	2,136.30	2,951.87

There have been no transfers between the levels during the year.

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

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.



Updater Services Private Limited**Notes to consolidated financial statements for the year ended March 31, 2021***(All amounts are in lakhs of Indian Rupees unless otherwise stated)***51 Financial risk management objectives and policies**

The Group's principal financial liabilities is 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.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is Rs. 20,813.30 lakhs (Rs. 29,231.08 Lakhs as of March 31, 2020), 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, 2021	March 31, 2020
Increase in rate by 2%	(77.82)	(179.92)
Decrease in rate by 2%	77.82	179.92

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, 2021

Particulars	Within 1 year	1-3 years	3-5 years	Total
Borrowings	1,161.01	-	-	1,161.01
Trade Payables	3,185.25	-	-	3,185.25
Other financial liabilities	11,743.68	844.83	-	12,588.51
Lease Liabilities	217.50	231.87	-	449.37
Total	16,307.44	1,076.70	-	17,384.14



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51 Financial risk management objectives and policies (continued)

As at March 31, 2020

Particulars	Within 1 year	1-3 years	3-5 years	Total
Borrowings	8,995.23	0.91	-	8,996.14
Trade Payables	3,693.04	-	-	3,693.04
Other financial liabilities	11,045.77	1,363.51	-	12,409.28
Lease Liabilities	318.80	394.54	-	713.34
Total	24,052.84	1,758.96	-	25,811.80

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 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 uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of is 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 2021		As at 31st March 2020	
		Amount in FC	Amount in Rs.	Amount in FC	Amount in Rs.
Trade Receivables	USD	1.84	134.92	-	-
	AED	4.99	99.81	-	-
Trade Payables	USD	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, 2021	11.67	11.67	11.67	11.67

Note :

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



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Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

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, 2021	March 31, 2020
Cash and cash equivalents	61.67	40.49
Current assets excluding cash and cash equivalents	2,425.62	1,283.74
Non-current assets	912.38	462.01
Trade payables	268.32	97.40
Provisions	327.47	331.02
Current liabilities excluding trade payables and provisions	1,003.28	463.38
Borrowings	-	93.20
Non-current liabilities excluding borrowings and provisions	3.38	30.06
Equity	1,797.22	864.37
Share of NCI	24.00%	24.00%
Attributable to NCI	431.33	207.45

Summarised statement of profit and loss

Particulars	Avon Solutions & Logistics Private Limited	
	March 31, 2021	March 31, 2020
Total Revenue	5,714.03	4,207.07
Employee benefits expense	2,252.23	2,861.15
Finance costs	8.88	18.58
Depreciation and amortization expense	30.61	35.91
Other expenses	2,099.67	1,118.41
Profit before tax	1,345.56	202.97
Income tax expense	342.37	69.34
Profit for the year	1,003.19	133.63
Other comprehensive income/(loss)	(70.33)	88.98
Total comprehensive income for the year	932.86	222.62
Attributable to NCI	223.89	53.43

Summarised cash flow statement

Particulars	Avon Solutions & Logistics Private Limited	
	March 31, 2021	March 31, 2020
Operating activities	165.29	176.10
Investing activities	(14.53)	(157.99)
Financing activities	(129.57)	(18.49)
Net increase/(decrease) in cash and cash equivalents	21.19	(0.38)

B. Fusion Foods and Catering Private Limited

Summarised balance sheet

Particulars	Fusion Foods and Catering Private Limited	
	March 31, 2021	March 31, 2020
Cash and cash equivalents	190.92	160.40
Current assets excluding cash and cash equivalents	1,252.53	1,630.70
Non-current assets	402.83	418.41
Trade payables	646.09	1,003.35
Provisions	76.87	62.45
Current liabilities excluding trade payables and provisions	305.56	1,351.42
Borrowings	-	6.88
Non-current liabilities excluding borrowings and provisions	80.50	182.15
Equity	737.25	675.93
Share of NCI	34.60%	34.60%
Attributable to NCI	255.22	234.00



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Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

52 Material Partly - Owned Subsidiaries (continued)

B. Fusion Foods and Catering Private Limited

Summarised statement of profit and loss

Particulars	Fusion Foods and Catering Private Limited	
	March 31, 2021	March 31, 2020
Total Revenue	5,480.26	7,124.05
Cost of materials consumed	3,433.32	4,772.24
Changes in inventories of Finished goods, work in progress and traded goods	-	-
Employee benefits expense	1,651.06	2,066.19
Finance costs	2.23	4.40
Depreciation and amortization expense	101.51	97.72
Other expenses	285.47	345.93
Profit before tax	23.97	(162.42)
Income tax expense	-25.54	-29.67
Profit for the year	49.51	(132.75)
Other comprehensive income/(loss)	11.81	2.98
Total comprehensive income for the year	61.32	(129.77)
Attributable to NCI	21.22	(44.90)

Summarised cash flow statement

Particulars	Fusion Foods and Catering Private Limited	
	March 31, 2021	March 31, 2020
Operating activities	109.34	506.31
Investing activities	(26.07)	(353.78)
Financing activities	(52.74)	-12.42
Net increase/(decrease) in cash and cash equivalents	30.53	140.11

C. Global Flight Handling Services Private Limited

Summarised balance sheet

Particulars	Global Flight Handling Services Private Limited	
	March 31, 2021	March 31, 2020
Cash and cash equivalents	7.76	23.33
Current assets excluding cash and cash equivalents	179.52	161.83
Non-current assets	41.49	40.91
Trade payables	42.46	-
Provisions	1.78	1.78
Current liabilities excluding trade payables and provisions	53.78	193.21
Borrowings	115.34	67.22
Non-current liabilities excluding borrowings	-	-
Equity	15.41	32.85
Share of NCI	26.00%	30.00%
Attributable to NCI	4.01	9.22

Summarised statement of profit and loss

Particulars	Global Flight Handling Services Private Limited	
	March 31, 2021	March 31, 2020
Total Revenue	29.16	185.45
Cost of materials consumed	-	-
Purchases of traded goods	-	-
Changes in inventories of Finished goods, work in progress and traded goods	-	-
Employee benefits expense	16.69	91.79
Finance costs	10.77	-
Depreciation and amortization expense	-	0.06
Other expenses	28.50	90.28
Profit before tax	(26.80)	3.32
Income tax expense	(6.75)	(3.12)
Profit for the year	(20.04)	2.09
Other comprehensive income/(loss)	-	-
Total comprehensive income for the year	(20.04)	2.09
Attributable to NCI	-5.21	0.63



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Updater Services Private Limited

Notes to consolidated financial statements for the year ended March 31, 2021

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

Summarised cash flow statement

Particulars	Global Flight Handling Services Private Limited	
	March 31, 2021	March 31, 2020
Operating activities	(54.73)	21.26
Investing activities	0.01	-
Financing activities	36.56	(0.59)
Net increase/(decrease) in cash and cash equivalents	(18.16)	20.67



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53 Group information

A) Subsidiaries

Name	Principal activities	Country of incorporation	% equity interest	
			31-Mar-21	31-Mar-20
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	100.00%	100.00%
Tangy 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	65.40%	65.40%
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 (26th April 2019)	People, Product, and Process assurance services	India	75.00%	75.00%
Washroom Hygiene Concepts Private Limited (1st Oct 2019)	Family Hygiene Solutions	India	90.00%	76.00%
Updater Services (UDS) Foundation *	Licensed under Section 8 of Companies Act, 2013	India	100%	100%

* 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 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) Holding/Promoter company

Updater Services Private Limited



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54 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 as at and for the year ended 31st March 2021 and 31st March 2020

Year Ended 31st March 2021

Name of the Entities	Net Assets		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Assets	Amount	As % of Consolidated Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total comprehensive income	Amount
I. Parent								
Updater Services Private Limited	72.58%	21,568.62	58.62%	2,543.10	130.96%	79.01	59.61%	2,622.11
II. Subsidiaries								
Avon Solutions & Logistics Private Limited	4.61%	1,370.63	17.58%	762.43	-88.60%	(53.45)	16.12%	708.98
Integrated Technical Staffing and Solutions Private Limited	1.86%	553.54	1.59%	68.96	33.66%	20.31	2.03%	89.27
Stanworth Management Private Limited	0.76%	224.83	1.39%	60.29	25.17%	15.19	1.72%	75.47
Tangy Supplies & Solutions Private Limited	3.14%	934.37	1.92%	83.51	-0.44%	(0.27)	1.89%	83.24
Fusion Foods and Catering Private Limited	1.65%	489.29	0.75%	32.38	12.80%	7.72	0.91%	40.11
Zappy Home Solutions Private Limited	-2.48%	(738.43)	-2.57%	(111.66)	-0.18%	(0.11)	-2.54%	(111.76)
Global Flight Handling Services Private Limited	0.05%	16.03	-0.46%	(20.04)	0.00%	-	-0.46%	(20.04)
Matrix Business Services India Private Limited (w.e.f. April 25, 2019)	13.72%	4,077.87	17.35%	752.48	8.61%	5.20	17.23%	757.68
Washroom Hygiene Concepts Private Limited (w.e.f. September 05, 2019)	1.78%	528.41	-1.96%	(85.20)	-0.79%	(0.48)	-1.95%	(85.68)
Non-Controlling interest in all subsidiaries	2.33%	692.67	5.81%	251.86	-21.20%	(12.79)	5.44%	239.07
Total	100%	29,717.81	100.00%	4,338.11	100.00%	60.33	100.00%	4,398.44

Year Ended 31st March 2020

Name of the Entities	Net Assets		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive Income	
	As % of Consolidated Assets	Amount	As % of Consolidated Loss	Amount	As % of Consolidated OCI	Amount	As % of Consolidated Total comprehensive income	Amount
I. Parent								
Updater Services Private Limited	89.74%	18,932.20	76.42%	3,126.39	132.00%	(150.97)	74.88%	2,975.42
II. Subsidiaries								
Avon Solutions & Logistics Private Limited	3.37%	661.65	3.14%	104.64	-77.80%	67.50	5.37%	172.14
Integrated Technical Staffing and Solutions Private Limited	1.81%	464.28	3.62%	109.73	0.05%	(24.41)	3.71%	85.32
Stanworth Management Private Limited	0.58%	149.36	2.58%	60.00	21.34%	11.89	2.06%	71.89
Tangy Supplies & Solutions Private Limited	3.12%	851.13	1.41%	143.44	-10.40%	(0.06)	1.74%	143.38
Fusion Foods and Catering Private Limited	2.63%	449.19	-3.12%	(92.93)	-2.61%	2.08	-3.13%	(90.85)
Zappy Home Solutions Private Limited	-2.44%	(626.67)	-1.91%	(81.38)	-1.29%	1.47	-1.93%	(79.91)
Global Flight Handling Services Private Limited	0.13%	36.07	0.05%	1.46	0.00%	-	0.05%	1.46
Matrix Business Services India Private Limited (w.e.f. April 25, 2019)	13.10%	3,320.20	15.33%	679.35	38.69%	(44.26)	14.69%	635.09
Washroom Hygiene Concepts Private Limited (w.e.f. September 05, 2019)	2.30%	614.09	-1.24%	83.78	0.00%	-	-1.27%	83.78
Non-Controlling interest in all subsidiaries	-14.34%	453.60	3.73%	(10.21)	0.00%	22.38	3.83%	12.16
Total	100.00%	25,305.08	100.00%	4,124.25	100.00%	(114.38)	100.00%	4,009.87



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55 Business Combinations and Acquisition of non-controlling interest

Acquisitions during the year ended March 31, 2020

On April 25, 2019, the Group acquired 75% equity ownership in Matrix Business Services India Private Limited ("Matrix") by investing a total of ₹ 3,915.01 lakhs as equity share capital. Matrix is primarily engaged in the business of providing assurance services, claims processing, including employee background verifications checks and product and process audits inter alia of warehouses, depots, distributors and distribution centres, retail points and outlets and franchisees. Investment recorded during the previous year includes ₹ 965.16 lakhs on account of obligation to purchase the remaining equity shares in the future, recognised pursuant to Shareholder's Agreement between the Group and the promoters of Matrix.

On September 5, 2019, the Group acquired 76% 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 year includes ₹ 360.63 lakhs on account of obligation to purchase the remaining equity shares in the future, recognised pursuant to Shareholder's Agreement between the Company and the promoters of WHC.

Consequent to the future purchases, the Group will hold 100% of the equity shares of Matrix and WHC.

The Group has elected not to recognise a non-controlling interest in Matrix and WHC as the unacquired shares from the promoters of Matrix and WHC are recognised as financial liabilities in the consolidated financial statements and both Matrix and WHC are considered to be 100% owned by the Group for the purpose of consolidation.

Assets acquired and liabilities assumed	Particulars	Fair Value on acquisition		
		Matrix	WHC	Total
Property, Plant and Equipment		173.00	436.00	609.00
Intangible Assets		135.00	-	135.00
Inventories		3.00	31.00	34.00
Trade Receivables		1,952.00	347.00	2,299.00
Cash and Bank Balances		791.00	18.00	809.00
Loans and Advances		819.00	19.00	838.00
Non-current tax assets (Net)		62.00	-	62.00
Other Assets - current and non-current		-	10.00	10.00
Deferred Tax Assets		-	9.00	9.00
Total Assets taken over (A)		3,935.00	870.00	4,805.00
Trade Payables		-660.00	-148.00	-808.00
Other Liabilities - current		-506.00	-30.00	-536.00
Provisions - current and non-current		-47.00	-37.00	-84.00
Other long term liabilities		-4.00	-3.00	-7.00
Total liabilities assumed (B)		-1,217.00	-218.00	-1,435.00
Liabilities towards promoters of Matrix (Note i) (C)		-619.00	-	-619.00
Identifiable Intangible Assets on acquisition				
Customer Relationship (Note ii)		77.00	288.00	365.00
Non Compete (Note iii)		111.00	104.00	215.00
Vendor Contract (Note iv)		-	617.00	617.00
Brand (Note v)		-	155.00	155.00
Total identifiable intangible assets on acquisition (D)		188.00	1,164.00	1,352.00
Deferred Tax Liability on account of identified intangible assets on acquisition				
Deferred Tax Liabilities		-47.32	-292.96	-340.27
Total Deferred Tax liability on identified intangible assets		-47.32	-292.96	-340.27
Non-controlling interests measured at fair value		-	-	-
Goodwill arising on acquisition (Note vi) (E)		2,637.32	356.96	2,994.27
Total purchase consideration (A+B+C+D+E)		4,877.00	1,880.00	6,757.00

Note i

On the date of acquisition of Matrix, Matrix had a refund of Income Tax Receivable for the Assessment Years 2018-19 and 2019-20 amounting to INR 619 lakhs. As per the terms of the investment agreement entered for the acquisition of Matrix, upon receipt of the aforementioned refund, the Group is required to pay the refund received to the promoters of Matrix, as defined in the investment agreement. A financial liability towards this refund is recognised in the consolidated financial statements as shown above against the refund of Income Tax Receivable asset.

Note ii

Customer contracts and related Customer relationships include the relationships that Matrix and WHC have 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 five years from the date of acquisition.



Updater Services Private Limited**Notes to consolidated financial statements for the year ended March 31, 2021***(All amounts are in lakhs of Indian Rupees unless otherwise stated)***Note iii**

Non compete is based on a contractual agreement which protects the value of the purchased assets from Matrix and WHC (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 Matrix and WHC, the promoters have agreed to non-competence for a period of 7 years from the expiry of Contract of service or the promoters ceasing to hold any securities of Matrix and WHC (i.e. after June 30, 2021 and June 30, 2022 respectively). Thus effectively 8 - 10 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".

Note iv

Vendor Contract is an agreement where the vendor has agreed to supply agreed products for a specified period of time and within a specific geographic area exclusively to WHC and 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 five years from the date of acquisition.

Note v

WHC uses the trademark 'Washroom Hygiene Concepts' 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 WHC. 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 vi

The goodwill of INR 2,994.27 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, Matrix and WHC have contributed INR 6,977.81 lakhs and INR 809.88 lakhs of revenue respectively and INR 881.95 lakhs and INR (65.24) 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 133,641.30 lakhs and the profit before tax for the Group would have been INR 5,188.07 lakhs.

Note vii

The fair value of the trade receivables of Matrix and WHC amount to INR 2,299 lakhs. The gross amount of trade receivables is INR 2,312 lakhs. However, it is expected that the full contractual amounts can be collected.

Purchase consideration

Cash paid for purchase of current equity shareholding

Redemption liability

Total

	Matrix	WHC	Total
Cash paid for purchase of current equity shareholding	3,911.84	1,520.00	5,431.84
Redemption liability	965.16	360.63	1,325.79
Total	4,877.00	1,880.63	6,757.63

During the financial year 2019-20, the Company has acquired 75% stake in Matrix Business Services India Private Limited at an agreed price of INR 3,911.84 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 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 redemption liability for the present value of such future obligation based on a best estimate available with the management.

Significant increase/ (decrease) in the EBITDA of Matrix and WHC 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:

Matrix

Particulars	No of shares	Price per share	Purchase consideration in lakhs	Stake
Tranche I	3,13,660	1,248	3,915	75.0%
Tranche II (on or before June 30, 2021)	52,276	1,395	729	12.5%
Tranche III (on or before June 30, 2022)	52,276	2,167	1,133	12.5%
Total shares	4,18,211		5,777	100.0%

WHC

Particulars	No of shares	Price per share	Purchase consideration in lakhs	Stake
Tranche I (acquired)	73,833	2,059	1,520	76.0%
Tranche II (on or before June 30, 2020)	13,600	2,059	280	14.0%
Tranche III (on or before June 30, 2021)	9,715	2,059	200	10.0%
Total	97,148		2,000	100.0%



56 The Ind AS financial statements of the Group for the year ended March 31, 2020, included in these consolidated Ind AS financial statements have been restated during the current period for reasons stated below. These adjustments to the consolidated Ind AS financial statements have been made to the respective comparative consolidated Ind AS financial statements presented as at March 31, 2020.

Sn No	Particulars	31 st March 2020 (Restated)	31 st March 2020 (Published)	Adjustments	Nature
A	Intangible asset arising on acquisition	1,217.71	1,335.11	(117.40)	Lower amortization now corrected.
B	Depreciation and amortization	1,616.64	1,499.24	117.40	(Having effect to Profit & Loss)
C	Property, Plant and Equipment	1,995.02	2,083.92	(88.90)	Revenue expenditure capitalized now rectified.
D	Repairs & Maintenance	130.35	41.45	88.90	(Having effect to Profit & Loss)
E	Goodwill on consolidation	4,569.90	4,229.63	340.27	Goodwill and Deferred tax liability netted off earlier, now grossed.
F	Deferred Tax Liability	310.72	-	310.72	(No effect to Profit & Loss)
G	Retained earnings as on April 01, 2019	9,507.54	9,736.44	(228.90)	Deferred Tax Assets on items eliminated during consolidation not reversed now rectified.
H	Deferred Tax Expense	(66.44)	5.75	(72.19)	
I	Deferred Tax Assets (Net)	2,715.35	2,903.86	(188.51)	
	Profit/(Loss) before Tax	4,736.54	4,942.84	(206.30)	B+D
	Profit/(Loss) after Tax	4,124.25	4,258.36	(134.11)	B+D+H
	Total Comprehensive Income	4,009.87	4,143.98	(134.11)	
	Earnings per share (Rs)	7.79	8.04	(0.25)	
	Diluted earnings per share (Rs)	7.73	7.99	(0.25)	

57 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 Group'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.

58 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 financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

59 Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period.

60 Standards issued but not effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Group's financial statements.

61 Previous Year Figures

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

As per our report of even date
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004



per Chirag Shah
Partner
Membership No. 121648



Place: Chennai
Date : September 24, 2021

For and on behalf of Board of Directors
Updater Services Private Limited


T. Raghunandana
Managing Director
DIN : 0000628914


T. Shanthi
Director
DIN : 0000939218


Balaji Swaminathan
Chief Financial Officer
Place: Chennai
Date : September 24, 2021


L.B. Jayaram
Company Secretary