

INDEPENDENT AUDITOR'S REPORT

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

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

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

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

Basis for Qualified Opinion

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

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with



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

Emphasis of Matter

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

Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.



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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the



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

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

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

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

Other Matter

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on the separate financial statements and the other financial information of the subsidiary companies incorporated in India, as noted in the 'Other



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

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on the separate financial statements and the other financial information of subsidiaries, as noted in the 'Other Matter' paragraph above, we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and except for the matters described in the Basis for Qualified Opinion paragraph obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) The matters described in our Basis for Qualified Opinion paragraph above and the matters described in the Qualified Opinion section in Annexure 2 to this report, in our opinion, may have an adverse effect on the functioning of the relevant entities of the Group.
 - (f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiaries, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;



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- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements – Refer Note 45 to the consolidated financial statements;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2022.
 - iv.
 - a) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, as stated in Note 61 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of its knowledge and belief, as stated in Note 61 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the



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

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

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Aravind K

per Aravind K

Partner

Membership Number: 221268

UDIN: 23221268BGXPNT2048

Place of Signature: Chennai

Date: December 31, 2022



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Annexure 1 referred to in Paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: Updater Services Limited (“the Holding Company”)

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and consideration of report of the other auditors on the separate financial statements and the other financial information of the subsidiary Companies, incorporated in India, we state that:

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

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



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

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

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

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

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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



Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

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

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

Qualified Opinion

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

In respect of the Holding Company:

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

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



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

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

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

Other Matters

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

Explanatory paragraph

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

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Aravind K

per **Aravind K**

Partner

Membership Number: 221268

UDIN: 23221268BGXPNT2048

Place of Signature: Chennai

Date: December 31, 2022



Updater Services Limited (Formerly known as Updater Services Private Limited)
 Consolidated Balance sheet as at March 31, 2022
 (All amounts are in lakhs of Indian Rupees unless otherwise stated)

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



Updater Services Limited (Formerly known as Updater Services Private Limited)
Consolidated Balance sheet as at March 31, 2022

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

Particulars	Notes	As at 31st March 2022	As at 31st March 2021 (Restated)*	As at 1st April 2020 (Restated)*
Current Liabilities				
Financial liabilities				
(i) Borrowings	21	5,867.93	1,161.02	8,995.24
(ii) Lease Liabilities	42	476.90	217.50	318.80
(iii) Trade payables				
Total outstanding dues of micro enterprises and small enterprises	22	577.48	388.78	769.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	22	3,990.35	2,796.47	2,923.27
(iv) Other current financial liabilities	23	17,805.80	11,743.10	11,045.77
Short Term Provisions	25	999.20	1,049.33	807.25
Net Employee defined benefit liabilities	25A	1,924.50	1,737.57	1,483.60
Current tax liabilities (net)	26	371.34	383.68	119.48
Other current liabilities	27	6,076.45	4,524.06	4,307.55
		38,089.95	24,001.51	30,770.73
Total Liabilities		52,882.92	28,730.19	36,075.24
TOTAL EQUITY AND LIABILITIES		87,456.06	57,948.45	60,462.83

* Restated (Refer Note 2.1 & Note 56)

Summary of significant accounting policies

1 - 2

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

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As per our report of even date

For S.R.Batlboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Aravind K

per Aravind K
Partner

Membership No. 221268



For and on behalf of Board of Directors

Updater Services Limited

(Formerly known as Updater Services Private Limited)

T. Raghunandana
T. Raghunandana
Managing Director
DIN : 00628914

P.C. Balasubramanian
P.C. Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Balaji Swaminathan
Chief Financial Officer

L.B. Jayaram
L.B. Jayaram
Company Secretary
Membership No. 10930

Amitabh Jaipuria
Amitabh Jaipuria
Chief Executive officer

Place: Chennai

Date : December 31, 2022

Place: Chennai

Date : December 31, 2022

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

Particulars	Note No.	Year ended 31st March 2022	Year Ended 31st March 2021 (Restated) ^A
Income			
Revenue from contracts with customers	28	1,48,355.22	1,21,003.23
Other income	29	833.44	416.04
Finance income	30	600.69	215.86
Total Income		1,49,789.35	1,21,635.13
Expenses			
Cost of materials consumed	31	4,118.18	3,004.70
Cost of Services	32	9,540.95	-
Changes in inventories of Finished goods and traded goods	33	(183.43)	156.14
Employee benefits expense	34	1,06,817.70	98,165.47
Finance costs	35	1,008.70	684.60
Depreciation and amortization expense	36	1,653.40	1,498.58
Impairment losses on financial instrument and contract assets	37 A	600.09	554.71
Fair value changes in Liability payable/paid to promoters of acquired subsidiaries	37 B	1,632.90	-
Other expenses	38	17,507.11	12,128.31
Total Expense		1,42,695.60	1,16,192.51
Profit before tax		7,093.75	5,442.62
Tax Expense :			
Current tax	39	2,094.84	1,534.25
Adjustment of tax relating to earlier periods	39	(129.76)	13.90
Deferred tax charge / (credit)	39	(607.83)	(861.70)
Income tax expense		1,357.25	686.45
Profit for the year		5,736.50	4,756.17
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)		(326.84)	81.96
Income tax effect		55.14	(21.63)
Other comprehensive income for the year, net of tax		(271.70)	60.33
Total comprehensive Income for the year, net of tax attributable to:		5,464.80	4,816.50
Profit for the year			
Attributable to:			
Equity holders of the parent		5,528.67	4,503.51
Non-controlling interests		207.83	252.66
Other Comprehensive income for the year			
Attributable to:			
Equity holders of the parent		(271.58)	73.92
Non-controlling interests		(0.12)	(13.59)
Total comprehensive income for the year			
Attributable to:			
Equity holders of the parent		5,257.09	4,577.43
Non-controlling interests		207.71	239.07
Earnings per equity share			
Basic (Amount in ₹)	40	10.47	8.53
Diluted (Amount in ₹)	40	10.40	8.47

* Restated (Refer Note 2.1 & Note 56)

Summary of significant accounting policies


1 - 2

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

3 - 63


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

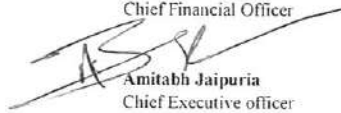
For and on behalf of Board of Directors
 Updater Services Limited
 (Formerly known as Updater Services Private Limited)


 per Aravind K
 Partner
 Membership No. 221268




 T. Raghunandana
 Managing Director
 DIN : 00628914


 Balaji Swaminathan
 Chief Financial Officer


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


 P.C. Balasubramanian
 Director
 DIN : 00584548


 L.B. Jayaram
 Company Secretary
 Membership No. 10950

Place: Chennai
 Date : December 31, 2022



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

(a) Equity share capital

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

(b) Other equity (Restated)

Particulars	Retained Earnings (Restated)*	Capital redemption reserve	General reserve	Securities Premium	Employee Stock Options Reserve	Total Equity attributable to equity shareholders of	Non-Controlling Interest	Total
Balance as at April 1, 2020 as previously reported	13,268.88	207.50	172.69	5,594.28	325.63	19,568.98	454.32	20,023.30
Less: Impact on account of prior period errors (Restated)*	(917.46)	-	-	-	-	(917.46)	-	(917.46)
Balance as at 1 April 2020 (Restated)*	12,351.42	207.50	172.69	5,594.28	325.63	18,651.52	454.32	19,105.84
Profit for the year (Restated)*	4,503.51	-	-	-	-	4,503.51	252.66	4,756.17
Other Comprehensive Income	73.92	-	-	-	-	73.92	(14.31)	59.61
Total comprehensive Income (Restated)*	4,577.43	-	-	-	-	4,577.43	238.35	4,815.78
Transfer to general reserve	(93.28)	-	93.28	-	-	-	-	-
Employee stock options provided	-	-	-	-	14.89	14.89	-	14.89
As at March 31, 2021 (Restated)*	16,835.57	207.50	265.97	5,594.28	340.52	23,243.84	692.67	23,936.51
Profit for the year	5,528.67	-	-	-	-	5,528.67	207.83	5,736.50
Other Comprehensive Income	(271.58)	-	-	-	-	(271.58)	(0.12)	(271.70)
Total comprehensive Income	5,257.09	-	-	-	-	5,257.09	207.71	5,464.80
Reversal of Reserves to NCI on acquisition of minority shares	255.24	-	-	-	-	255.24	(255.24)	-
Additional investment by NCI	-	-	-	-	-	-	16.90	16.90
Employee stock options provided	-	-	-	-	81.96	81.96	-	81.96
Buyback of Subsidiary's Equity Shares#	(77.45)	-	-	-	-	(77.45)	(131.33)	(208.78)
As at March 31, 2022	22,270.45	207.50	265.97	5,594.28	422.48	28,760.68	530.71	29,291.39

* Restated (Refer Note 2.1 & Note 56)

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

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

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

Arvind K
 per Arvind K
 Partner
 Membership No. 221268



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

T. Raghunandana
 Managing Director
 DIN : 00628914

P.C. Balasubramanian
 Director
 DIN : 00584548

Balaji Swaminathan
 Chief Financial Officer

L.B. Jayaram
 Company Secretary
 Membership No. 19930

Amitabh Jaipuria
 Chief Executive officer

Place: Chennai
 Date: December 31, 2022

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

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



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

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

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

Aravind K
 per Aravind K
 Partner
 Membership No. 221268



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

T. Raghunandana
 T. Raghunandana
 Managing Director
 DIN : 00628914

P.C. Balasubramanian
 P.C. Balasubramanian
 Director
 DIN : 00584548

Balaji Swaminathan
 Balaji Swaminathan
 Chief Financial Officer

L.B. Jayaram
 L.B. Jayaram
 Company Secretary
 Membership No: 10930

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

Place: Chennai
 Date : December 31, 2022



1. Corporate information

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

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

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

2. Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

i. Compliance with Ind-AS

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

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

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

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

ii. Basis of consolidation

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

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

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

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

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



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

Notes to Consolidated Financial Statements for the year ended March 31, 2022

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

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

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the group ceases to control the subsidiary.

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

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

Consolidation procedure:

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

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

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

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



2.2 Summary of Significant accounting policies

a. Business combinations and goodwill

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

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

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

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

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

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

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

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

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



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

Notes to Consolidated Financial Statements for the year ended March 31, 2022

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

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

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

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

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

b. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

c. Foreign currencies

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



Transactions and Balances

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

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

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

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

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

Group companies

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

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

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

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



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d. Property, plant and equipment

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

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

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

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

Depreciation

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

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

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

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

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

e. Intangible assets

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

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



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

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

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

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

f. Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

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



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

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

g. Revenue from contracts with customers

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

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

The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time. It is presented under trade receivables. If contractual unconditional right to consideration is dependent on completion of contractual obligations including right to receive the reimbursement of gratuity cost from the customers, then such assets are classified as contract assets. Invoicing in excess of revenues is classified as contract liabilities (referred to as income received in advance).

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

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

Income from facility management services

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

Income from Mailroom services / Courier services

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

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

Sales Enablement and other staffing services

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



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Audit & Assurance and Employee Background Verification Services

The Groups revenue comprises of Audit and Assurance (A&A) and Employee Background Verification (EBGV) services for customers in India and outside India. Agreements with customers are either on a fixed price – fixed time frame or on a time- and - material basis. Revenue on time-and-material basis contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from time bound fixed price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the proportionate completion method to the extent of cost incurred. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Dividend income

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

Interest income

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

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

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

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

Trade receivables

A receivable represents the group’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Refund Liabilities

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

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the group performs under the contract.

h. Inventories

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

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



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

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

i. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

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

Effective interest method

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 10* (Trade Receivables).

Debt instrument at FVTOCI

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

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

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



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

Debt instrument at FVTPL

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

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

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

Equity investments

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

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Derecognition

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

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

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

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

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



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Impairment of financial assets

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

The group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Provision for ECL is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

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

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

Reclassification of financial assets

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

Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.



Derecognition

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

Liability towards unacquired shares of subsidiary:

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

Offsetting of financial instruments

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

Equity investment in Subsidiaries

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

j. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

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

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:

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

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (d) Impairment of non-financial assets.



ii. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. (Refer Note 42)

iii. Short-term leases and leases of low-value assets

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

Group as a lessor

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

k. Retirement and other employee benefits

a. Compensated absences

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

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

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

b. Post-employment obligations

The group operates the following post-employment schemes:



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i. Gratuity obligations

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

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

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs and
- Net interest expense or income.

ii. Retirement benefits

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

I. Taxes

Current income tax

Income tax expense comprises current tax expense and deferred tax charge or credit during the year. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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



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Deferred tax

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

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

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

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

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

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

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



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m. Government grants

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

When the group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

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

n. Financial guarantee contracts

Financial guarantee contracts issued by the group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

o. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. The principle or the most advantageous market must be accessible by the group

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:



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- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

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

p. Segment reporting

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

The geographical information analyses the Company's revenues by the Company's country of domicile (i.e., India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers. The company has only one geographical location based on location of assets. (Refer Note 46)

q. Earnings per share

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

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

r. Dividend

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

s. Provisions

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



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

The amount recognised as a provision is the best estimate of the consideration required to settle present obligation at the end of reporting period, taking into account the risk and uncertainty surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Onerous Contract

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

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

t. Contingent liabilities & Contingent Assets

Contingent liability is disclosed for,

- (i) Possible obligation which will be confirmed only by future events not wholly within the control of the group or
- (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

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

u. Cash and cash equivalents

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

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

v. Borrowing cost

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

w. Share-based payments

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



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Equity-settled transactions

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

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

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

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

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

x. Changes in accounting policies and disclosures

New and amended standards

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

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

The amendments include the following practical expedients:

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

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



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

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

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

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

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

(iii) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

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

(iv) Ind AS 103: Business combination

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

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

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

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

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



3 Property, Plant and Equipment

Particulars	Property, Plant and Equipment							
	Plant and machinery	Furniture and fixtures	Office equipments	Vehicles	Computer and accessories	Building	Leasehold improvements	Total
Gross carrying value at Cost/Deemed Cost								
At 1 April 2020	2,738.83	295.25	265.15	201.77	584.70	200.83	132.68	4,419.21
Additions	245.84	15.21	39.41	-	61.54	-	9.96	371.96
Disposals	(40.57)	(53.97)	(47.62)	(10.60)	(22.16)	-	(7.73)	(182.65)
At 31 March 2021	2,944.10	256.49	256.94	191.17	624.08	200.83	134.91	4,608.52
Additions	625.30	53.47	84.52	1,569.40	267.10	-	78.17	2,677.96
Acquisition of a subsidiary (Note 55)	-	0.13	3.48	2.60	235.98	-	6.13	248.32
Disposals	(790.14)	(6.77)	(43.13)	(19.18)	(157.45)	-	(61.19)	(1,077.86)
At 31 March 2022	2,779.26	303.32	301.81	1,743.99	969.71	200.83	158.02	6,456.94
Accumulated Depreciation								
At 1 April 2020	1,671.95	93.57	129.71	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	2,288.69	94.71	163.65	111.50	436.01	76.20	86.21	3,256.97
Charge for the year	418.85	32.22	43.96	156.92	150.87	11.84	28.83	843.49
Disposals	(703.17)	(5.26)	(28.46)	(16.73)	(145.46)	-	(57.19)	(956.27)
Other adjustments	(5.88)	(0.74)	(0.17)	(0.11)	(0.67)	-	-	(7.57)
At 31 March 2022	1,998.49	120.93	178.98	251.58	440.75	88.04	57.85	3,136.62
Net Block								
At 31 March 2021	655.41	161.78	93.29	79.67	188.07	124.63	48.70	1,351.55
At 31 March 2022	780.77	182.39	122.83	1,492.41	528.96	112.79	100.17	3,320.32

Note:

- a) Certain finance lease vehicles have been reclassified from Property, Plant and 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 21)

3A Other Intangible assets & Goodwill on consolidation

Particulars	Intangibles Assets					
	Computer software	Customer relationship	Non Compete	Vendor Contract	Brand	Total
Gross carrying value at Cost / Deemed Cost						
At 1 April 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
Additions	39.97	-	-	-	-	39.97
Acquisition of a subsidiary (Note 55)	44.72	1,480.00	257.00	-	537.00	2,318.72
Disposals	-	-	-	-	-	-
At 31 March 2022	475.49	1,845.00	472.00	617.00	692.00	4,101.49
Accumulated Amortization						
At 1 April 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
Disposals	-	-	-	-	-	-
At 31 March 2021	187.92	120.27	38.94	194.06	-	541.19
Charge for the year	105.58	177.55	41.85	123.20	-	448.16
Disposals	-	-	-	-	-	-
At 31 March 2022	293.50	297.80	80.79	317.26	-	989.35
Net Block						
At 31 March 2021	202.88	244.73	176.06	422.94	155.00	1,201.61
At 31 March 2022	181.99	1,547.20	391.21	299.74	692.00	3,112.14

Goodwill on Consolidation

Particulars	Goodwill on Consolidation
At 1 April 2020	4,570.27
Additions	-
At 31 March 2021	4,570.27
Acquisition of a subsidiary (Note 55)	8,232.52
At 31 March 2022	12,802.79



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

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

Impairment testing of goodwill and intangible assets with indefinite lives

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

The recoverable amount of the Investments has been determined based on Value in Use calculation using cash flow projections from financial budgets approved by the respective Board/ Senior management covering a two to five year period. The cash flow projections have been updated to reflect the impact of COVID-19. The pre-tax discount rate applied to cash flow projections for Impairment testing during the current year is 6% to 13% and cash flow beyond the two/five years are extrapolated using a growth rate of 2% to 5% 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.

Key assumptions used for value in use calculations

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

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

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

b. Discount rates

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

c. Revenue and EBITDA growth rate in the forecast

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

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

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

Intangible assets out of acquisition during the year

Customer relationship

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

Non Compete

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

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

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

Brand

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

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

3B Capital work in progress (CWIP)

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

Capital work in progress (CWIP) Ageing Schedule

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



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4 Investments

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
Investments at amortized Cost			
9,999 (March 31, 2020 - 9,999) equity shares of Rs.10 each fully paid up in Updater Services (UDS) Foundation (Refer note 47)	1.00	1.00	1.00
Investments at Fair Value through Profit & Loss			
L&T Low Duration Fund Direct Plan - Growth - Nil units (March 2021 - 816,851.04 units)	-	176.99	50.32
Baroda Short Term Bond Fund A/C - Nil units (March 2021 - 555,288.30 units)	-	226.41	76.41
L&T Ultra short fund direct - Dividend reinvestment - Nil units (March 2020 - 2,54,761.711)	-	-	26.66
	1.00	404.40	154.39
Non Current	1.00	1.00	1.00
Current	-	403.40	153.39
Aggregate value of investments	1.00	404.40	154.39

5 Other non current financial assets (At Amortised Cost)

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
(Considered good, Unsecured unless stated otherwise)			
Retention Deposits			
- considered good	124.53	277.48	104.37
- credit impaired	5.90	5.90	4.89
	130.43	283.38	109.26
- Impairment for doubtful deposits	(5.90)	(5.90)	(4.89)
	124.53	277.48	104.37
Rental Deposit (Refer Note 47)			
- considered good	224.58	418.57	424.91
- credit impaired	26.97	30.36	30.36
	251.55	448.93	455.27
Less: Impairment for doubtful deposits	(26.97)	(30.36)	(30.36)
	224.58	418.57	424.91
Security Deposits			
- considered good	375.48	150.64	162.82
- credit impaired	-	-	-
	375.48	150.64	162.82
Less: Provision for doubtful deposits	-	-	-
	375.48	150.64	162.82
Loan to Employees	15.84	-	-
Balances with Banks #			
- in long term deposits under lien with maturity more than 12 months	2,348.10	503.98	312.77
Total Other non current financial assets	3,088.53	1,350.67	1,004.97

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



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Updater Services Limited (Formerly known as Updater Services Private Limited)
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6 Other non current assets

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
Balance with government authorities			
- considered good (Refer Note 45)	57.77	56.12	-
- credit impaired	-	-	44.34
	57.77	56.12	44.34
Less: Provision for doubtful advances	-	-	(44.34)
	57.77	56.12	-
Capital Advance			
- considered good	1,112.10	27.66	4.41
- credit impaired	9.46	44.30	44.30
	1,121.56	71.96	48.71
Less: Provision for doubtful advances	(9.46)	(44.30)	(44.30)
	1,112.10	27.66	4.41
Prepaid Expenses	17.52	4.42	5.86
Other advances	20.40	-	-
	1,207.79	88.20	10.27

7 Inventories

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
Raw materials	35.32	26.27	33.99
Stock-in-trade	495.51	363.15	470.39
Finished Goods	132.70	81.63	130.53
Consumables	18.11	30.36	28.13
	681.64	501.41	663.04

8 Non-Current Tax Assets (Net)

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
Advance income tax	12,622.86	13,094.26	12,414.00
Less: Provision for income taxes	(7,428.71)	(8,198.95)	(7,442.18)
	5,194.15	4,895.31	4,971.82

9 Contract Assets - Non Current

	As at 31st March, 2022	As at 31st March, 2021 (Restated)*	As at 01st April, 2020 (Restated)*
Unbilled revenue**	1,953.20	1,142.84	1,189.57
Less: Provision for doubtful unbilled revenue	(105.47)	(59.83)	-
	1,847.73	1,083.01	1,189.57

Contract Assets - Current

Unbilled revenue**	5,639.22	3,337.33	3,214.67
Less: Provision for doubtful unbilled revenue	(30.00)	(20.00)	(10.00)
	5,609.22	3,317.33	3,204.67

Movement of Contract Assets (Unbilled Revenue)

	As at 31st March, 2022	As at 31st March, 2021 (Restated)*	As at 01st April, 2020 (Restated)*
As at 1 April	4,400.34	4,394.24	2,594.93
Add: Addition during the year	7,592.42	4,480.17	4,404.24
Less: billed during the year	(4,400.34)	(4,394.24)	(2,594.93)
Less: Provision for expected credit losses	(135.47)	(79.83)	(10.00)
As at 31 March	7,456.95	4,400.34	4,394.24

*Restated (Refer Note 2.1 & Note 50)

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



Updater Services Limited (Formerly known as Updater Services Private Limited)
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10 A Trade Receivables (At Amortised Cost)

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

Trade Receivables Ageing as at March 31, 2022

	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	13,922.35	11,963.93	453.01	453.63	175.17	48.91	27,017.00
(ii) Undisputed Trade Receivables – credit impaired	-	168.56	346.17	402.82	275.78	83.48	1,276.81
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	68.74	0.27	26.57	14.85	121.58	232.01
	13,922.35	12,201.23	799.45	883.02	465.80	253.97	28,525.82

Trade Receivables Ageing as at March 31, 2021

	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	10,340.22	9,134.03	493.41	241.76	43.98	51.85	20,305.25
(ii) Undisputed Trade Receivables – credit impaired	-	512.13	156.81	168.74	38.15	24.68	900.51
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	3.83	71.12	94.25	20.18	73.08	42.37	304.83
	10,344.05	9,717.28	744.47	430.68	155.21	118.90	21,510.59

Movement for expected credit loss

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

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



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Updater Services Limited (Formerly known as Updater Services Private Limited)
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B Unbilled Revenue
(At Amortised Cost)

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

Movement of Unbilled Revenue

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

* Restated (Refer Note 2.1 & Note 56)

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

11 Cash and cash equivalents

(i) Balances with banks:

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

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

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
On current accounts	4,016.89	3,302.82	1,706.11
Deposits	1,707.99	1,027.50	-
Cash on hand	3.44	2.98	23.83
Total Cash and cash equivalents	5,728.32	4,333.30	1,729.94

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

Current

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

* During the year ended 31 March 2018, the Holding Company had entered into an Memorandum of Understanding (MOU) with Tamil Nadu State Rural Lively Mission on August 26, whereby for a period of 3 years in relation to a particular project (DDU GKY), Holding Company has to train 2,002 workers under the guidelines of the MoRD, Government of India. Pursuant to the same, Holding Company has received an advance of Rs. 1,592.61 lakhs from (March 31, 2018 - Rs. 674.06 Lakhs and March 31, 2021 - Rs. 918.55 Lakhs) the CEO, Tamil Nadu State Rural Lively Mission. The money can be utilised only for the training and related expenses approved as per the MOU/agreement.

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

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

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



Updater Services Limited (Formerly known as Updater Services Private Limited)
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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

12 Loans (At Amortised Cost)

(Considered good, Unsecured unless stated otherwise)

Loans to related party

- considered good
- credit impaired

Less: Provision for doubtful loans

Loans to employees

- considered good
- credit impaired

Less: Provision for doubtful loans

Total

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
- considered good	-	0.99	-
- credit impaired	-	0.01	-
Less: Provision for doubtful loans	-	1.00	-
	-	(0.01)	-
	-	0.99	-
Loans to employees			
- considered good	62.72	44.48	17.49
- credit impaired	34.09	9.18	9.18
Less: Provision for doubtful loans	(34.09)	(9.18)	(9.18)
	62.72	44.48	17.49
Total	62.72	45.47	17.49

13 Other current financial assets (At Amortised Cost)

(Considered good, Unsecured unless stated otherwise)

Advances recoverable in cash

- considered good
- credit impaired

Less: Provision for doubtful advances

Interest accrued

- considered good
- credit impaired

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

Security deposits

- considered good
- credit impaired

Less: Provision for doubtful deposits

Rental Deposit

- considered good
- credit impaired

Total

	As at 31st March, 2022	As at 31st March, 2021	As at 01st April, 2020
- considered good	0.05	-	-
- credit impaired	2.00	-	-
Less: Provision for doubtful advances	(2.05)	-	-
	(2.00)	-	-
	0.05	-	-
Interest accrued			
- considered good	66.77	56.02	22.38
- credit impaired	-	-	-
Less: Impairment for Interest accrued and due on loan to related parties	66.77	56.02	22.38
	-	-	-
	66.77	56.02	22.38
Security deposits			
- considered good	437.90	364.11	413.03
- credit impaired	71.13	71.41	70.72
Less: Provision for doubtful deposits	(71.13)	(71.41)	(70.72)
	437.90	364.11	413.03
Rental Deposit			
- considered good	388.82	161.75	59.93
- credit impaired	-	-	-
	388.82	161.75	59.93
Total	893.54	581.88	495.34



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Updater Services Limited (Formerly known as Updater Services Private Limited)
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14 Other current assets

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

15 Deferred tax asset (Net)

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

* Restated (Refer Note 2.1 & Note 56)



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Updater Services Limited (Formerly known as Updater Services Private Limited)
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16 Equity share capital

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

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

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

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, equity share holders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

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

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

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Shares reserved for issue under options

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

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



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17 Other equity

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

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

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

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

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

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

* Restated (Refer Note 2.1 & Note 56)



Updater Services Limited (Formerly known as Updater Services Private Limited)
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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

18 **Non Controlling Interest**

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

Movement of NCI

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

Nature and purpose of other reserves

(i) Securities premium

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

(ii) Capital redemption reserve

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

(iii) General reserve

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

(iv) Employee stock option reserve

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

v) Retained Earnings

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

19 **Borrowings (Non-current)**

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

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

20 **Net Employee defined benefit liabilities**

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



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21 Current borrowings (At Amortised Cost)

	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Cash credit from banks (secured)*	146.35	447.80	8,982.02
Working capital loan (secured)**	5,721.58	700.00	-
Loan from others	-	13.22	13.22
Total Current borrowings	5,867.93	1,161.02	8,995.24

Updater Services Limited

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

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

Avon Solutions & Logistics Private Limited

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

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

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

Note :

1. The Holding Company has submitted quarterly returns to the banks in respect of borrowings taken against the security of current assets. These quarterly returns are submitted to HDFC Bank, ICICI Bank, SCB Bank, Citi Bank, DBS Bank and Kotak Mahindra Bank.

2. The discrepancy in respect of borrowings outstanding reported for the quarter ending September 30, 2021, December 30, 2021 and March 31, 2022, was attributable to clerical errors while the discrepancies in respect of debtors, creditors, sales for the period, purchases for the period for all the quarters and borrowings for quarter ending June 30, 2021 were attributable to the Holding Company's financial closure process being not fully completed at the time of filing quarterly statements. The Holding Company has subsequent to year end, re-submitted the above statements to the respective bank during December 2022.



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22 Trade payables (At Amortised Cost)

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

Trade payables Ageing Schedule As at 31 March 2022

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

Unbilled Trade payables Ageing Schedule As at 31 March 2022

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	104.68	171.88	20.94	-	-	297.50
Total outstanding dues of creditors other than micro enterprises and small enterprises	347.84	488.83	4.79	-	-	841.46
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	452.52	660.71	25.73	-	-	1,138.96

Trade payables Ageing Schedule As at 31 March 2021

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	9.62	372.29	31.09	4.98	2.78	420.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	295.32	1,632.02	97.98	100.49	212.24	2,338.06
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	120.00	-	-	-	120.00
Total	304.94	2,124.31	129.07	105.47	215.02	2,878.81

Unbilled Trade payables Ageing Schedule As at 31 March 2021

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	23.33	-	-	-	23.33
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	283.11	-	-	-	283.11
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	-	306.44	-	-	-	306.44

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



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23 Other current financial liabilities (At Amortised Cost)

	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Capital creditors *	361.98	47.08	47.21
Employee benefits payable	10,808.52	7,503.53	7,150.97
Security Deposit	9.25	9.00	9.00
Bonus payable	4,029.09	3,325.00	2,935.92
Director fees payable	-	-	10.80
Liability payable to promoters of acquired subsidiary #	2,579.60	842.10	875.02
Other payables	17.36	16.39	16.85
Total other financial liabilities	17,805.80	11,743.10	11,045.77

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

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

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

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

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

	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Liability payable to promoters of acquired subsidiary *	8,041.43	844.83	1,363.51
	8,041.43	844.83	1,363.51

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

24 Deferred Tax Liabilities (Non-Current)

	As at 31st March, 2022	As at 31st March, 2021 (Restated)*	As at 1st April, 2020 (Restated)*
Intangible assets arising on acquisition	775.58	255.61	310.72
Fair value liability towards promoters of acquired subsidiary	309.20	-	-
Deferred tax liability created on share of reserves of subsidiary	-	-	-
	1,084.78	255.61	310.72

* Restated (Refer Note 2.1 & Note 56)



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Updater Services Limited (Formerly known as Updater Services Private Limited)
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25 Short term provisions	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Provision for employee benefits			
Provision for leave benefits	971.15	919.98	779.20
Other provisions			
Provision for tax litigations *	28.05	28.05	28.05
Provision for Onerous Contract **	-	101.30	-
Total short term provisions	999.20	1,049.33	807.25

The table gives the information about movement of the provision :

* Provision for litigations (Refer note 45)

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

** The table gives the information about movement of Onerous contract

Provision for Onerous Contract

At the beginning of the year	101.30	-	-
Created during the year	-	101.30	-
Reversed during the year	(101.30)	-	-
At the end of the year	-	101.30	-

25A Net Employee defined benefit liabilities

Provision for gratuity (Refer Note 41)	980.33	391.22	268.19
Provision for gratuity - reimbursement employees (Refer Note 41)	944.17	1,346.35	1,215.41
	1,924.50	1,737.57	1,483.60

26 Current tax liabilities (net)

	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Provision for income taxes (net of advance income taxes)	371.34	383.68	119.48
	371.34	383.68	119.48

27 Other current liabilities

	As at 31st March, 2022	As at 31st March, 2021	As at 1st April, 2020
Advance from customers	484.75	761.08	72.92
Statutory dues and related liabilities	5,005.19	3,734.67	4,206.32
Provision against PF order (Refer Note 45)	38.77	28.31	28.31
Deferred Income	186.28	-	-
Other Payables	361.46	-	-
Total other current liabilities	6,076.45	4,524.06	4,307.55



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Updater Services Limited (Formerly known as Updater Services Private Limited)
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28 Revenue from contracts with customers

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

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

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

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

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

Contract Balances

	For the year ended March 31st, 2022	For the year ended March 31st, 2021 (Restated)*
Trade Receivables including Unbilled Revenue (Refer Note 10)	34,748.50	26,893.80
Contract Assets (Refer Note 9)	7,456.95	4,400.34
Contract Liabilities		
Advance from Customers	484.75	761.08

* Restated (Refer Note 2.1 & Note 56)

29 Other income

	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Profit on sale of property, plant & equipment (net)	4.02	21.88
Provision no longer required written back	558.36	114.96
Other non-operating income	14.54	10.03
Bad debts recovered	94.35	-
Fair value gain on Financial Assets at FVTPL	101.65	55.28
Exchange Differences (net)	60.52	16.54
Liability payable to promoters of acquired subsidiary no longer required written back *	-	197.35
Total Other income	833.44	416.04

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

30 Finance income

	For the year ended March 31st, 2022	For the year ended March 31st, 2021
Interest income - Bank deposits	235.33	124.54
Interest on Income Tax refund	8.64	71.84
Interest income on income tax refund	312.16	-
Interest income - Others	44.56	19.48
Dividend Income	-	0.60
Total Finance income	600.69	215.86



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	For the year ended March 31st, 2022	For the year ended March 31st, 2021
31 Cost of materials consumed		
Inventory at the beginning of the year	35.13	33.99
Add: Purchase	4,118.37	2,996.98
	4,153.50	3,030.97
Less : Inventory at the end of the year	35.32	26.27
Cost of materials consumed	4,118.18	3,004.70

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

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

	For the year ended March 31st, 2022	For the year ended March 31st, 2021
33 Changes in inventories of finished goods and traded goods		
Finished goods		
Closing stock	132.70	81.63
Opening stock	81.63	130.53
Sub total (A)	51.07	(48.90)
Stock-in-trade		
Closing stock	495.51	363.15
Opening stock	363.15	470.39
Sub total (B)	132.36	(107.24)
Sub total (C)	-	-
Total Changes in Inventories	(183.43)	156.14

	For the year ended March 31st, 2022	For the year ended March 31st, 2021
34 Employee benefit expenses		
Salaries and wages *	94,959.97	87,547.54
Contribution to provident and other fund (Refer Note 41)	10,717.75	9,844.40
Less: Income from government grants #	(98.48)	(319.46)
Gratuity expense (Refer Note 41)	766.65	676.55
Staff welfare expenses	390.56	401.55
Employee stock option expenses (Refer Note 43)	81.25	14.89
Total Employee benefit expenses	1,06,817.70	98,165.47

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

#The Holding Company is availing of benefits under a government scheme - Pradhan Mantri Rojgar 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.

	For the year ended March 31st, 2022	For the year ended March 31st, 2021
35 Finance costs		
Interest on borrowings	449.02	248.03
Unwinding of discount on Liability payable to promoters of acquired subsidiaries	501.94	387.51
Interest on income tax	6.12	-
Interest on lease liabilities	51.62	49.06
Total Finance costs	1,008.70	684.60



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36 Depreciation and amortization expense

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

For the year ended March 31st, 2022	For the year ended March 31st, 2021
448.16	278.90
843.49	969.31
361.75	250.37
1,653.40	1,498.58

37 A Impairment losses on financial instrument and contract assets

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

For the year ended March 31st, 2022	For the year ended March 31st, 2021 (Restated)*
437.93	484.29
116.52	10.59
45.64	59.83
600.09	554.71

* Restated (Refer Note 2.1 & Note 56)

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

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

For the year ended March 31st, 2022	For the year ended March 31st, 2021
1,632.90	-
1,632.90	-

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

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

38 Other expenses

Payment to Associates
Verification expenses
Consumption of stores and spares
Communication expenses
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
Computer hire charges
Discount Allowed
Postage and Courier Charges
Printing and stationery
Provision for Onerous Contract
Provision for Diminution of value of inventories
Director sitting fees
Payment to auditor
Rates and taxes
Rent
Repairs and maintenance - Buildings
Repairs and maintenance - Others
CSR expenditure
Site maintenance expenses
Travelling and conveyance
Loss on sale of Property, plant & equipment
Training Expense
Miscellaneous expenses
Total Other Expenses

For the year ended March 31st, 2022	For the year ended March 31st, 2021
1,083.48	644.83
1,319.30	635.06
73.32	47.96
239.57	165.04
212.14	94.77
2,200.86	2,599.47
25.03	44.63
88.94	64.40
13.10	67.19
337.21	185.83
800.73	270.57
199.59	132.30
236.58	-
55.29	-
2,596.47	1,679.99
267.40	163.85
-	101.30
10.29	-
21.00	-
152.81	75.45
540.62	92.38
535.28	385.46
179.68	93.95
611.20	443.42
94.42	73.26
3,702.11	3,257.91
783.62	470.13
122.26	0.97
368.75	105.65
636.06	232.54
17,507.11	12,128.31



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39 Income Tax Expense

	For the year ended March 31st, 2022	For the year ended March 31st, 2021 (Restated)*
The major components of income tax expense for the years ended 31st March 2022 and 31st March 2021 are:		
Current income tax:		
Current income tax charge	2,094.84	1,534.25
Tax related to earlier years	(129.76)	13.90
Deferred tax:		
Relating to origination and reversal of temporary differences	(607.83)	(861.70)
Total Income tax expense reported in the statement of profit or loss	1,357.25	686.45
Other Comprehensive income (OCI) Section		
Re-measurement gains and (losses) on defined benefit obligations (net)	55.14	(21.63)
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021:		
Accounting Profit before income tax	7,093.75	5,442.62
Enacted tax rate in India	25.17%	25.17%
Profit before income tax multiplied by enacted tax rate	1,785.35	1,369.80
Effects of:		
Effect of change in substantively enacted tax rates on deferred tax	(21.82)	(5.68)
Ind as adjustments	(3.98)	3.69
Additional deduction under Income Tax based on employment generation	(811.03)	(846.47)
Others income taxable at different rate	(1.77)	-
Interest on income tax	8.59	5.83
Adjustment in respect of tax related to earlier years	(116.53)	16.88
Liability payable to promoters of acquired subsidiary re-measurement	53.50	47.86
Effect of temporary differences	81.67	-
Non deductible expenses	4.72	-
Contribution to CSR	9.05	-
Others	369.50	94.54
Net effective income tax	1,357.25	686.45
Other Comprehensive income (OCI) Section		
Deferred tax related to items recognised in OCI during the year:		
Re-measurement gains and (losses) on defined benefit obligations (net)	55.14	(21.63)
	55.14	(21.63)

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

40 Earnings per equity share

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

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

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

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



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

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

(i) Defined contribution plan:

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

(ii) Defined benefit plans:

A Gratuity (Regular)

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

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

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

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

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

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

c) Remeasurement recognized in other comprehensive income

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

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

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



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

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

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

f) Reconciliation of Net Liability / (Asset)

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

g) Principal actuarial assumptions at the Balance Sheet date:

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

h) A quantitative sensitivity analysis for significant assumption

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

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

i) Expected cashflows based on past service liability

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



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

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

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

B Gratuity (Reimbursement from clients)

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

a) Net defined benefit liability

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

b) Net benefit cost (refer note I below)

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

Note I:

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

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

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

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

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



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

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

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

f) Sensitivity analysis

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

Gratuity Plan (Reimbursement from clients)

Particulars	As at		As at	
	31st March, 2022		31st March, 2021	
	Change	Obligation	Change	Obligation
i) Discount rate	+0.5%	2,882.45	+0.5%	2,031.14
	-0.5%	2,954.00	-0.5%	2,074.79
ii) Salary growth rate	+0.5%	2,959.83	+0.5%	2,078.91
	-0.5%	2,876.40	-0.5%	2,026.88

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

g) Expected cashflows based on past service liability

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



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42 Lease details

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

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

Particulars	Building	Vehicle	Furniture & fittings	Total
As at April 01, 2020	523.24	10.98	0.19	534.41
Additions	194.15	-	-	194.15
Deletions	(101.93)	(9.34)	-	(111.27)
Depreciation expense	(248.54)	(1.64)	(0.19)	(250.37)
As at March 31, 2021	366.92	-	-	366.92
Additions	1,198.30	-	-	1198.30
Depreciation expense	(361.75)	-	-	(361.75)
As at March 31, 2022	1,203.47	-	-	1,203.47

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

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

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

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

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

The following are the amounts recognised in profit or loss:

Particulars	As at 31 March 2022	As at 31 March 2021
Depreciation expense of right-of-use assets	361.75	250.37
Interest expense on lease liabilities	51.62	49.06
Expense relating to short-term leases (included in other expenses)	535.28	383.46
Total amount recognised in profit or loss	948.65	684.89

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

43 Share-based payments

a) Employee Share-option Plan

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

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

Tranche I (A)

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

Tranche I (B), II and III

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



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43 Share-based payments (continued)

A. Details of ESOP 2019

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

B. Movement in the options granted to employees

Particulars	Number of options		Weighted Average Exercise Price	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Outstanding at the beginning of the year	8,33,895	10,53,490	61.73	72.00
Options granted during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options expired during the year	(1,71,332)	(2,19,595)	111.00	111.00
Outstanding at the end of the year	6,62,563	8,33,895	48.99	61.73
Exercisable at the end of the year	-	-	-	-

The range of exercise prices for options outstanding at the end of the period was Rs. 10 to Rs. 111 (March 31, 2021: Rs. 10 to Rs. 111)

The weighted average remaining contractual life for the share options outstanding as at March 31, 2022 is 0.50 years (March 31, 2021: 1.5 years).

C. Fair value of options granted

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

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

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

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

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

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

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

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

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

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



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43 Share-based payments (continued)

A. Details of ESOP 2018

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

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

Note 1

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

Note 2

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

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

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

Note 3

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

Note 4

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

B. Movement in the options granted to employees

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



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43 Share-based payments (continued)

C) Fair value of options granted

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

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

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

44 Capital management

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

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

Particulars	March 31, 2022	March 31, 2021
Current borrowings	5,867.93	1,161.02
Lease Liabilities	1,263.69	449.37
Less: cash and cash equivalents	(5,728.32)	(4,333.30)
Less: Bank Balances other than cash and cash equivalents	(1,373.02)	(2,088.20)
Net debt	30.28	(4,811.11)
Total capital	34,042.43	28,525.59
Capital and net debt	34,072.71	23,714.48
Gearing ratio	0.09%	-20.29%

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

45 Commitments and Contingencies

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

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

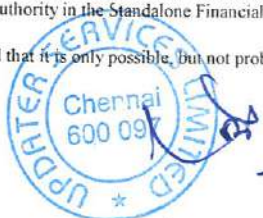
During the year, the assessment u/s 143(3) of the Income Act has been completed for the said AY disallowing the said claim of the Holding Company on the grounds that the return of income was filed beyond the due date prescribed u/s 139(1) of the Income tax Act. The Holding Company has not filed any appeal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

** Others

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

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

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.



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46 Segment information

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

Particulars	Integrated Facility Management Services	Business Support Services	Total segments	Adjustments & eliminations	Total
Revenue					
External Sales	1,20,143.22	30,747.92	1,50,891.14	(2,535.92)	1,48,355.22
Inter-segment	139.41	17.81	157.22	(157.22)	-
Other Income	886.37	303.39	1,189.76	(356.32)	833.44
Finance Income	657.25	57.07	714.32	(113.63)	600.69
Total Revenue	1,21,826.25	31,126.19	1,52,952.44	(3,163.09)	1,49,789.35
Cost of materials consumed	(4,305.52)	-	(4,305.52)	187.34	(4,118.18)
Purchases of traded goods	(1,775.33)	-	(1,775.33)	1,775.33	-
Cost of Services	-	(9,540.95)	(9,540.95)	-	(9,540.95)
Changes in inventories of Finished goods and traded goods	183.51	-	183.51	(0.08)	183.43
Employee benefits expense	(98,812.88)	(8,004.80)	(1,06,817.68)	(0.02)	(1,06,817.70)
Finance costs	(735.50)	(166.85)	(902.35)	(106.35)	(1,008.70)
Depreciation and amortization expense	(808.34)	(505.50)	(1,313.84)	(339.56)	(1,653.40)
Impairment losses on financial instrument and contract assets	(812.41)	(2.98)	(815.39)	215.30	(600.09)
Other expenses	(10,395.72)	(7,973.37)	(18,369.09)	861.98	(17,507.11)
Segment Profit	4,364.06	4,931.74	9,295.80	(569.15)	8,726.65
Total Assets	67,278.57	23,043.64	90,322.21	(2,866.15)	87,456.06
Total Liabilities	36,030.88	9,848.78	45,879.66	7,003.26	52,882.92
Other Information					
Capital Expenditure (CWIP)	184.72	178.60	-	-	-
Depreciation & Amortization expense	(808.34)	(505.50)	(1,313.84)	(339.56)	(1,653.40)

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

Particulars	Integrated Facility Management Services	Business Support Services	Total segments	Adjustments & eliminations	Total
Revenue					
External Sales	1,11,804.65	11,786.36	1,23,591.01	(2,587.78)	1,21,003.23
Inter-segment	-	-	-	-	-
Other Income	371.54	44.50	416.04	-	416.04
Finance Income	177.81	124.78	302.59	(86.74)	215.85
Total Revenue	1,12,354.00	11,955.64	1,24,309.64	(2,674.52)	1,21,635.12
Cost of materials consumed	(1,593.16)	-	(1,593.16)	-	(1,593.16)
Purchases of traded goods	(1,583.31)	-	(1,583.31)	171.76	(1,411.55)
Changes in inventories of Finished goods and traded goods	(156.14)	-	(156.14)	-	(156.14)
Employee benefits expense	(93,164.70)	(5,665.41)	(98,830.11)	664.64	(98,165.47)
Finance costs	(671.09)	(100.25)	(771.34)	86.74	(684.60)
Depreciation and amortization expense	(940.43)	(341.39)	(1,281.82)	(216.76)	(1,498.58)
Impairment losses on financial instrument and contract assets	(594.72)	(70.50)	(665.22)	110.51	(554.71)
Other expenses	(10,279.69)	(4,198.78)	(14,478.47)	2,350.16	(12,128.31)
Segment Profit	3,370.76	1,579.31	4,950.07	492.53	5,442.60
Total Assets	54,456.02	8,672.30	63,128.32	(5,179.86)	57,948.46
Total Liabilities	26,219.15	3,965.77	30,184.92	(1,454.73)	28,730.19
Other Information					
Capital Expenditure (CWIP)	-	32.00	32.00	-	32.00
Depreciation & Amortization expense	(940.43)	(341.39)	(1,281.82)	(216.76)	-1,498.58

* Restated (Refer Note 2.1 & Note 56)

Geographic information

The geographical information analyses the Company's revenues by the Company's country of domicile (i.e., India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers. The company has only one geographical location based on location of assets.

Revenue from external customers	For the year ended March 31st, 2022	For the year ended March 31st, 2021 (Restated)*
	India	1,47,361.37
Outside India	993.85	678.06
Total revenue as per statement of profit and loss	1,48,355.22	1,21,003.23

Information about major customers

Revenue from one customer amounting to INR 14,817.00 lakhs (31 March 2021: INR 11,508.97 lakhs), constitute more than 10% of the total revenue of the Holding Company in the current year.



46 Segment information (Continued)

Non-Current operating assets	For the year ended March 31st, 2022	For the year ended March 31st, 2021
India	20,802.06	7,522.34
Outside India	-	-
	20,802.06	7,522.34

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

ii) Segment assets

Particulars	For the year ended March 31st, 2022	For the year ended March 31st, 2021
In India	3,462.91	-
Outside India	2,405.84	-
	5,868.75	-

iii) Capital expenditure

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

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

* Restated (Refer Note 2.1 & Note 56)



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Updater Services Limited (Formerly known as Updater Services Private Limited)
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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 (until September 13, 2022) Mr. Jayaram L B, Company Secretary Mr. Balaji Swaminathan, Chief Financial Officer Mr. Sunil Rewachand Chandiramani, Director Mr. Amitabh Jaipuria, Chief Operating officer (w.e.f March 01, 2022) Mr. Amit Choudhary, Director Mr. Shankar Gopalakrishnan, Director Mr. Vijay Dhanuka, Director Mr. P C Balasubramanian, Director (w.e.f September 13, 2022)

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

(B) Transactions entered during the year

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



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Updater Services Limited (Formerly known as Updater Services Private Limited)
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(All amounts are in lakhs of Indian Rupees unless otherwise stated)

47 Related party disclosures (continued)

(C) Balance outstanding at the end of the year

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

(D) Compensation to key managerial personnel is follows:

**Consideration to key managerial
personnel**

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

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

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

Terms and conditions of transactions with related parties

The sales to and purchases from related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2022, the group has not recorded any amount towards impairment of loans and receivables relating to amounts owed by related parties (31 March 2021: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



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48 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about defined benefit obligations are given in Note 42.

b) Estimate related to expected price concession

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

c) Revenue recognition

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

d) Impairment of goodwill and intangible assets with indefinite

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

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

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

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

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

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

f) Fair value measurement of financial instruments

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

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

g) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Black Scholes valuation model has been used by the Management for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 43.

h) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 3A.



48 Significant accounting judgements, estimates and assumptions (Continued)

i) Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

These losses relate to subsidiaries that have a history of losses, expire in 8 years and may not be used to offset taxable income elsewhere in the Group. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets on the tax losses carried forward.

49 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those the carrying amounts that are reasonable approximations of fair values:

Particulars- Non-Current & Current	Carrying value		Fair value	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Financial assets				
Security deposits	813.38	514.75	813.38	514.75
Rental deposits	613.40	580.32	613.40	580.32
Loan	62.72	45.47	62.72	45.47
Total	1,489.50	1,140.54	1,489.50	1,140.54
Financial liabilities				
Liability payable to promoters of acquired subsidiary	10,621.03	1,686.93	10,621.03	1,686.93
Total	10,621.03	1,686.93	10,621.03	1,686.93

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, bank overdrafts, borrowings, other financial assets and Other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Investment are measured at cost.

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

50 Fair value hierarchy

The following table provides the fair value measurement hierarchy of group's asset and liabilities

Particulars	Fair value Hierarchy	Carrying value		Fair value	
		31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Financial assets					
Security deposits	Level 3	813.38	514.75	813.38	514.75
Rental deposits	Level 3	613.40	580.32	613.40	580.32
Loan	Level 3	62.72	45.47	62.72	45.47
Total		1,490.50	1,544.94	1,490.50	1,544.94
Financial liabilities					
Liability payable to promoters of acquired subsidiary	Level 3	10,621.03	1,686.93	10,621.03	1,686.93
Total		10,621.03	1,686.93	10,621.03	1,686.93

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

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, trade payables, bank overdrafts, borrowings, other financial assets and Other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Investment are measured at cost.

Notes

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability.

Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2022 and 31 March 2021 are as shown below:

Financial Items	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Rental deposits	DCF	IRR - Incremental borrowing rate from bank	7%-9%	2% (31 March 2021: 2%) increase (decrease) in the borrowing rate would result in increase (decrease) in fair value by INR 12.27 lacs (31 March 2021: INR 11.61 lacs)
Liability payable to promoters of acquired subsidiary	DCF	WACC / Risk Free Rate	6.75%-30%	5% (31 March 2021: 5%) increase (decrease) in the WACC would result in increase (decrease) in fair value by INR 445.94 lacs (31 March 2021: INR 84.35 lacs)



51 Financial risk management objectives and policies

The Group's principal financial liabilities 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 an age wise provision matrix which is prepared considering the historical data for collection of receivables. The disclosure of estimated price concession "EPC" and estimated credit loss "ECL" relating to holding company is shown in below table.

As at March 31, 2022

Particulars	Less than 120 days	More than 120 days	Total
ECL & EPC rate	1.30%	26.17%	
Estimated total gross carrying amount at default	22,122.14	1,369.30	23,491.44
ECL- simplified approach	286.57	358.36	644.93
Net carrying amount	21,835.57	1,010.94	22,846.51

As at March 31, 2021

Particulars	Less than 120 days	More than 120 days	Total
ECL & EPC rate	1.05%	29.01%	
Estimated total gross carrying amount at default	22,178.77	2,225.19	24,403.95
ECL- simplified approach	231.79	645.50	877.28
Net carrying amount	21,946.98	1,579.69	23,526.67

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is Rs. 42,205.46 lakhs (Rs. 31,294.14 Lakhs as of March 31, 2021 (Restated)), being the total of the carrying amount of balances with trade receivables.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rate.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows.

Effect on profit before tax	March 31, 2022	March 31, 2021
Increase in rate by 2%	(170.71)	(77.82)
Decrease in rate by 2%	170.71	77.82

Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The group monitors its risk of a shortage of funds on a regular basis. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments.

As at March 31, 2022

Particulars	Within 1 year	1-3 years	3-5 years	Total
Borrowings	5,867.93	-	-	5,867.93
Trade Payables	4,567.83	-	-	4,567.83
Other financial liabilities	17,805.80	8,041.43	-	25,847.23
Lease Liabilities	524.90	914.79	-	1,439.69
Total	28,766.46	8,956.22	-	37,722.68

As at March 31, 2021

Particulars	Within 1 year	1-3 years	3-5 years	Total
Borrowings	1,161.02	-	-	1,161.02
Trade Payables	3,185.25	-	-	3,185.25
Other financial liabilities	11,743.68	844.25	-	12,587.93
Lease Liabilities	217.50	231.87	-	449.37
Total	16,307.45	1,076.12	-	17,383.57



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51 Financial risk management objectives and policies (continued)

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Company 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 its forecasted cash flows and trade receivables

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives.

Foreign Currency Risk Management:

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

Particulars	Currency	As at 31st March 2022		As at 31st March 2021	
		Amount in FC	Amount in Rs.	Amount in FC	Amount in Rs.
Trade Receivables	USD	30.02	2,261.35	1.84	134.92
	AED	-	-	4.99	99.81
Trade Payables	USD	0.06	4.87	0.02	1.25

Foreign Currency sensitivity analysis :

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR Strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

USD/AED/SAR TO INR	Profit and Loss		Equity	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
March 31, 2022	112.82	112.82	112.82	112.82

Note :

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



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Updater Services Limited (Formerly known as Updater Services Private Limited)
 Notes to consolidated financial statements for the year ended March 31, 2022
 (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, 2022	March 31, 2021
Cash and cash equivalents	12.21	61.67
Current assets excluding cash and cash equivalents	2,423.77	2,425.62
Non-current assets	2,197.55	912.38
Trade payables	343.67	268.32
Provisions	142.13	327.47
Net employee defined benefit liabilities	243.10	-
Current liabilities excluding trade payables and provisions	1,135.83	1,003.28
Borrowings	108.78	-
Non-current liabilities excluding borrowings and provisions	-	3.38
Equity	2,768.82	1,797.22
Share of NCI	24.00%	24.00%
Attributable to NCI	664.52	431.33

Summarised statement of profit and loss

Particulars	Avon Solutions & Logistics Private Limited	
	March 31, 2022	March 31, 2021
Total Revenue	7,803.61	5,736.95
Employee benefits expense	2,345.60	2,252.23
Finance costs	4.02	8.88
Depreciation and amortization expense	33.02	30.61
Other expenses	3,350.04	2,099.67
Profit before tax	2,070.92	1,345.56
Income tax expense	555.51	342.37
Profit for the year	1,515.41	1,003.19
Other comprehensive income/(loss)	(0.51)	(70.33)
Total comprehensive income for the year	1,514.90	932.86
Attributable to NCI	363.57	223.89

Summarised cash flow statement

Particulars	Avon Solutions & Logistics Private Limited	
	March 31, 2022	March 31, 2021
Operating activities	1,669.38	165.29
Investing activities	(1,260.72)	(14.52)
Financing activities	(458.12)	(129.57)
Net increase/(decrease) in cash and cash equivalents	(49.46)	21.20

B. Fusion Foods and Catering Private Limited (Wholly owned subsidiary from FY 21-22)

Summarised balance sheet

Particulars	Fusion Foods and Catering Private Limited	
	March 31, 2022	March 31, 2021
Cash and cash equivalents	133.38	190.92
Current assets excluding cash and cash equivalents	1,197.49	1,252.53
Non-current assets	729.45	402.83
Trade payables	496.22	646.09
Provisions	93.81	76.87
Current liabilities excluding trade payables and provisions	536.64	305.56
Non-current liabilities excluding borrowings and provisions	101.68	80.50
Equity	831.97	737.25
Share of NCI	0.00%	34.60%
Attributable to NCI	-	255.22



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

52 Material Partly - Owned Subsidiaries (continued)

B. Fusion Foods and Catering Private Limited (Wholly owned subsidiary from FY 21-22)

Summarised statement of profit and loss

Particulars	Fusion Foods and Catering Private Limited	
	March 31, 2022	March 31, 2021
Total Revenue	6,547.69	5,497.56
Cost of materials consumed	3,918.28	3,433.32
Employee benefits expense	2,112.98	1,651.06
Finance costs	0.75	2.23
Depreciation and amortization expense	86.92	101.51
Other expenses	239.85	285.47
Profit before tax	188.91	23.97
Income tax expense	91.91	(25.54)
Profit for the year	97.00	49.51
Other comprehensive income/(loss)	(2.28)	11.81
Total comprehensive income for the year	94.72	61.32
Attributable to NCI	-	21.22

Summarised cash flow statement

Particulars	Fusion Foods and Catering Private Limited	
	March 31, 2022	March 31, 2021
Operating activities	244.76	109.34
Investing activities	(320.54)	(26.07)
Financing activities	42.68	(52.74)
Net increase/(decrease) in cash and cash equivalents	(33.10)	30.53

C. Global Flight Handling Services Private Limited

Summarised balance sheet

Particulars	Global Flight Handling Services Private Limited	
	March 31, 2022	March 31, 2021
Cash and cash equivalents	61.83	7.76
Current assets excluding cash and cash equivalents	369.88	174.52
Non-current assets	256.73	41.19
Trade payables	247.34	42.28
Provisions	1.78	1.78
Current liabilities excluding trade payables and provisions	110.02	48.66
Borrowings	657.68	115.34
Equity	(328.39)	15.41
Share of NCI	30.00%	30.00%
Attributable to NCI	(82.35)	4.62

Summarised statement of profit and loss

Particulars	Global Flight Handling Services Private Limited	
	March 31, 2022	March 31, 2021
Total Revenue	246.89	24.17
Employee benefits expense	219.39	16.72
Finance costs	28.26	6.57
Depreciation and amortization expense	0.98	-
Other expenses	462.97	27.68
Profit before tax	(464.72)	(26.80)
Income tax expense	(104.03)	(6.75)
Profit for the year	(360.69)	(20.04)
Total comprehensive income for the year	(360.69)	(20.04)
Attributable to NCI	(108.21)	(6.01)

Summarised cash flow statement

Particulars	Global Flight Handling Services Private Limited	
	March 31, 2022	March 31, 2021
Operating activities	(455.46)	(40.78)
Investing activities	(6.13)	0.01
Financing activities	519.08	25.21
Net increase/(decrease) in cash and cash equivalents	57.49	(15.56)



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

53 Group information

A) Subsidiaries

Name	Principal activities	Country of incorporation	% equity interest	
			31-Mar-22	31-Mar-21
Avon Solutions & Logistics Private Limited	Mailroom logistics management	India	76.00%	76.00%
Integrated Technical Staffing and Solutions Private Limited	Technical staffing management	India	99.99%	99.99%
Stanworth Management Private Limited	Integrated facility management	India	99.99%	99.99%
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	99.99%	65.40%
Wynwy Technologies Private Limited (formerly known as Zappy Home Solutions Private Limited)	Home maintenance and household services	India	99.99%	99.99%
Global Flight Handling Services Private Limited	Ground service support for airlines	India	70.00%	70.00%
Matrix Business Services India Private Limited*	People, Product, and Process assurance services	India	99.99%	99.99%
Washroom Hygiene Concepts Private Limited ("Matrix")	Family Hygiene Solutions	India	99.99%	90.00%
Denave India Private Limited - "Denave" (w.e.f October 27, 2021)*	Sales Enablement and other staffing services	India	99.99%	0%
Updater Services (UDS) Foundation **	Licensed under Section 8 of Companies Act, 2013	India	99.99%	99.99%

*As more fully discussed in Note 2.1(i) to the consolidated financial statements, the Group has elected not to recognise non-controlling interest in subsidiaries Denave and Matrix and consequently the liability in respect of such shares towards the erstwhile promoters of such subsidiaries are recognised as financial liabilities in the consolidated financial statements (Also Refer Note 23)

** The shareholding of this entity is held by the Company and therefore this entity would constitute a subsidiary under the Companies Act, 2013. However, as the Company does not control the entity in accordance with the requirements of IND AS 110, the same is not considered a subsidiary for the purpose of this financial statement.

B) Holding/Promoter company
Updater Services Limited



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

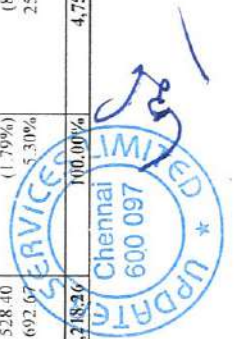
54 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013 as at and for the year ended 31st March 2022 and 31st March 2021

Year Ended 31st March 2022

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	78.83%	27,255.08	27.03%	1,550.80	63.61%	(172.83)	25.22%	1,377.97
II. Subsidiaries								
Avon Solutions & Logistics Private Limited	6.03%	2,085.44	20.08%	1,151.74	0.15%	(0.40)	21.07%	1,151.33
Integrated Technical Staffing and Solutions Private Limited	1.92%	663.08	2.00%	114.87	1.59%	(4.32)	2.02%	110.55
Stanworth Management Private Limited	0.46%	158.35	1.76%	101.07	-2.31%	6.28	1.96%	107.35
Tangy Supplies & Solutions Private Limited	2.52%	872.51	1.75%	100.43	0.32%	(0.88)	1.82%	99.56
Fusion Foods and Catering Private Limited	2.40%	830.23	1.69%	97.00	0.84%	(2.29)	1.73%	94.72
Zappy Home Solutions Private Limited	(2.73%)	(944.07)	(3.39%)	(194.65)	0.35%	(0.94)	(3.58%)	(195.59)
Global Flight Handling Services Private Limited	(0.56%)	(195.27)	(3.58%)	(205.48)	0.00%	-	(3.76%)	(205.48)
Matrix Business Services India Private Limited (w.e.f. April 25, 2019)	5.83%	2,017.03	35.37%	2,028.98	39.57%	(107.52)	35.16%	1,921.47
Washroom Hygiene Concepts Private Limited (w.e.f. September 05, 2019)	1.76%	610.06	1.55%	89.14	-2.29%	6.23	1.75%	95.37
Denave India Private Limited (w.e.f. October 28, 2021)	2.00%	690.00	12.11%	694.75	-1.87%	5.09	12.81%	699.84
Non-Controlling interest in all subsidiaries	1.54%	530.70	3.62%	207.83	0.04%	(0.12)	3.80%	207.71
Total	100%	34,573.14	100.00%	5,736.50	100.00%	(271.70)	100.00%	5,464.80

Year Ended 31st March 2021 (Restated)

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	72.12%	21,069.06	62.25%	2,961.16	130.97%	79.01	63.12%	3,040.16
II. Subsidiaries								
Avon Solutions & Logistics Private Limited	4.69%	1,370.63	16.03%	762.43	(88.60%)	(53.45)	14.72%	708.98
Integrated Technical Staffing and Solutions Private Limited	1.89%	553.54	1.45%	68.96	33.66%	20.31	1.85%	89.27
Stanworth Management Private Limited	0.77%	224.83	1.27%	60.29	25.17%	15.19	1.57%	75.47
Tangy Supplies & Solutions Private Limited	3.20%	934.37	1.76%	83.51	(0.44%)	(0.27)	1.73%	83.24
Fusion Foods and Catering Private Limited	1.67%	489.29	0.68%	32.38	12.80%	7.72	0.83%	40.11
Zappy Home Solutions Private Limited	(2.53%)	(738.43)	(2.35%)	(111.66)	(0.18%)	(0.11)	(2.32%)	(111.76)
Global Flight Handling Services Private Limited	0.05%	16.03	(0.42%)	(20.04)	0.00%	-	(0.42%)	(20.04)
Matrix Business Services India Private Limited (w.e.f. April 25, 2019)	13.96%	4,077.87	15.82%	752.48	8.61%	5.20	15.73%	757.68
Washroom Hygiene Concepts Private Limited (w.e.f. September 05, 2019)	1.81%	528.40	(1.79%)	(85.20)	(0.79%)	(0.48)	(1.78%)	(85.68)
Non-Controlling interest in all subsidiaries	2.37%	692.97	5.30%	251.86	(21.20%)	(12.79)	4.96%	239.07
Total	100.00%	29,218.29	100.00%	4,756.17	100.00%	60.33	100.00%	4,816.50



Updater Services Limited (Formerly known as Updater Services Private Limited)**Notes to consolidated financial statements for the year ended March 31, 2022***(All amounts are in lakhs of Indian Rupees unless otherwise stated)***55 Business Combinations and Acquisition of non-controlling interest****Acquisitions during the year ended March 31, 2022**

On October 27, 2021, the Group acquired 52% equity ownership in Denave India Private Limited ("Denave") for a consideration of ₹ 6,299.55 lakhs. Denave is primarily engaged in the business of providing sales enablement and other support and staffing services. The total value of purchase consideration of ₹ 14,121.00 lakhs includes ₹ 7,821.45 lakhs on account of obligation to purchase the remaining equity shares (48%) in the future, pursuant to Shareholder's Agreement between the Group and the promoters of Denave.

Consequent to the future purchases, the Group will hold 100% of the equity shares of Denave.

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

Assets acquired and liabilities assumed Particulars	Fair Value on acquisition
	Total
Property, Plant and Equipment	248.32
Intangible Assets	-
Trade Receivables	4,177.89
Cash and Bank Balances	1,056.57
Loans and Advances	28.97
Non-current tax assets (Net)	560.61
Other Assets - current and non-current	2,089.87
Deferred Tax Assets	328.87
Total Assets taken over (A)	8,491.10
Trade Payables	670.45
Other Liabilities - current	749.50
Provisions - current and non-current	536.56
Other liabilities	2,038.59
Total liabilities assumed (B)	3,995.10
Identifiable Intangible Assets on acquisition	
Customer Relationship (Note i)	1,480.00
Non Compete (Note ii)	257.00
Brand (Note iii)	537.00
Total identifiable intangible assets on acquisition (D)	2,274.00
Deferred Tax Liability on account of identified intangible assets and fair value of promoter's liability on acquisition	
Deferred Tax Liabilities on acquisition of intangible assets	572.32
Deferred Tax Liabilities on fair valuation of promoter's liability	309.20
Total Deferred Tax liability on identified intangible assets	881.52
Non-controlling interests measured at fair value	-
Goodwill arising on acquisition (Note iv) (E)	8,232.52
Total purchase consideration (A+B+C+D+E)	14,121.00

Note i

Customer contracts and related Customer relationships include the relationships that Denave has established with customers that are tied to them through a contract, as well as the potential extension of such contracts/additional relationships that would arise as a result of these contracts, and therefore, meet both the contractual/legal criteria and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

The income approach has been considered for arriving at the value of the intangible asset as defined in "Ind AS 113 Fair Value Measurement". The intangible asset is considered having a useful life of eight years from the date of acquisition.

Note ii

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

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

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



Updater Services Limited (Formerly known as Updater Services Private Limited)
Notes to consolidated financial statements for the year ended March 31, 2022
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55 Business Combinations and Acquisition of non-controlling interest (Continued)

Note iii

Denave uses the trademark 'Denave' for its traditional as well as new businesses. The Group will continue to use the similar strategy in future for all its new generation businesses. The brand serves to create associations and expectations among products made by Denave. This meets the legal criterion and the separability criterion for recognition of an Intangible Asset under 'Ind AS 38 Intangible Assets'.

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

Note iv

The goodwill of INR 8,232.52 lakhs comprises the value of expected synergies arising from the acquisition which is not separately recognised. None of the goodwill recognised is expected to be deductible for income tax purposes. The goodwill is considered having an indefinite useful life and will be assessed for impairment every year.

From the date of acquisition, Denave has contributed INR 12,438.62 lakhs of revenue and INR 871.02 lakhs to the profit before tax of the Group respectively. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been INR 162,402.56 lakhs and the profit before tax for the Group would have been INR 7,887.11 lakhs.

Note v

The fair value and gross amount of the trade receivables of Denave amounts to INR 4,177.89 lakhs, which is expected to be fully collected.

Information relating to purchase consideration :

Purchase consideration	Denave
Cash paid for purchase of current equity shareholding	6,299.55
Present value of Redemption liability as on date of acquisition (October 27, 2022)	7,821.45
Total	14,121.00

During the financial year 2021-22, the Company has acquired 52% stake in Denave India Private Limited at an agreed price of INR 6,299.55 lakhs from the promoters of Denave. As per the Shareholder's Agreement between Company, Denave and its erstwhile promoters, the Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Consequently, on the date of acquisition, the Company has recognised a redemption liability for the present value of such future obligation based on a best estimate available with the management amounting to Rs 7,821.45 lakhs.

Significant increase/ (decrease) in the EBITDA of Denave would result in higher/ (lower) fair value of the redemption liability. Changes to the fair value of the redemption liability will be recognised in the statement of profit and loss.

The purchase consideration has been computed as follows:

Denave

Particulars	No of shares	Price per share	Purchase consideration in lakhs	Stake
Tranche I	96,66,329	65.17	6,299.55	52.0%
Tranche II (on or before June 30, 2023)	44,61,383	80.04	3,571.00	24.0%
Tranche III (on or before June 30, 2024)	44,61,383	95.27	4,250.45	24.0%
Total shares	1,85,89,095	75.96	14,121.00	100.0%



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56 Retrospective restatement : Correction of prior period errors

The Holding Company has a manpower supply contract with one of its customers since FY 2018-19. The current term of the contract (including extension) expired in September 2022 and the same has been extended till the appointment of new service provider through tender process or one year whichever occurs earlier.

During earlier years, the customer had made on-account payments against the services rendered/ invoices raised by the Holding Company without sharing written payment advice or statement of account with the Holding Company. The Customer had verbally communicated their intent to claim certain penalties/ adjustments from time to time. The internal controls established by the Holding Company were not sufficiently responsive to the unique and complex circumstances associated with this contract, resulting in shortcomings in the Holding Company's processes around timely identification and obtaining additional relevant information in respect of customer claims and assessment of consequent contractual compliances by the Holding Company, certain claims were not considered in the preparation of financial statement for earlier years. Subsequent to March 31, 2022, the Holding Company obtained the cumulative transaction confirmation statement since inception of the contract, based on which the Holding Company identified cumulative adjustments of Rs. 2,351.52 lakhs on account of various claims by the customer, relating to the services rendered by the Holding Company, from inception of the contract till 31 March 2021.

Consequent to and in respect of the foregoing matters, the previously reported amounts in the Ind AS financial statements of the Holding Company for the years ended March 31, 2021 and March 31, 2020, have been restated during the current year, as summarised below. Accordingly, and in line with the requirements of Ind-AS 8, the Holding Company has adjusted the cumulative effect of the adjustments pertaining to the year ended March 31, 2020 and March 31, 2019 in the reserves as at April 01, 2020, and the effect of the adjustments pertaining to the year ended March 31, 2021 have been adjusted in the comparative figures for that year, included in these consolidated financial statements.

Sn No	Particulars	31 st March 2021 (Restated)	31st March 2021 (Previously reported)	Effect on Profits/Variance	31 st March 2020 (Restated)	1st April 2020 (Previously reported)	Adjustments
	Restatements having effect to Profit & Loss (refer following table below)						
A	Revenue from contracts with customers	1,21,003.23	1,20,358.56	644.67	1,31,488.56	1,32,396.04	(907.48)
B	Impairment losses on financial instrument and contract assets	554.71	468.76	(85.95)	605.46	442.11	(163.35)
C= A+B	Total Effect on Profit before tax			558.72			(1,070.83)
D	Deferred tax charge / (credit)	(861.70)	(1,002.32)	(140.62)	(320.77)	(66.44)	254.33
E= C+D	Total effect on Profit after tax			418.10			(816.50)
	Restatements having effect to Balance Sheet						
F	Opening Retained earnings	12,351.42	13,268.92	(917.50)	9,406.55	9,506.55	(100.00)
G	Trade Receivables including unbilled revenue	26,893.80	27,561.15	(667.35)	33,418.70	34,634.77	(1,216.07)
H	Deferred tax asset	3,811.16	3,643.19	167.97	3,026.20	2,717.62	308.58
I=C	Profit before Tax	5,442.62	4,883.89	558.73	3,665.71	4,736.54	(1,070.83)
J=E	Profit after Tax	4,756.17	4,338.06	418.11	3,307.75	4,124.25	(816.50)
K	Total Comprehensive Income	4,816.50	4,398.39	418.11	3,193.37	4,009.87	(816.50)
L	Earnings per share (Rs)	8.55	7.74	0.81	6.28	7.83	(1.55)
M	Diluted earnings per share (Rs)	8.49	7.68	0.81	6.24	7.78	(1.54)

Particulars	FY 2018-19	FY 2019-20	FY 2020-21
Gross Deductions / Penalties identified (including GST but excluding GST on credit note issued)	155.25	1,070.83	1,125.44
Amounts originally reported in the respective years' financial statements*	-	-	1,684.16
Excess/(Shortfall)	(155.25)	(1,070.83)	558.72

*Includes specific receivable provision of Rs 1,476.38 lakhs and Expected credit loss of Rs 207.78 lakhs provided against the respective customer balance. The correction of the error had no impact on previously reported cash flows from operating, investing and financing activities.

57 The Holding Company had availed of GST credits aggregating to Rs 361.46 lakhs arising from the credit notes issued to certain customers, which have also been since utilised against discharge of output GST obligations of the Holding Company, based on management's assessment and as supported by legal advice taken. However, having regard to the facts of the case as well as possible interpretative issues in this regard, and pending final assessment, the Holding Company out of abundant caution has recognised a provision of Rs 361.46 lakhs in the consolidated financial statements, without prejudice to its rights under the applicable law.

58 Impact of Covid-19 Pandemic

The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investments, property, plant & Equipment, right of use assets and intangible assets including goodwill. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information and economic forecasts. Basis such evaluation, the management does not expect any adverse impact on its future cash flows and shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements. The Group will continue to monitor future economic conditions for any significant change.

59 Code on wages, 2019 and Code on Social Security, 2020

Parliament has approved the Code on Wages, 2019 and the Code on Social Security, 2020 which govern, and are likely to impact, the contributions by the Group towards certain employee benefits. The government has released draft rules for these Codes and has invited suggestions from stakeholders which are under active consideration by the concerned Ministry. The effective date of these Codes have not yet been notified and the Group will assess the impact of these codes as and when they become effective and will provide for the appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

60 Irregularities noted in one of the subsidiary

In respect of one of the subsidiary Washroom Hygiene Concepts Private Limited, during the year ended March 31, 2022, management has identified certain instances of irregularities in disbursement/ payment of salary to fictitious and left employees in the current as well as earlier years. Based on initial inquiries performed by the management, the possible impact of such irregularities is expected to be INR 9.95 lakhs (Cost relating to current year amounts to INR 1.37 lakhs and balance INR 8.58 lakhs relates to prior years) and such amounts have been recovered from the employees responsible for such irregularities during the current year.

Furthermore, the subsidiary Company has alleged that the above employees have been engaged in multiple other fraudulent activities including misuse of company's assets / resources, collusion, conflict of interest, illegal commissions, unauthorised transactions on behalf of the subsidiary Company. The above mentioned employees have been terminated during the year and a police complaint has been filed against some of the such personnel. The subsidiary Company has also initiated the investigation process to assess the completeness of the exposure on the above transactions and any potential irregularities on other transactions by engaging an external independent expert. Pending the completion of the aforesaid investigation and the final outcome, management is unable to determine the possible impact, if any on the financial statements.



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

61 Other Statutory Information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group has balance/transactions with the below-mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956:

Name of struck off Company	Nature of transactions with struck-off	Balances outstanding		Relationship with the Struck off company
		As at March 31, 2022	As at March 31, 2021	
Cross Limits Services and Solutions	Trade Payables	0.56	0.56	None
Pancyber Infotech Private Limited	Trade Payables	0.27	0.27	None
Wilway Engineering and Construction	Trade Payables	0.04	0.04	None
Mn Aircon System Private Limited	Trade Payables	-	0.12	None

- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not defaulted in on loans payable and have not been declared as wilful defaulter.
- (v) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vi) Title deeds of all immovable properties are in the name of the Group.
- (vii) (a) To the best of the knowledge and belief of the management of the Group, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (vii) (b) To the best of its knowledge and belief of the management of the Group, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall directly or indirectly, lender invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Group have not revalued its Property, Plant & Equipments, Intangible Assets and Right to Use Assets during the year.
- (ix) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

62 Events after the Reporting Period

The Holding Company has entered into a definitive agreement on 14th December 2022 to acquire 100% of equity share capital in Athena BPO Private Limited ("Athena") in a phased manner. The Holding Company has acquired 57% stake in Athena on 23rd December 2022 for Rs. 8,194.02 lakhs and balance stake of 43% shall be purchased in a phased manner in three tranches. The consideration for the balance three tranches will be determined basis the future business performance and other terms contained in the share purchase agreement. Athena is in the business of providing business process outsourcing (BPO).

63 Previous Year Figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure. (Refer Restated Note 56)

As per our report of even date
For S.R. Baliboi & Associates LLP
 Chartered Accountants
 ICAI Firm Registration Number: I01049W/E300004

Aravind K
 per Aravind K
 Partner
 Membership No. 221268



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

T. Raghunandana
 T. Raghunandana
 Managing Director
 DIN : 00628914

Balaji Swaminathan
 Balaji Swaminathan
 Chief Financial Officer

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

P.C. Balasubramanian
 P.C. Balasubramanian
 Director
 DIN : 00584548

L.B. Jayaram
 L.B. Jayaram
 Company Secretary
 Membership No. 00930



Place: Chennai
 Date : December 31, 2022