S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

6th Floor - "A" Block
Tidel Park, No. 4
Rajiv Gandhi Salai
Taramani, Chennai - 600 113, India
Tel : +91 44 6117 9000

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Updater Services Limited ("the Company"), which comprises the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows, and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 50 to the standalone financial statements. The Company has corrected certain prior period errors in respect of the matter more fully described in that note, by restating the comparative amounts for the year ended March 31, 2021 and the opening balances as at April 1, 2020 in accordance with IND AS 8, "Accounting Policies, Change in Accounting Estimates and Errors". Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of director's report, but does not include the standalone

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements,

S.R. Batliboi & Associates LLP ★ Chennai ★ Chartered Accountants whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

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

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

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

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

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) The matters described in the Qualified Opinion section in Annexure 2 to this report, in our opinion, may have an adverse effect on the functioning of the Company;

(f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 40 to the standalone financial statements;

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

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

iv. a) The management has represented that, to the best of its knowledge and belief, as stated in Note 49 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as stated in Note 49 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether,

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

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

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

v. No dividend has been declared or paid during the year by the Company.

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

Arvind.K

per Aravind K
Partner
Membership Number: 221268
UDIN: 22221268BGOABV9954
Place of Signature: Chennai
Date: December 31, 2022

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

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

Re: Updater Services Limited ("the Company")

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements included in property, plant and equipment are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in Note 21 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company and the details are as follows:

Quarter ending	Value per books of account (Rs. in lakhs)	Value per quarterly return/statement (Rs. in lakhs)	Discrepancy ** (Rs. in lakhs)
Debtors			
June 30, 2021	17,378	24,144	(6,765)
September 30, 2021	27,901	27,828	73
December 31, 2021	22,062	29,902	(7,839)
March 31, 2022	17,445	28,494	(11,049)
Creditors			

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

Quarter ending	Value per books of account (Rs. in lakhs)	Value per quarterly return/statement (Rs. in lakhs)	Discrepancy ** (Rs. in lakhs)
June 30, 2021	2,294	1,600	694
September 30, 2021	1,351	1,600	(249)
December 31, 2021	1,912	1,600	312
March 31, 2022	2,484	1,600	884
Sales for the period			
June 30, 2021	25,306	24,803	503
September 30, 2021	51,129	51,003	125
December 31, 2021	78,617	77,792	825
March 31, 2022	107,067	106,227	840
Purchases for the period			
June 30, 2021	1,621	1,350	271
September 30, 2021	3,630	2,600	1,030
December 31, 2021	5,463	3,200	2,263
March 31, 2022	8,220	3,200	5,020
Borrowings Outstanding			
June 30, 2021	3,650	1,941	1,709
September 30, 2021	9,531	953	8,577
December 31, 2021	9,403	940	8,463
March 31, 2022	5,700	570	5,130

** Remarks for discrepancy: As represented to us, the discrepancy in respect of borrowings outstanding reported for the quarter ending September 30, 2021, December 30, 2021 and March 31, 2022, was attributable to clerical errors while the discrepancies in respect of debtors, creditors, sales for the period, purchases for the period for all the quarters and borrowings for quarter ending June 30, 2021 were attributable to the Company's financial closure process being not fully completed at the time of filing quarterly statements.

Also refer Note 21 to the Standalone financial statements regarding submission of the revised statements to the respective banks during December 2022.

(iii) (a) During the year the Company has provided loans to companies as follows:

Particulars	Loans (in INR lakhs)
Aggregate amount granted/ provided during the year - Subsidiaries	846.14
Balance outstanding as at balance sheet date in respect of above cases - Subsidiaries	1,632.36

During the year the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to Limited Liability Partnerships or any other parties.

(b) The Company has granted loans to three subsidiary companies covered in the register maintained under Section 189 of the Companies Act 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

(c) The Company has granted loans during the year to its subsidiaries where the schedule of repayment of principal and payment of interest has been stipulated. However, there have been no repayments which have fallen due in the current year.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which had fallen due during the year.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to subsidiary companies. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, professional tax, income-tax, goods and services tax, cess and other statutory dues have been regularly deposited with the appropriate authorities though there have been delays in respect of: Tax Deducted at Source (upto 1 day); Provident Fund (upto 29 days); Employee State Insurance (upto 29 days); Professional Tax (upto 119 days); Goods and Services Tax (upto 365 days) and Labour Welfare Fund (upto 1,066 days).

According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
Labour Welfare Fund Act, 1965	Dues relating to gratuity payable, salary payable and bonus payable to employees unpaid for a period greater than 3 years to be transferred to Labour Welfare	28,047,657	FY 2016-17 to FY 2018-19	Various dates	Not Paid	NA

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
	fund					
Goods and Services Tax	Dues relating to payment of GST	11,260,432	FY 2020-21 and FY 2021-22	Various dates	Not Paid	Also refer Note 51 to the financial statements.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Nature of the statute	Nature of dues	Amount in INR	Period to which the amount relates	Form where dispute is pending
The Gujarat Panchayats, Municipalities, Municipal Corporations and State Tax on Professions, Traders, Callings and Employment Act ,1976	Professional Tax	56,11,749*	March 2011 to December 2019	The Court of Professional Tax Officer and Taluka Development Officer at Sanand.
The Provident Fund Act, 1952	Provident Fund	36,27,876	January 2012 to October 2014	Regional Assistant Provident Fund Commissioner (RAPFC)

*The Company has paid an amount of INR 56,11,749 under protest with the above-mentioned authorities.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) In our opinion and according to the information and explanations given by the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) In our opinion and according to the information and explanations given by the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) We draw attention to matter (i) of the Qualified Opinion paragraph in our opinion on internal controls over financial reporting as contained in Annexure 2 to the Independent Auditor's report, relating to material weaknesses in internal controls which may result in incorrect or inappropriate revenue recognition. Consequently, we are unable to comment if any fraud by the Company or fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the one whistle blower complaint received by the Company during the year and informed to us, while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

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

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company

(xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 52 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 32 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in Note 32 to the financial statements.

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

Arvind.K

per Aravind K
Partner
Membership Number: 221268
UDIN: 22221268BGOABV9954
Place of Signature: Chennai
Date: December 31, 2022

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF UPDATER SERVICES LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Updater Services Limited ("the Company") as of March 31, 2022, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

A Company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial

S.R. Batliboi & Associates LLP ★ Chartered Accountants ★ Chennai

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

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

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2022:

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

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

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls with reference to the standalone financial statements as of March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI, and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over these financial statements were operating effectively as of March 31, 2022.

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by ICAI, as specified under Section 143(10) of the Act, the standalone financial statements of Updater Services Limited, which comprise the Balance Sheet as at March 31, 2022, and the related Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. The material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2022 standalone financial statements of Updater Services Limited and this report does not affect our report dated December 31, 2022 which expressed an unqualified opinion on those financial statements.

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

Aravind.K

per Aravind K
Partner
Membership Number: 221268
UDIN: 22221268BGOABV9954
Place of Signature: Chennai
Date: December 31, 2022

S.R. Batliboi & Associates LLP * Chartered Accountants * Chennai

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

Particulars	Notes	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
ASSETS				
Non-current assets				
Property, plant and equipment	3	2,288.37	881.86	1,218.01
Other intangible assets	4A	1.30	1.85	5.69
Capital Work in Progress	4B	184.72	-	-
Right-of-use assets	36	7.49	0.01	1.44
Contract Assets	10	1,838.12	1,063.00	1,179.57
Financial assets				
(i) Investments	5	16,697.86	9,276.76	9,276.76
(ii) Loans	6	659.84	-	-
(iii) Other financial assets	7	652.18	772.98	759.59
Non-current tax assets (net)	8	4,039.23	4,301.80	3,718.04
Deferred tax asset (net)	15	3,839.29	3,371.29	2,679.67
Other non-current assets	9	1,165.28	56.18	4.36
		31,373.68	**19,725.73**	**18,843.13**
Current assets				
Contract Assets	10	3,188.31	3,337.21	2,719.30
Financial assets				
(i) Trade receivables including unbilled revenue	11	23,646.30	20,612.55	28,384.21
(ii) Cash and cash equivalents	12	216.32	2,116.19	699.96
(iii) Bank balances other than (ii) above	13	858.97	1,691.77	49.57
(iv) Loans	6	75.62	95.93	251.06
(v) Other financial assets	7	709.00	392.17	405.49
Other current assets	9	1,008.98	908.70	1,049.39
		29,703.50	**29,154.52**	**33,558.98**
Total Assets		**61,077.18**	**48,880.25**	**52,402.11**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	5,281.75	5,281.75	5,281.75
Other equity				
Retained earnings	17	17,391.68	13,870.57	10,708.22
Capital redemption reserve	17	207.50	207.50	207.50
Securities premium	17	5,594.28	5,594.28	5,594.28
Employee stock option reserve	17	363.66	340.52	325.64
Total equity		**28,838.87**	**25,294.62**	**22,117.39**
Non-current liabilities				
Financial liabilities				
(i) Lease liabilities	36	7.85	24.23	65.09
(ii) Other Financial liabilities	23	1,232.00	844.83	1,363.51
Long Term Provisions	18	334.44	-	-
Net Employee defined benefit liabilities	19	4,282.97	3,126.30	2,891.08
		5,857.26	**3,995.36**	**4,319.68**
Current Liabilities				
Financial liabilities				
(i) Borrowings	21	5,757.61	1,147.60	8,880.63
(ii) Lease Liabilities	36	38.45	41.32	67.30
(iii) Trade payables				
Total outstanding dues of micro enterprises and small enterprises	22	206.93	136.58	90.44
Total outstanding dues other than micro enterprises and small enterprises	22	1,989.11	1,967.06	1,999.76
(iv) Other current financial liabilities	23	12,039.25	10,254.71	9,154.59
Other current liabilities	24	4,511.72	3,994.24	3,731.04
Current tax liabilities (net)	20	91.43	91.43	91.43
Short Term Provisions	18	302.38	841.31	609.44
Net Employee defined benefit liabilities	19	1,444.17	1,116.02	1,340.41
		26,381.05	**19,590.27**	**25,965.04**
Total Liabilities		**32,238.31**	**23,585.63**	**30,284.72**
TOTAL EQUITY AND LIABLITIES		**61,077.18**	**48,880.25**	**52,402.11**

*Restated (Refer Note 2.1 & Note 50)
Summary of Significant Accounting Policies 1-2
The accompanying notes form an integral part of Standalone Financial Statements 3-54

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

Aravind K

per Aravind K
Partner
Membership No. 221268

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Place: Chennai
Date : December 31, 2022

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

T. Raghunandana
Managing Director
DIN : 00628914

P C Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

L.B. Jayaram
Company Secretary
Membership No. 10930

Amitabh Jaipuria
Chief Executive officer

Updater Services Limited Chennai 600 097

Place: Chennai
Date : December 31, 2022

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

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
Income			
Revenue from contracts with customers	25	1,07,067.27	1,00,516.51
Other income	26	775.20	339.06
Finance income	27	607.89	158.13
Total Income		**1,08,450.36**	**1,01,013.70**
Expenses			
Employee benefits expense	28	93,311.52	88,820.07
Finance costs	29	727.63	634.46
Depreciation and amortization expense	30	565.15	579.52
Impairment losses on financial instrument and contract assets	31	808.86	478.05
Other expenses	32	9,363.87	7,330.99
Total Expense		**1,04,777.03**	**97,843.09**
Profit before tax		**3,673.33**	**3,170.61**
Tax Expense :			
Current tax		545.13	767.37
Adjustment of tax relating to earlier periods		(155.87)	38.09
Deferred Tax :			
Deferred tax charge / (credit)		(409.87)	(718.19)
Income tax expense	33	**(20.61)**	**87.27**
Profit after tax		**3,693.94**	**3,083.34**
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)		(230.96)	105.58
Income tax effect		58.13	(26.57)
		(172.83)	**79.01**
Other comprehensive income/(loss) for the year, net of tax		**(172.83)**	**79.01**
Total comprehensive Income for the year, net of tax		**3,521.11**	**3,162.35**
Earnings per equity share			
Basic (Amount in ₹)	34	6.99	5.84
Diluted (Amount in ₹)	34	6.95	5.80

*Restated (Refer Note 2.1 & Note 50)

Summary of Significant Accounting Policies	1-2
The accompanying notes form an integral part of Standalone Financial Statements	3-54

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

Aravind K

per Aravind K
Partner
Membership No. 221268

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Place: Chennai
Date : December 31, 2022

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

T Raghunandana
Managing Director
DIN : 00628914

P C Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

L.B. Jayaram
Company Secretary
Membership No. 10930

Updater Services Limited Chennai 600 097

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

Updater Services Limited (Formerly known as Updater Services Private Limited)
Standalone Statement of Changes in Equity for the year ended March 31, 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
Opening balance at 1 April 2020	5,28,17,479	5,281.75
Add: Shares issued during the period	-	-
Balance as on March 31, 2021	5,28,17,479	5,281.75
Add: Shares issued during the period	-	-
Balance as on March 31, 2022	5,28,17,479	5,281.75

(b) Other equity

Particulars	Retained Earnings	Capital redemption reserve	Securities Premium	Employee Stock Options Reserve	Total
Balance as at April 1, 2020 as previously reported	11,625.72	207.50	5,594.28	325.64	17,753.14
Add: Impact on account of prior period errors (Restated)*	(917.50)	-	-	-	(917.50)
Restated balance as at 1 April 2020	10,708.22	207.50	5,594.28	325.64	16,835.64
Add: Profit for the period (Restated)*	3,083.34	-	-	-	3,083.34
Employee stock options provided	-	-	-	14.88	14.88
Other Comprehensive Income	79.01	-	-	-	79.01
Restated As at March 31, 2021	13,870.57	207.50	5,594.28	340.52	20,012.87
Add: Profit for the year	3,693.94	-	-	-	3,693.94
Other Comprehensive Income	(172.83)	-	-	-	(172.83)
Employee stock options provided	-	-	-	23.14	23.14
As at March 31, 2022	17,391.68	207.50	5,594.28	363.66	23,557.12

*Restated (Refer Note 2.1 & Note 50)

Summary of Significant Accounting Policies 1-2

The accompanying notes form an integral part of Standalone Financial Statements 3-54

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

Aravind.K

per Aravind K
Partner
Membership No. 221268

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Place: Chennai
Date : December 31, 2022

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

T. Raghunandana
Managing Director
DIN : 00628914

P C Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

L.B. Jayaram
Company Secretary
Membership No. 10930

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

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

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax		**3,673.33**	**3,170.61**
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortization expense		541.76	579.52
Finance costs		727.63	634.46
Finance income		(607.89)	(158.13)
Fair value changes in Liability paid to promoters of acquired subsidiary		120.00	-
Fair value gain on Financial Assets at FVTPL		(16.79)	(38.97)
Impairment for doubtful trade receivables		376.54	306.69
Liability payable to promoters of acquired subsidiary no longer required written back		(189.39)	(197.35)
Impairment on loans to related parties and on other advances		386.67	111.53
Provision for onerous contracts		-	101.30
Provision/Liability no longer required written back		(304.57)	(86.62)
(Profit) on sales of property, plant and equipment and Loss on Scrapping of Property , Plant and Equipment		85.39	(15.32)
Gain on buy back of Company's Investments in Subsidiary		(224.96)	-
Bad debts written off		6.69	-
Provision for doubtful unbilled revenue		45.65	59.83
Advances written off		24.91	9.99
Unrealised Exchange differences (net)		1.68	0.98
Employee stock option expenses		23.14	14.88
Operating cash flow before working capital changes		**4,669.79**	**4,493.40**
Movements in working capital :			
(Increase)/decrease in trade receivables, Unbilled Revenue and Contracts Assets		(4,044.88)	6,902.52
(Increase)/decrease in other financial assets		(611.56)	(158.32)
(Increase)/decrease in loans		-	19.48
(Increase)/decrease in non - financial assets		(125.30)	107.04
Increase/(decrease) in trade payables		92.40	100.06
Increase/ (decrease) in current liabilities and provisions		3,828.38	1,112.31
Cash generated from operations		**3,808.83**	**12,576.49**
Direct taxes paid (net of refunds)		(436.39)	(1,389.22)
Net cash flow from operating activities	A	**3,372.44**	**11,187.27**
Cash flow from investing activities			
Purchase of property, plant and equipment		(3,179.66)	(243.28)
Investment in Subsidiary company		(6,984.22)	(247.76)
Loans given to subsidiaries		(639.53)	(143.51)
Repayment of Loans from subsidiaries		-	215.44
Proceeds from buy back of Company's Investments in Subsidiary		335.46	-
Investments in fixed deposits		(15,758.20)	(10,328.12)
Redemption/Maturity of fixed deposits		16,591.00	8,877.24
Proceeds from sale of property, plant and equipment		12.20	20.51
Monies paid to promoters of acquired subsidiary		(120.40)	-
Interest received		607.89	124.96
Net cash flow used in investing activities	B	**(9,135.46)**	**(1,724.52)**
Cash flow from financing activities			
Proceeds from short-term borrowings		88,223.11	1,947.60
Repayment of short-term borrowings		(83,613.10)	(9,680.62)
Payment of principal portion of lease liabilities		(19.25)	(66.84)
Interest paid		(727.61)	(246.66)
Net cash flow from/ (used in) in financing activities	C	**3,863.15**	**(8,046.52)**
Net increase/(decrease) in cash and cash equivalents	A+B+C	**(1,899.87)**	**1,416.23**
Cash and cash equivalents at the beginning of the period	12	2,116.19	699.96
Cash and cash equivalents at the end of the period		216.32	2,116.19

UPDATER SERVICES LIMITED Chennai 600 097

This space has been intentionally left blank

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

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

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
Non cash investing and financing activities			
Acquisition of Right of use assets (Note 36)		30.87	-

Refer note 14 for change in liabilities arising from financing activities.

Summary of Significant Accounting Policies	1-2		
The accompanying notes form an integral part of Standalone Financial Statements	3-54		

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

per Aravind K
Partner
Membership No. 221268

Place: Chennai
Date : December 31, 2022

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

T. Raghunandana
Managing Director
DIN : 00628914

P C Balasubramanian
Director
DIN : 00584548

Balaji Swaminathan
Chief Financial Officer

L.B. Jayaram
Company Secretary
Membership No. 10930

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

1. Corporate information

Updater Services Limited ("the Company") [Formerly Known as Updater Services Private Limited] was incorporated on November 13, 2003. The Company is a limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at NO.2/302-A, UDS Salai, off Old Mahabalipuram road, Thoraipakkam, Chennai. Updater Services Limited (Formerly Known as Updater Services Private Limited) is engaged in providing facility management services like integrated facility management services to various industries such as information technology, information technology enabled services, manufacturing, hospitality and other industries and catering services, which includes industrial catering, and services at food courts.

Integrated facility management services include housekeeping, staffing, production support, mechanical and electrical services, garden management, pest control and catering solutions.

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

2. Significant accounting policies

2.1 Basis of accounting and preparation of standalone financial statements

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

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

The standalone financial statements have been prepared on a historical cost basis, except for the following:
a) Certain financial assets and liabilities measured at fair value as explained in the accounting policies; and
b) Defined benefit plan assets measured at fair value.

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

During the year, the Company has identified certain errors in the prior years and has corrected the prior year numbers by retrospective restatement. The Company has also presented balance sheet as at April 1, 2020 (beginning of the preceding period) as per the requirements of Ind AS 1 read with Ind AS 8. Refer to Note 50 for the restatement adjustments.

2.2 Summary of Significant accounting policies

a. Current versus non-current classification

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

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

Chennai 600 097

Chennai

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Property, plant and equipment

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

The cost of property, plant and equipment not ready for intended use before such date is disclosed under capital work-in-progress.

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

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

Depreciation

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

Depreciation is calculated on a written down value (WDV) method over the estimated useful lives of the assets as follows:

Asset Classification	Estimated Useful Life (Years)	Useful lives as per Sch-II of Companies Act, 2013 (years)
Plant and machinery*	5	15
Furniture and fittings	10	10
Office equipment	5	5
Vehicles	8	8
Computer and accessories	3	3
Building	30	30

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

Updater Services Limited Chennai 600 096

*The Company is using useful life different from the life prescribed in Schedule II of the Companies act based on technical estimate by expert. The Plant and Machinery are used more than one shift and based on the nature of assets and Industry of the Company, such assets can be used for a period of 5 years.

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

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

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2017 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

c. Intangible assets

Intangible assets that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Costs incurred towards purchase of software are depreciated using the straight-line method over a period of 3 years based on management's estimate of useful lives of such software, or over the license period of the software, whichever is shorter.

Derecognition of intangible assets

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

Asset Classification	Useful Life (Years)	Amortisation method	Internally generated or acquired
Software	Finite – 3 years	Amortised on a straight-line basis over the life	Acquired

d. Impairment of non-financial assets

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

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

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods

Chennai 600 097

Chennai

covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the services, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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

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

e. Revenue from contracts with customers

The Company derives revenue primarily from Integrated Facility Management services. Further, it also provides training and skill development services under the workforce management. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable.

Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

The contract with customer for Integrated Facility Management services, generally contains a single performance obligation and revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company's contracts may include variable consideration including discounts and penalties which are reduced from revenues and recognised based on an estimate of the expected payout relating to these considerations (expected price concessions). Revenue is adjusted for expected price concessions based on the management estimates.

Revenue from Integrated Facility Management services (Supply of Manpower) is recognised over time since the customer simultaneously receives and consumes the benefits. The invoicing for these services is either based on cost plus a service fee or fixed fee model.

Revenue from training and skill development services are recognised over time based on satisfaction of specific performance criteria included in contractual arrangements with customers. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer. The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time. It is presented under trade receivables. If contractual unconditional right to consideration is dependent on completion of contractual obligations including right to receive the reimbursement of gratuity cost from the customers, then such assets are classified as contract assets. Invoicing in excess of revenues is classified as contract liabilities (referred to as income received in advance).

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

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

Dividend income

Dividend income is recognised when the unconditional right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest income

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

Contract balances

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

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

(ii) Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

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

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

f. Financial Instruments

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

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value

Chennai 600 097

Chennai

through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (e) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

(i) Financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments on principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

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

The Company has determined the classification of debt instruments in terms of whether they meet amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date. Accordingly, the Company has classified all debt instruments as of the transition date at amortised cost.

Investment in equity instruments issued by subsidiaries are measured at cost less impairment.

(ii) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

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

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

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. Investments in Mutual funds are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the "Other Income" line item.

(iv) Impairment of financial assets

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

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Provision for ECL is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. It is the Company's policy to measure ECLs on financial assets on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

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

(v) De-recognition of financial assets

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

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

(vi) Reclassification of financial assets

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

(vii) Financial liabilities and equity instruments

1) Classification as debt or equity

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

Chennai 600 097

Chennai

2) Equity instruments

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

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

(viii) Financial liabilities

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

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognised in profit or loss.

(ix) Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held—for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs" line item.

(x) Effective interest method

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

(xi) De-recognition of financial liabilities

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

The Company has applied the de-recognition requirements. of financial liabilities prospectively for transactions occurring on or after April 01, 2017 (the transition date).

(xii) Derivative financial instruments
Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks,

Chennai
600 097

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

The Company designates only the spot element of a forward contract as a hedging instrument. The forward element is recognised in OCI.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

(iii) Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit and loss (as a reclassification adjustment).

(xiii) Offsetting of financial instruments

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

g. Leases

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

As a lessee

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

i. Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment

Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a written-down value basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Asset Classification	Estimated Useful Life (Years)
Building	1 – 5

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

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

ii. Lease liabilities

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

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset (see Note 36).

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

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

As a lessor

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

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

h. Retirement and other employee benefits

i. Compensated absences

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

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

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

ii. Post-employment obligations

The Company operates the following post-employment schemes:

i. Gratuity obligations

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

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

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

Past service cost is recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognises related restructuring costs.
Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

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

ii. Retirement benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

i. Taxes

Current income tax

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

• In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

j. Government grants

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

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

The Company is availing of benefits under a government scheme - Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) wherein the Central Government is paying the employer's contribution towards Employee Pension Scheme / Provident Fund in respect of new employees meeting specified criteria. The same is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed (Refer Note 28).

k. Financial guarantee contracts

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

l. Fair value measurement

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

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

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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

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

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

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

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

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

Involvement of external valuers is decided upon annually by the Company. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. Other fair value related disclosures are given in the relevant notes (Refer Note 44).

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above (Refer Note 45).

m. Segment reporting

The Management monitors the operating results of its business as a single primary segment "facility management service" for the purpose of making decisions about resource allocation and performance assessment. The business of the Company falls under a single primary segment i.e., 'facility management service' for the purpose of Ind AS 108.

n. Earnings per share

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period.

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

o. Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Onerous Contract

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

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

If it is no longer probable that the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, the provision shall be reversed

p. Contingent liabilities & Contingent Assets

Contingent liability is disclosed for,

(i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or

(ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the standalone financial statements.

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

q. Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

r. Borrowing costs

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

s. Share-based payments

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

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in Note 37.

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

Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

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

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

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

t. Foreign currencies

Functional and presentation currency
Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates, i.e., the "functional currency". The standalone financial statements are presented in Indian rupee (INR), which is functional and presentation currency of the Company.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI, or profit or loss are also recognised in OCI or profit or loss, respectively).
In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

u. Contingent Consideration

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance

UPDATER SERVICES LIMITED Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

v. Changes in accounting policies and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 01, 2022.

i. Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37.

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

ii. Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company

iii. Ind AS 109 *Financial Instruments* – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. The amendments are not expected to have a material impact on the Company.

Updater Services Limited Chennai 600 097 *

S.R. Batliboi & Associates LLP * Chennai * Chartered Accountants

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

3 Property, plant and equipment

Particulars	Building	Plant and machinery	Furniture and fixtures	Office equipments	Vehicles	Computer and accessories	Leasehold improvements	Total
Cost / Deemed Cost								
At April 01, 2020	177.57	2,130.61	98.01	93.96	132.19	249.68	60.20	2,942.22
Additions	-	187.82	4.59	9.46	-	31.46	9.96	243.29
Disposals	-	(38.11)	-	-	-	-	-	(38.11)
At March 31, 2021	177.57	2,280.32	102.60	103.42	132.19	281.14	70.16	3,147.40
Additions	-	391.42	2.19	3.37	1,562.47	85.85	-	2,045.30
Disposals	-	(789.34)	(1.24)	(30.91)	(14.80)	(155.59)	(60.20)	(1,052.08)
At March 31, 2022	177.57	1,882.40	103.55	75.88	1,679.86	211.40	9.96	4,140.62
Depreciation & amortisation								
Depreciation								
At April 01, 2020	39.64	1,284.91	32.66	65.18	68.44	179.40	53.98	1,724.21
Charge for the year	13.30	448.45	15.47	18.08	21.11	49.48	8.36	574.25
Disposals	-	(32.92)	-	-	-	-	-	(32.92)
At March 31, 2021	52.94	1,700.44	48.13	83.26	89.55	228.88	62.34	2,265.54
Charge for the year	11.84	314.90	11.14	10.29	143.21	46.78	3.04	541.20
Disposals	-	(713.23)	(0.50)	(27.18)	(12.79)	(143.60)	(57.19)	(954.49)
At March 31, 2022	64.78	1,302.11	58.77	66.37	219.97	132.06	8.19	1,852.25
Net Block								
At March 31, 2022	112.79	580.29	44.78	9.51	1,459.89	79.34	1.77	2,288.37
At March 31, 2021	124.63	579.88	54.47	20.16	42.64	52.26	7.82	881.86

Note:
Cash credit and working capital loan are secured by first pari-passu charge on certain moveable assets. (Refer Note 21)

4A Other intangible assets

Particulars	Computer software	Total
Cost / Deemed Cost		
At April 01, 2020	35.76	35.76
Additions	-	-
At March 31, 2021	35.76	35.76
Additions	-	-
At March 31, 2022	35.76	35.76
Amortisation		
At April 01, 2020	30.07	30.07
Charge for the year	3.84	3.84
At March 31, 2021	33.91	33.91
Charge for the year	0.55	0.55
At March 31, 2022	34.46	34.46
Net Block		
At March 31, 2022	1.30	1.30
At March 31, 2021	1.85	1.85

UPDATER SERVICES LIMITED Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

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

4B Capital work in progress (CWIP)

Particulars	Amount
At April 01, 2020	-
Addition	-
Less: Capitalised	-
At March 31, 2021	-
Addition	184.72
Less: Capitalised	-
At March 31, 2022	**184.72**

Capital work in progress (CWIP) Ageing Schedule

Particulars	As at 31 March 2022	As at 31 March 2021
Projects in progress (In Transit)		
Less than 1 year	184.72	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**184.72**	-

Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

This space has been intentionally left blank

5 **Investments**

		As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
A	**Non-current investments**			
	Investments at Cost			
	Unquoted equity instruments in subsidiaries			
a	Denave India Private Limited 96,66,329 (March 31, 2021: Nil) equity shares of ₹ 10 each fully paid up	7,531.55	-	-
b.	Matrix Business Services India Private Limited 3,65,935 (March 31, 2021: 3,13,660) Equity Shares of ₹ 10 each, fully paid up	4,880.18	4,880.18	4,880.18
c.	Washroom Hygiene Concepts Private Limited 97,148 (March 31, 2021: 87,433) Equity Shares of ₹ 10 each, fully paid up	1,880.63	1,880.63	1,880.63
d.	Fusion Foods India Private Limited 17,401 (March 31, 2021: 11,381) equity shares of ₹ 10 each fully paid up	1,421.99	1,421.93	1,421.93
e	Avon Solutions and Logistics Private Limited 18,883 (March 31, 2021: 21,923) equity shares of ₹ 100 each fully paid up	686.41	796.92	796.92
f.	Stanworth Management Private Limited 17,32,000 (March 31, 2021: 17,32,000) equity shares of ₹ 10 each fully paid up	263.23	263.23	263.23
g	Global Flight Handling Services Private Limited 7,000 (March 31, 2021: 7,000) equity shares of ₹ 10 each fully paid up	11.87	11.87	11.87
h.	Tangy Supplies & Solutions Private Limited 99,999 (March 31, 2021: 99,999) equity shares of ₹ 10 each fully paid up	10.00	10.00	10.00
i	Wynwy Technologies Private Limited (formerly known as Zappy Home Solutions Private Limited) 99,999 (March 31, 2021: 99,999) equity shares of ₹ 10 each fully paid up	10.00	10.00	10.00
j.	Integrated Technical and Staffing Solutions Private Limited 9,999 (March 31, 2021: 9,999) equity shares of ₹ 10 each fully paid up	1.00	1.00	1.00
k	Updater Services (UDS) Foundation 9,999 (March 31, 2021: 9,999) equity shares of ₹ 10 each fully paid up	1.00	1.00	1.00
		16,697.86	**9,276.76**	**9,276.76**
	Current	-	-	-
	Non Current	16,697.86	9,276.76	9,276.76
	Aggregate value of unquoted investments	16,697.86	9,276.76	9,276.76

Notes:

a) **Denave India Private Limited** - During the year ended March 31, 2022, the Company has acquired 52% equity ownership in Denave India Private Limited ("Denave") by investing a total of ₹ 6,299.55 lakhs as equity share capital. Denave is primarily engaged in the business of providing Sales Enablement & Other support and staffing services to various industries. Investment recorded during the year includes an amount of Rs. 1,232 lakhs of put option liability on account of option to purchase additional shares in future pursuant to Sharholder's Agreement between the Company and the promoters of Denave. (Also refer note 23)

b) **Matrix Business Services India Private Limited** - During the year ended 31 March 2020, the Company has acquired 75% equity ownership in Matrix Business Services India Private Limited ("Matrix") by investing a total of ₹ 3,915.01 lakhs as equity share capital. Matrix is primarily engaged in the business of providing assurance services, claims processing, including employee background verifications checks and product and process audits inter alia of warehouses, depots, distributors and distribution centres, retail points and outlets and franchisees. Investment recorded during the previous years includes ₹ 965.17 lakhs on account of obligation to purchase future share, recognised pursuant to Shareholder's Agreement between the Company and the promoters of Matrix. During the year ended March 31, 2022 the company has acquired 12.5% Equity ownership in Matrix, out of total obligation of future purchase of shares. (Also refer note 23)

c) **Washroom Hygiene Concepts Private Limited** - During the year ended 31 March 2020, the Company has acquired 76% equity ownership in Washroom Hygiene Concepts Private Limited ("WHC") by investing a total of ₹ 1,520.00 lakhs as equity share capital. WHC is primarily engaged in the business of providing washroom sanitizing services and hygiene solutions, primarily female hygiene solutions, viz sanitary napkin vending & disposal and supply of third party sanitary products. Investment recorded during the previous years includes ₹ 360.63 lakhs on account of obligation to purchase future share, recognised pursuant to Shareholder's Agreement between the Company and the promoters of WHC. During the previous year ended March 31, 2021 the company has acquired 14% Equity ownership in WHC, out of total obligation of future purchase of shares. During the year ended March 31, 2022 the company has acquired balance 10% Equity ownership in WHC, out of total obligation of future purchase of shares(Also refer note 23)

d) **Avon Solutions and Logistics Private Limited ("Avon")** - During the year ended March 31, 2022 Avon had announced a buy back offer. The Company has submitted 14% of its holding part of such buy back at a consideration of Rs. 335.46 lakhs. The value of investment has been reduced proportionate to the cost of acquisition and the remaining value realised over cost has been taken to the statement of Profit and loss.

e) **Fusion Foods India Private Limited ("Fusion")** - During the year ended March 31, 2022, the Company has acquired remaining 6,020 shares (thereby obtaining 100% ownership) of Fusion at nominal value of Rs. 1 per share as per the Shareholder's agreement entered between the Company and the promoters of Fusion.

6 **Loans**
(At Amortised Cost)

	Non-current			Current		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
(Considered good, Unsecured unless stated otherwise)						
Loans to related parties #						
- considered good	657.69	-	-	25.23	51.45	233.93
- credit impaired	1,135.76	-	-	-	860.30	749.77
	1,793.45	-	-	25.23	911.75	983.70
Less: Impairment on loans to related parties	(1,133.61)	-	-	-	(860.30)	(749.77)
	659.84	-	-	**25.23**	**51.45**	**233.93**
Loans to employees						
- considered good	-	-	-	50.39	44.48	17.13
- credit impaired	-	-	-	34.09	9.18	9.18
	-	-	-	84.48	53.66	26.31
Less: Impairment for doubtful loans	-	-	-	(34.09)	(9.18)	(9.18)
	-	-	-	**50.39**	**44.48**	**17.13**
	659.84		-	**75.62**	**95.93**	**251.06**

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

Disclosure required under Sec 186(4) of the Companies Act 2013

Name of the loanee	Rate of Interest	Secured/ unsecured	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Wynwy Technologies Private Limited (formerly known as Zappy Home Solutions Private Limited)*	9.50%	Unsecured	1,135.76	763.25	696.18
Global Flight Handling Services Private Limited **	9.50%	Unsecured	657.68	97.03	53.93
Integrated Technical Staffing Solution Private Limited	9.50%	Unsecured	-	-	2.61
StanWorth Management Private Limited ***	9.50%	Unsecured	25.23	51.46	230.97
			1,818.68	911.75	983.70

* The Non-Current Loan will be paid in instalments of 25% for 4 years starting from FY 2024-25. In view of continuing losses, negative net worth and current asssessment of Wynwy's ability to repay such loan, the Company has made a provision for the outstanding loans receivable at March 31, 2022.

** The Non-Current Loan will be paid in instalments of 25% for 4 years starting from FY 2024-25.
*** The Current loan will be repayable within one year from the end of 31st March 2022 in single installment

Type of borrower	As on 31 March, 2022		As on 31 March, 2021		As at 1 April 2020	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	0%	-	0%	-	0%
Directors	-	0%	-	0%	-	0%
KMPs	-	0%	-	0%	-	0%
Related parties (before impairment)	1,818.68	100%	911.75	100%	983.70	100%

7 **Other financial assets**

(At Amortised Cost)	Non-current			Current		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
(Considered good, Unsecured unless stated otherwise)						
Retention Deposits						
- considered good	33.38	277.48	104.37	-	-	-
- credit impaired	5.90	5.90	4.89	-	-	-
	39.28	283.38	109.26	-	-	-
Less: Impairment for doubtful deposits	(5.90)	(5.90)	(4.89)	-	-	-
	33.38	**277.48**	**104.37**	-	-	-
Security Deposits						
- considered good	224.70	122.71	117.69	375.85	351.03	374.53
- credit impaired	-	-	-	64.63	61.85	70.72
	224.70	122.71	117.69	440.48	412.88	445.25
Less: Impairment for doubtful deposits	-	-	-	(64.63)	(61.85)	(70.72)
	224.70	**122.71**	**117.69**	**375.85**	**351.03**	**374.53**
Rental deposits (Refer Note 42)						
- considered good	37.32	332.06	305.38	306.54	-	-
- credit impaired	26.97	26.57	26.57	-	-	-
	64.29	358.63	331.95	306.54	-	-
Less: Impairment for doubtful deposits	(26.97)	(26.57)	(26.57)	-	-	-
	37.32	**332.06**	**305.38**	**306.54**	-	-
Advances recoverable in cash						
- considered good	-	-	-	11.36	1.77	1.82
- credit impaired	-	-	-	29.04	29.04	29.04
	-	-	-	40.40	30.81	30.86
Less: Impairment for doubtful advances	-	-	-	(29.04)	(29.04)	(29.04)
	-	-	-	**11.36**	**1.77**	**1.82**
Interest accrued and not due on bank deposits	-	-	-	15.25	39.37	6.20
Receivable from related parties (refer Note 42)	-	-	-	-	-	22.94
Bank balances other than cash and cash equivalents**						
- in long term deposits under lien with maturity more than 12 months	356.78	40.73	232.15	-	-	-
	652.18	**772.98**	**759.59**	**709.00**	**392.17**	**405.49**

**** Fixed deposits given as security (as part of non-current assets)**
Fixed deposits with a carrying amount of Rs. 286.83 Lakhs (31 March 2021: Rs. 31.00 Lakhs) is under lien with various banks for guarantees issued to third parties.

8 **Non-current tax assets (net)**

	Non-Current		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Advance income taxes	11,217.11	11,887.97	10,491.89
Less: Provision for income taxes	(7,177.88)	(7,586.17)	(6,773.85)
	4,039.23	**4,301.80**	**3,718.04**

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

Updater Services Limited Chennai 600 097

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

9 Other assets

(At Amortised Cost)	Non-current			Current		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
(Considered good, Unsecured unless stated otherwise)						
Balance with government authorities (Refer Note 40)						
- considered good	56.12	56.12	-	368.37	211.62	169.98
- credit impaired	-	-	-	41.57	41.57	41.57
	56.12	56.12	-	409.94	253.19	211.55
Less: Provision for doubtful balance with government authorities	-	-	-	(41.57)	(41.57)	(41.57)
	56.12	**56.12**	-	**368.37**	**211.62**	**169.98**
Capital Advance						
- considered good	1,109.16	0.06	48.66	-	-	-
- credit impaired	9.46	44.30	-	-	-	-
	1,118.62	44.36	48.66	-	-	-
Less: Provision for doubtful capital advances	(9.46)	(44.30)	(44.30)	-	-	-
	1,109.16	**0.06**	**4.36**	-	-	-
Advances for supply of goods						
- considered good	-	-	-	129.88	61.85	73.48
- credit impaired	-	-	-	133.27	151.43	173.90
	-	-	-	263.15	213.28	247.38
Less: Provision for doubtful advances for supply of goods	-	-	-	(133.27)	(151.43)	(173.90)
	-	-	-	**129.88**	**61.85**	**73.48**
Advances to employees						
- considered good	-	-	-	87.13	47.06	94.62
- credit impaired	-	-	-	20.05	38.61	-
	-	-	-	107.18	85.67	94.62
Less: Provision for doubtful advances to employees	-	-	-	(20.05)	(38.61)	(38.61)
	-	-	-	**87.13**	**47.06**	**56.01**
Prepaid Expenses	-	-	-	423.60	588.17	749.92
	1,165.28	**56.18**	**4.36**	**1,008.98**	**908.70**	**1,049.39**

10 Contract Assets

	Non-current			Current		
	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
Unbilled revenue**	1,973.59	1,142.84	1,189.57	3,188.31	3,337.21	2,719.30
Less: Provision for doubtful unbilled revenue	(135.47)	(79.84)	(10.00)	-	-	-
	1,838.12	**1,063.00**	**1,179.57**	**3,188.31**	**3,337.21**	**2,719.30**

Movement of Contract Assets (Unbilled Revenue)	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
As at 1 April	**4,400.21**	**3,898.87**	**1,082.93**
Add: Addition during the year	5,161.90	4,480.05	3,908.87
Less: billed during the year	(4,400.21)	(3,898.87)	(1,082.93)
Less: Provision for expected credit losses	(135.47)	(79.84)	(10.00)
As at 31 March	**5,026.43**	**4,400.21**	**3,898.87**

*Restated (Refer Note 2.1 & Note 50)

**Classified as contract assets as the contractual unconditional right to consideration is dependent on completion of contractual obligations. The Company has recognised gratuity liability and reimbursement right in respect of employees where there is contractual right to receive reimbursement from customers, pursuant to paragraph 116 of Ind AS - 19 Refer Note 35

11 A Trade Receivables

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
(At Amortised Cost)			
Trade receivables	17,436.67	15,743.55	23,284.47
Trade receivable from related parties (Note 42)	8.22	0.70	15.97
	17,444.89	**15,744.25**	**23,300.44**
Security details			
Considered good, Secured	-	-	-
Considered good, Unsecured	17,462.76	15,769.06	23,325.80
Trade Receivables which have significant increase in credit risk	-	-	-
Trade Receivables - credit impaired	1,136.66	761.28	455.97
	18,599.42	16,530.34	23,781.77
Impairment allowance (allowance for bad and doubtful debts)			
Considered good, Unsecured	(17.87)	(24.81)	(25.36)
Trade Receivables - credit impaired	(1,136.66)	(761.28)	(455.97)
	(1,154.53)	(786.09)	(481.33)
Total Trade receivables	**17,444.89**	**15,744.25**	**23,300.44**

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

Updater Services Limited Chennai 600 097

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

No trade or other receivables are due from Directors or other officers of the Company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days based on the type of the customers. For balances, terms and conditions relating to related parties. Refer note 42

As at 31 March 2022

Trade Receivables (At Amortised Cost)

	Outstanding for following periods from due date of payment						
	Curent but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	10,087.02	6,283.35	406.45	444.14	175.03	48.91	17,444.90
(ii) Undisputed Trade Receivables – credit impaired	-	79.13	266.82	304.08	197.11	57.48	904.62
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	68.75	0.27	26.57	14.85	121.59	232.03
	10,087.02	**6,431.23**	**673.54**	**774.79**	**386.99**	**227.98**	**18,581.55**

As at 31 March 2021*

Trade Receivables (At Amortised Cost)

	Outstanding for following periods from due date of payment						
	Curent but not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables – considered good	9,336.25	5,676.05	408.13	229.63	42.34	51.85	15,744.25
(ii) Undisputed Trade Receivables – credit impaired	-	473.82	-	-	-	-	473.82
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	0.63	66.15	85.06	20.18	73.08	42.36	287.46
	9,336.88	**6,216.02**	**493.19**	**249.81**	**115.42**	**94.21**	**16,505.53**

Movement for expected credit loss

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 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**

B Unbilled Revenue

(At Amortised Cost)	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
Unbilled Revenue**	6201.41	4,868.30	5,083.77
Total Trade Receivables Including Unbilled Revenue (A+B)	**23,646.30**	**20,612.55**	**28,384.21**

Movement of Unbilled revenue

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
As at 1 April	**4,868.30**	5,083.77	**3,880.16**
Add. Addition during the year	6,261.41	4,913.30	5,133.77
Less: billed during the year	(4,868.30)	(5,083.77)	(3,880.16)
Less. Provision for expected credit losses	(60.00)	(45.00)	**(50.00)**
As at 31 March	**6,201.41**	**4,868.30**	**5,083.77**

*Restated (Refer Note 2.1 & Note 50)

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

12 **Cash and cash equivalents**

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
(i) Balances with banks:			
- On current accounts	216.32	2,116.19	681.93
(ii) Cash in hand	-	-	18.03
	216.32	**2,116.19**	**699.96**

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

On current accounts	216.32	2,116.19	681.93
Cash on hand	-	-	18.03
Total Cash and cash equivalents	**216.32**	**2,116.19**	**699.96**

	Non-current			Current		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
13 **(ii) Bank Balances other than cash and cash equivalents as above**						
Earmarked balances with banks for DDU GKY Project *	-	-	-	93.22	225.51	13.51
Deposits with Original Maturity of less than 3 months under lien**	-	-	-	-	632.00	-
long term deposits under lien with maturity more than 3 months but less than 12 months**	-	-	232.15	765.75	834.26	36.06
long term deposits under lien with maturity more than 12 months	356.78	40.73	-	-	-	
Less: disclosed as part of other financial assets	(356.78)	(40.73)	(232.15)	-	-	
Total Bank balance other than cash and cash equivalents	-	-	-	**858.97**	**1,691.77**	**49.57**

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

UPDATER SERVICES LIMITED Chennai 600 097

* During the year ended 31 March 2018, the 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), Company has to train 2,002 workers under the guidelines of the MoRD, Government of India. Pursuant to the same, Company has received an advance of Rs. 1,592.61 lakhs from (March 31, 2018 - Rs. 674.06 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 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, 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 with a carrying amount of Rs. 538.41 lakhs (31 March 2021: Rs. 1,431.69 Lakhs) is under lien with various banks for guarantees issued to third parties.

14 Changes in liabilities arising from financing activities

As at March 31, 2022

Particulars	As at April 2021	Cash Inflows	New Leases and Interest	Cash out flows	As at 31 March 2022
Current Borrowings	1,147.60	88,613.10	442.87	84,445.96	5,757.61
Current Lease Liabilites	41.32	-	30.71	33.59	38.45
Non Current Lease Liabilities	24.23	-	5.66	22.04	7.85

As at March 31, 2021

Changes in liabilities arising from financing activities

Particulars	As at April 2020	Cash Inflows	New Leases and Interest	Cash out flows	As at 31 March 2021
Current Borrowings	8,741.64	35,855.00	217.81	43,666.85	1,147.60
Current Lease Liabilites	67.30	-	9.61	35.61	41.32
Non Current Lease Liabilities	65.09	-	-	40.86	24.23

Break up of financial assets carried at amortised cost

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
Loan (Note 6)	735.46	95.93	251.06
Trade receivables including unbilled revenue (Note 11)	23,646.30	20,612.55	28,384.21
Cash and cash equivalents (Note 12)	216.32	2,116.19	699.96
Other financial assets (Note 7)	1,361.18	1,165.15	1,165.08
Total financial assets carried at amorties cost	**25,959.26**	**23,989.82**	**30,500.31**

*Restated (Refer Note 2.1 & Note 50)

15 Deferred tax asset (net)

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
Deferred tax assets			
Difference between books balance and Tax balance of Property, plant and equipment	403.48	383.83	345.53
Provision for litigation	7.06	7.06	7.06
Impairment for doubtful advances and Loan	403.71	334.38	299.14
Impairment for doubtful debts and estimated price concession	1,107.41	946.16	596.24
Provision for gratuity	882.76	781.07	610.55
Provision for compensated absences	153.21	179.19	146.32
Expenses allowable on payment basis	793.07	746.41	690.67
Others	84.68	25.49	-
Deferred tax liability			
Ind AS 116 - Lease Adjustments	3.91	(32.30)	(15.84)
	3,839.29	**3,371.29**	**2,679.67**

Reconciliation of deferred tax liabilities (net):

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
Opening balance as of Apr 1	3,371.29	2,679.67	2,555.44
Tax income/(expense) during the period recognised in profit or loss	409.87	718.19	73.45
Tax income/(expense) during the period recognised in OCI	58.13	(26.57)	50.78
Closing balance as at March 31	**3,839.29**	**3,371.29**	**2,679.67**

*Restated (Refer Note 2.1 & Note 50)

This space has been intentionally left blank

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

16 Equity share capital

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Authorised			
5,30,00,000 (March 31, 2021: 5,30,00,000) equity shares of Rs 10 each	5,300.00	5,300.00	5,300.00
Issued, subscribed and paid up			
5,28,17,479 (March 31, 2021: 5,28,17,479) equity shares of Rs 10 each fully paid up	5,281.75	5,281.75	5,281.75
	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

	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Equity shares						
At the beginning of the year	5,28,17,479	5,281.75	5,28,17,479	5,281.75	5,28,17,479	5,281.75
Add: Shares issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	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.

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

Name of shareholder	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10 each fully paid						
T 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 Private Limited	1,11,73,440	21.15%	1,11,73,440	21.15%	1,13,13,440	21.42%
India Business Excellence Fund – II	28,89,161	5.47%	28,89,161	5.47%	28,89,161	5.47%
India Business Excellence Fund – IIA	61,39,468	11.63%	61,39,468	11.63%	61,39,468	11.63%
	5,28,17,476	100.00%	5,28,17,479	100.00%	5,28,17,479	100.00%

Shares reserved for issue under options

For details of shares reserved for issue under the Share based payment plan of the company, please refer note 37

As at 31 March 2022

Promoter Name	No. of shares at the beginning of the period	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the year
T Raghunandana	1,63,77,705	(3.00)	1,63,77,702	31.01%	0.0%
T Shanthi	1,62,37,705	-	1,62,37,705	30.74%	0.0%
Tangi Facility Solutions Private Limited	1,11,73,440	-	1,11,73,440	21.15%	0.0%

As at 31 March 2021

Promoter Name	No. of shares at the beginning of the period	Change during the period	No. of shares at the end of the period	% of Total Shares	% change during the year
T Raghunandana	1,62,37,705	1,40,000	1,63,77,705	31.01%	0.3%
T Shanthi	1,62,37,705	-	1,62,37,705	30.74%	0.0%
Tangi Facility Solutions Private Limited	1,13,13,440	-1,40,000	1,11,73,440	21.15%	-0.3%

17 Other equity

	As at 31 March 2022	As at 31 March 2021 (Restated)*	As at 1 April 2020 (Restated)*
Retained earnings	17,391.68	13,870.57	10708.22
Capital redemption reserve	207.50	207.50	207.50
Securities premium	5,594.28	5,594.28	5594.28
Employee stock option reserve (Refer Note 37)	363.66	340.52	325.64
	23,557.12	20,012.87	16,835.64

UPDATER SERVICES LIMITED Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

17 Other equity (Continued)

Retained earnings

Particulars	Amount in lakhs
At 1 April 2020 (Restated)*	**10,708.22**
Add: Profit for the year	3,083.34
Less: Other Comprehensive Loss	79.01
At 31 March 2021 (Restated)*	**13,870.57**
Add: Profit for the year	3,693.94
Add: Other Comprehensive Gain	(172.83)
At 31 March 2022	**17,391.68**

Capital redemption reserve

Particulars	Amount in lakhs
At 1 April 2020	**207.50**
Changes during the period	-
At 31 March 2021	**207.50**
Changes during the period	-
At 31 March 2022	**207.50**

Securities premium

Particulars	Amount in lakhs
At 1 April 2020	**5,594.28**
Changes during the period	-
At 31 March 2021	**5,594.28**
Changes during the period	-
At 31 March 2022	**5,594.28**

Employee stock option reserve

Particulars	Amount in lakhs
At 1 April 2020	325.64
Changes during the period	14.88
At 31 March 2021	**340.52**
Changes during the period	23.14
At 31 March 2022	**363.66**

*Restated (Refer Note 2.1 & Note 50)

Nature and purpose of other reserves

(i) Securities premium
Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

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

(iii) Employee stock option reserve
The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan. Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service.

(iv) Retained earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss

Updater Services Limited Chennai 600 097

This space has been intentionally left blank

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

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

18 Long Term Provisions and Short Term Provisions

	Non-current			Current		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Provision for leave benefits	334.44	-	-	274.33	711.96	581.39
Provision for Onerous Contract *	-	-	-	-	101.30	-
Provision for litigations **	-	-	-	28.05	28.05	28.05
	334.44	-	-	302.38	841.31	609.44

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

	As at 31 March 2022	As at 31 March 2021
At the beginning of the year	101.30	-
Arising during the year	-	101.30
Utilised	-	-
Unused amount reversed	(101.30)	-
At the end of the year	-	101.30

**** The table gives the information about movement of the provision :**
Provision for litigations (Refer note 40)

	As at 31 March 2022	As at 31 March 2021
At the beginning of the year	28.05	28.05
Created during the year	-	-
Utilised during the year	-	-
At the end of the year	28.05	28.05

19 Net Employee defined benefit liabilities

	Non-current			Current		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Provision for gratuity (Refer Note 35)	2,309.38	1,983.46	1,701.51	500.00	200.00	125.00
Provision for gratuity - reimbursement employees (Refer Note 35)	1,973.59	1,142.84	1,189.57	944.17	916.02	1,215.41
	4,282.97	3,126.30	2,891.08	1,444.17	1,116.02	1,340.41

20 Liabilities for current tax (net)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Provision for income taxes (net of advance income taxes)	91.43	91.43	91.43
	91.43	91.43	91.43

21 Borrowings

	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
Cash credit from banks (secured) *	37.57	447.07	41.64
Working capital loan (secured) **	5,720.04	700.53	8,838.99
	5,757.61	1,147.60	8,880.63

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

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

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

This space has been intentionally left blank

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

Borrowings secured against current assets

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

Note

1. The Company has submitted the above quarterly statements to HDFC Bank, ICICI Bank, 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 Company's financial closure process being not fully completed at the time of filing quarterly statements. The Company has subsequent to year end, re-submitted the above statements to the respective bank during December 2022.

22 Trade Payables

(At Amortised Cost)	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Total outstanding dues of micro enterprises and small enterprises (refer note 38 for details of dues to micro and small enterprises)	206.93	136.58	90.44
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,989.11	1,967.06	1,999.76
	2,196.04	**2,103.64**	**2,090.20**
Dues to Related Party (Refer note 42)	725.14	654.37	780.49
Dues to other than micro enterprises and small enterprises	1,470.90	1,449.27	1,309.71
	2,196.04	**2,103.64**	**2,090.20**

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	24.96	140.35	21.75	12.69	7.18	206.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	611.23	427.92	67.80	50.01	77.04	1,234.00
Disputed dues of micro enterprises and small enterprises	-	-	-	-	3.70	3.70
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	64.98	64.98
Total	**636.19**	**568.27**	**89.55**	**62.70**	**152.90**	**1,509.61**

Unbilled Trade payables Ageing Schedule
As at 31 March 2022

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	171.88	20.94	-	-	-	192.82
Total outstanding dues of creditors other than micro enterprises and small enterprises	488.83	4.79	-	-	-	493.62
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	660.71	**25.73**	-	-	-	**686.44**

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

Trade payables Ageing Schedule As at 31 March 2021	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	76.35	21.49	31.04	4.92	2.78	136.58
Total outstanding dues of creditors other than micro enterprises and small enterprises	496.83	663.09	86.20	88.35	209.85	1,544.32
Disputed dues of micro enterprises and small enterprises	-	-	-	-	3.70	3.70
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	116.30	116.30
Total	**573.18**	**684.58**	**117.24**	**93.27**	**332.63**	**1,800.90**

Unbilled Trade payables Ageing Schedule
As at 31 March 2021

	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	2.39	20.95	-	-	-	23.34
Total outstanding dues of creditors other than micro enterprises and small enterprises	278.32	1.08	-	-	-	279.40
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**280.71**	**22.03**	-	-	-	**302.74**

23 Other financial liabilities

(At Amortised Cost)	Non-current			Current		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Capital creditors	-	-	-	197.24	35.98	31.25
Capital creditors to related parties	-	-	-	62.64	84.95	84.11
Capital creditors to MSME	-	-	-	27.91	-	-
Employee benefits payable	-	-	-	7,717.66	6,450.97	6,028.19
Bonus payable	-	-	-	3,151.09	2,965.71	2,744.22
Director fees payable	-	-	-	5.40	-	10.80
Liability payable to promoters of acquired subsidiary*	-	844.83	1,363.51	877.31	717.10	256.02
Put Option Liability [Refer Note 5(a)]	1,232.00	-	-	-	-	-
	1,232.00	**844.83**	**1,363.51**	**12,039.25**	**10,254.71**	**9,154.59**

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

During the year ended March 31, 2020 the Company has acquired 75% stake in Matrix Business Services India Private Limited at an agreed price of INR 3,915.01 lakhs from the promoters of Matrix and 76% stake in Washroom Hygiene Solutions Private Limited at an agreed price of INR 1,520.00 lakhs. As per the Shareholder's Agreement between Company, these two companies and its erstwhile promoters, the Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Accordingly, the Company has recognised a Liability payable to promoters of acquired subsidiary for the present value of such future obligation based on a best estimate available with the management. Consequently, such amounts have also been recorded as an Investment as at March 31, 2020 (Refer Note 5)

The Company has reassessed the Liability payable to promoters of acquired subsidiary during the year ended March 31, 2021 based on the actual results available (applying the agreed methodology) and accordingly reversed an amount of Rs. 197.35 Lakhs as the same is no longer required to be paid.(Refer Note 26)

The Company reassessed the Liability payable to promoters of acquired subsidiary (Matrix Business Services India Private Limited) under the terms of the relevant share purchase agreement during the year ended March 31, 2022 based on the actual results available (applying the agreed methodology) as fair value change. Subsequent to year end but before approval of the Company's financial statements for the year ended March 31, 2022, the Company's subsidiary, Matrix Business Services India Private Limited ("Matrix") announced a scheme for buy-back of its shares pursuant to which the erstwhile promoters of Matrix tendered a portion of their outstanding shares under the said buy-back scheme. Accordingly, the Company has considered this in determining the liability payable to promoters of Matrix as at March 31, 2022 and has written back a net liability no longer required amounting to Rs. 189.40 lakhs under other Income under Statement of Profit and Loss. (Refer Note 26)

24 Other current liabilities

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Advance from customers	439.93	758.91	71.33
Statutory dues and related liabilities	3,710.33	3,235.33	3,659.71
Other current liabilities	361.46	-	-
	4,511.72	**3,994.24**	**3,731.04**

UPDATER SERVICES LIMITED
Chennai 600 097

This space has been intentionally left blank

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

25 Revenue from contracts with customers

	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
Sale of services	1,07,067.27	1,00,516.51
	1,07,067.27	**1,00,516.51**
Disaggregated revenue information		
Type of services		
Facility Management Services (including materials sales as part of compounding service)	1,05,414.32	1,00,027.30
Catering Services	224.76	144.07
Others Services	4,144.26	1,905.05
Total revenue from contracts with customers	**1,09,783.34**	**1,02,076.42**
Timing of revenue recognition		
Services transferred over time	1,09,783.34	1,02,076.42
	1,09,783.34	**1,02,076.42**
Contract Balances		
Trade receivables including unbilled revenue (Refer Note 11)	23,646.30	20,612.55
Contract Assets (Refer Note 10)	5,026.43	4,400.21
Contract Liabilities		
Advance from customers	439.93	758.91
Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:		
Revenue as per contracted price	1,09,783.34	1,02,076.42
Adjustments:		
- Estimated price concessions**	(2,716.07)	(1,559.91)
	1,07,067.27	**1,00,516.51**

*Restated (Refer Note 2.1 & Note 50)

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

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

26 Other income

	Year ended 31 March 2022	Year ended 31 March 2021
Profit on sale of property, plant and equipment	3.17	15.32
Provision/Liability no longer required written back	304.57	86.62
Liability payable to promoters of acquired subsidiary no longer required written back *	189.39	197.35
Fair value gain on Financial Assets at FVTPL	16.79	38.97
Gain on buy back of Company's Investments in Subsidiary [Refer note 5(d)]	224.96	-
Bad debts recovery	35.91	-
Other non-operating income	0.41	0.80
	775.20	**339.06**

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

During the year ended March 31, 2020, the Company has entered the Shareholder's Agreement with the two companies (Matrix Business Services India Private Limited & Washroom Hygiene Solutions Private Limited "WHC") and its erstwhile promoters, the Company has an obligation to purchase the remaining shares held by the promoters of such companies based on agreed methodology per the purchase agreement. Accordingly, the Company has recognised a liability payable to promoters of acquired subsidiary for the present value of such future obligation based on a best estimate available with the management amounting to Rs. 1,619.53.

The Company has reassessed the Liability payable to promoters of Matrix Business Services India Private Limited during the year ended March 31, 2022 based on the actual results available (applying the agreed methodology) and accordingly reversed an amount of Rs. 189.39 Lakhs. Refer note 23.

Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

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

27 Finance income

	Year ended 31 March 2022	Year ended 31 March 2021
Interest income - Bank deposits	182.12	68.81
Interest Income on Loans to related party	113.61	87.85
Interest income on income tax refund	312.16	1.47
	607.89	158.13

28 Employee benefits expense

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries and wages*	82,942.47	79,178.96
Contribution to provident and other fund (Refer note 35)	9,676.33	9,084.11
Less: Income from government grants#	(98.48)	(319.46)
Gratuity expense (Refer note 35)	567.38	519.17
Staff welfare expenses	200.68	342.40
Employee stock option expenses (Refer note 37)	23.14	14.89
	93,311.52	88,820.07

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

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

29 Finance costs

	Year ended 31 March 2022	Year ended 31 March 2021
Interest on borrowings	440.16	237.34
Unwinding of discount on Liability payable to promoters of acquired subsidiary	281.96	387.51
Interest on lease liabilities	5.51	9.61
	727.63	634.46

30 Depreciation and amortization expense

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation of property, plant & equipment (Refer note 3)	541.21	574.25
Amortization of intangible assets (Refer note 4A)	0.55	3.84
Depreciation of Right-of-use assets (Refer note 36)	23.39	1.43
	565.15	579.52

31 Impairment losses on financial instrument and contract assets

	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
Impairment on loans to related parties	370.35	110.51
Impairment on other advance	16.32	1.02
Impairment for doubtful trade receivables	376.54	306.69
Provision for doubtful unbilled revenue	45.65	59.83
	808.86	478.05

*Restated (Refer Note 2.1 & Note 50)

UPDATER SERVICES LIMITED Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

32 Other expenses

	Year ended 31 March 2022	Year ended 31 March 2021
Site maintenance expenses	3,819.12	3,348.99
Cleaning materials and consumables	2,454.67	2,370.92
Canteen materials	212.14	95.82
Travelling and conveyance	360.11	212.02
Rent	340.63	316.52
Legal and professional fees	451.75	130.61
Training expenses	390.15	105.64
Repairs and maintenance - others	248.36	200.83
Communication expenses	94.10	90.56
Rates and taxes	415.44	39.67
Bad debts written off	6.69	-
CSR expenditure ^^^	69.11	67.53
Printing and stationery	61.18	49.44
Provision for Onerous Contract	-	101.30
Power and fuel	48.99	42.09
Payment to auditor ***	99.25	35.76
Director sitting fees	21.00	-
Loss on Scrapping of Property , Plant and Equipment	88.56	-
Advances written off	24.91	9.99
Fair value changes in Liability paid to promoters of acquired subsidiary*	120.00	-
Exchange differences (net)	1.68	0.98
Miscellaneous expenses	36.03	112.32
	9,363.87	7,330.99

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

	Year ended 31 March 2022	Year ended 31 March 2021
***** Payment to auditors**		
As auditors		
Audit fees	60.00	33.50
In other capacity		
Other services	39.25	0.60
Reimbursement of expenses	-	1.07
	99.25	35.17

^^^ Details of CSR expenditure

Consequent to the requirements of Section 135 and Schedule VII of the Companies Act, 2013, the Company is required to contribute 2% of its average net profits during the immediately three preceding financial years in pursuance of its Corporate Social Responsibility Policy.

	Year ended 31 March 2022	Year ended 31 March 2021
a) Gross amount required to be spent by the company during the period	69.11	67.53
b) Amount approved by the Board to be spent during the period	69.11	67.53

c) Amount spent during the period ending on 31 March 2022	**In Cash**	**Yet to be Paid In Cash**	**Total**
(i) Construction/acquisition of any asset	69.11	-	69.11
(ii) On purposes other than (i) above	-	-	-

d) Amount spent during the period ending on 31 March 2021	**In Cash**	**Yet to be Paid In Cash**	**Total**
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	67.53	-	67.53

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

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

33 Income tax expense

	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
The major components of income tax expense are		
Profit and Loss Section		
Current income tax:		
Current income tax charge	545.13	767.37
Tax related to earlier years	(155.87)	38.09
Deferred tax:		
Relating to origination and reversal of temporary differences	(409.87)	(718.19)
	(20.61)	87.27

	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
Other Comprehensive income (OCI) Section		
Deferred tax related to items recognised in OCI during in the year:		
Re-measurement gains and (losses) on defined benefit obligations (net)	58.13	(26.57)
	58.13	(26.57)

	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate		
Accounting Profit before income tax	3,673.33	3,170.61
Enacted tax rate in India	25.17%	25.17%
Profit before income tax multiplied by enacted tax rate	924.58	797.98
Effects of:		
Adjustment in respect of tax related to earlier years	(155.87)	38.09
Additional deduction under Income Tax based on employment generation	(705.04)	(817.44)
Liability payable to promoters of acquired subsidiary re-measurement	53.50	47.86
Others	(137.57)	20.78
Net effective income tax	(20.61)	87.27

Deferred tax

Deferred tax relates to the following:	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
Difference between books balance and Tax balance of Property, plant and equipment	19.66	38.30
Impairment for doubtful advances and Loan	69.34	35.24
Impairment for doubtful debts and estimated price concession	161.22	349.93
Provision for gratuity	101.69	170.51
Provision for compensated absences	(25.97)	32.87
Expenses allowable on payment basis	46.66	55.74
Others	59.18	25.49
Ind AS 116 - Lease Adjustments	36.21	(16.46)
Net Deferred assets/(liabilites)	467.99	691.62

Reconcilation of defered tax liabilites(net)

	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
Opening balance of 1st April	3,371.29	2,679.67
Tax Income/(Expenses) during the period recognised in profit or loss	409.87	718.19
Tax Income/(Expenses) during the period recognised in OCI	58.13	(26.57)
Closing Balance	3,839.29	3,371.29

*Restated (Refer Note 2.1 & Note 50)

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

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

34 Earnings per equity share

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

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

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

	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
Profit attributable to equity holders of the Company for basic earnings	3,693.94	3,083.34
Profit attributable to equity holders of the Company adjusted for the effect of dilution	3,693.94	3,083.34
Weighted average number of Equity shares for basic EPS	5,28,17,479	5,28,17,479
Effect of dilution:		
Employee Stock Options	3,63,033	3,48,114
Weighted average number of Equity shares adjusted for the effect of dilution	5,31,80,512	5,31,65,593
Earning per share of Rs. 10 each		
- Basic	6.99	5.84
- Diluted	6.95	5.80

*Restated (Refer Note 2.1 & Note 50)

This space has been intentionally left blank

35 **Disclosure pursuant to Ind AS 19 "Employee benefits":**

(i) Defined contribution plan:

The Company provident fund are the defined contribution plan. An amount of ₹ 9,675.71 Lakhs being contribution made to recognised provident fund is recognised as expense for the year ended 31 March 2022 [31 March 2021 (audited): ₹ 9,084.11 Lakhs] and included under Employee benefit expense (Note 28) in the Statement of Profit and loss.

(ii) Defined benefit plans:

A. Gratuity (Regular)

The Company has defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed 4 years and 240 days of service are eligible for gratuity on departure at 15 days salary (last drawn) for each completed year of service or part thereof in excess of 6 months. The level of benefits provided depends on the member's length of service and salary at retirement.

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

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

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of Defined Benefit Obligation	2,896.05	2,246.80
Fair value of plan assets	(86.67)	(63.34)
Net Liability or asset	**2,809.38**	**2,183.46**
Current	500.00	200.00
Non - Current	2,309.38	1,983.46

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

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Service cost :		
Current service cost	472.58	428.18
Net interest cost :		
Interest Expense on Defined Benefit Obligation	98.09	94.11
Interest Income on Plan Assets	(3.29)	(3.12)
Total included in 'Employee Benefit Expense'	**567.38**	**519.17**

(c) Remeasurement recognized in other comprehensive income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Components of actuarial (gain)/ losses on obligations		
Due to change in financial assumptions	19.98	(68.31)
Due to change in demographic assumption	74.20	43.79
Due to experience adjustments	137.78	(80.47)
Return on plan assets	(0.99)	(0.59)
	230.97	**(105.58)**

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

Particulars	As at 31 March 2022	As at 31 March 2021
Opening defined benefit obligation	2,246.80	1,890.32
Current service cost	472.58	428.19
Interest cost	98.09	94.11
Actuarial losses/(gains)		
Due to change in financial assumptions	19.98	(68.31)
Due to change in demographic assumption	74.20	43.79
Due to experience adjustments	137.78	(80.47)
Benefit Paid	(153.29)	(60.83)
Closing balance of the present value of defined benefit obligation	**2,896.14**	**2,246.80**

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

Particulars	As at 31 March 2022	As at 31 March 2021
Opening plan assets	63.34	63.81
Expected return on plan assets	3.29	3.12
Contributions	172.34	56.64
Benefits paid and charges deducted	(153.29)	(60.83)
Actuarial gain/ (loss) on plan assets	0.99	0.59
Closing balance of the present value of plan assets	**86.67**	**63.33**

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

Updater Services Limited Chennai 600 097

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

35 Disclosure pursuant to Ind AS 19 "Employee benefits" (Continued)

(f) Reconciliation of Net Liability / (Asset)

Particulars	As at 31 March 2022	As at 31 March 2021
Net Liability / (Asset) at the beginning of the period	2,183.46	1,826.50
Defined Benefit cost included in the Profit / Loss	567.29	519.18
Defined Benefit cost included in Other Comprehensive Income	230.96	(105.58)
Benefit Paid	(172.34)	(56.65)
Net Liability / (Asset) at the end of the period	**2,809.37**	**2,183.45**

(g) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at 31 March 2022	As at 31 March 2021
1) Discount rate	5.15%	4.52%
2) Salary growth rate	6.45% to 7.10%	3.5% to 6.9%
3) Attrition rate	26.76% to 42.98%	29.79% to 46.28%
4) Retirement age	58	58
5) Maturity tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

(h) A quantitative sensitivity analysis for significant assumptions are as follows

	As at 31 March 2022		As at 31 March 2021	
	Change	Obligation	Change	Obligation
(i) Discount rate	+BP50	2,861.98	+BP50	2,222.78
	-BP50	2,931.03	-BP50	2,271.38
(ii) Salary growth rate	+BP50	2,936.57	+BP50	2,276.06
	-BP50	2,856.18	-BP50	2,217.96

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

(i) Expected cashflows based on past service liability

Particulars	As at 31 March 2022	As at 31 March 2021
Year 1	900.76	737.73
Year 2	705.10	582.92
Year 3	526.84	414.78
Year 4	390.14	289.36
Year 5	280.33	192.42
Next 5 years	441.00	255.07

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

Particulars	As at 31 March 2022	As at 31 March 2021
Investment Details		
Others	86.67	63.34
	86.67	**63.34**

B. Gratuity (Reimbursement from clients)

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

(a) Net defined benefit liability

Particulars	As at 31 March 2022	As at 31 March 2021
Present value of Defined Benefit Obligation	2,917.76	2,052.71
Net Liability	**2,917.76**	**2,052.71**
Current	944.17	910.02
Non - Current	1,973.59	1,142.84

(b) Net benefit cost (refer note below)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Service cost :		
Current service cost	390.10	428.45
Net actuarial (gain) / loss recognised in the period	834.82	(541.45)
Interest cost on defined benefit obligation	82.78	106.01
	1,307.70	**(6.99)**

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

Updater Services Limited Chennai 600 097

Note:
The employee benefits expenses towards gratuity and related reimbursement right for associate employees for year ended March 31, 2022 ₹ 1307.70 Lakhs [March 31, 2021 -₹ 6.99 Lakhs] have been netted off in the Statement of Profit and Loss.

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

Particulars	As at 31 March 2022	As at March 31, 2021
Opening defined benefit obligation	2,052.70	2,130.56
Current service cost	390.10	428.45
Interest cost	82.78	106.01
Actuarial losses/(gains)		
Due to change in financial assumptions	(28.77)	(145.15)
Due to change in demographic assumption	138.96	23.93
Due to experience adjustments	724.63	(420.23)
Benefit Paid	(442.65)	(70.87)
Closing balance of the present value of defined benefit obligation	**2,917.75**	**2,052.70**

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

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

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

Particulars	As at 31 March 2022	As at March 31, 2021
1) Discount rate	5.15%	4.52%
2) Salary growth rate (duration based)	7.44%	7.24%
3) Attrition rate (age based)	39.85% at all ages	44.70% at all ages
4) Retirement age (years)	58	58.00
5) Maturity tables	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

(f) A quantitative sensitivity analysis for significant assumptions are as follows

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

	As at 31 March 2022		As at March 31, 2021	
	Change	Obligation	Change	Obligation
(i) Discount rate	+BP50	2,882.45	+BP50	2,031.14
	-BP50	2,954.00	-BP50	2,074.79
(ii) Salary growth rate	+BP50	2,959.83	+BP50	2,078.91
	-BP50	2,876.40	-BP50	2,026.88

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

(g) Expected cashflows based on past service liability

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

UPDATER SERVICES LIMITED Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

36 Leases

The Company has lease contracts for building used in its operations. Leases of building generally have lease terms between 2 and 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The Company also has certain leases of machinery with lease terms of 12 months. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Particulars	Building
As at April 01, 2020	1.44
Additions	-
Depreciation expense	(1.43)
As at March 31, 2021	**0.01**
Additions	30.87
Depreciation expense	(23.39)
As at March 31, 2022	**7.49**

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

Particulars	As at 31 March 2022	As at March 31, 2021
Opening balance	**65.55**	**132.39**
Additions	30.87	-
Accretion of interest	5.51	9.61
Payments	(55.63)	(76.45)
Closing balance	**46.30**	**65.55**
Current	38.45	41.32
Non-current	7.85	24.23

The maturity analysis of lease liabilities are disclosed in Note 46 (Financial risk management objectives and policies).
The effective interest rate for lease liabilities is 8.84%, with maturity between 2022-2024.

The following are the amounts recognised in profit or loss:

	As at 31 March 2022	As at March 31, 2021
Depreciation expense of right-of-use assets	23.39	1.43
Interest expense on lease liabilities	5.51	9.61
Expense relating to short-term leases (included in other expenses)	340.63	316.52
Interest income on Right of use assets	-	-
Total amount recognised in profit or loss	**369.53**	**327.56**

The Company had total cash outflows for leases of ₹ 55.63 lakhs in March 31, 2022 (₹ 76.45 lakhs in March 31, 2021).

37 Share-based payments

Employee Share-option Plan

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

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

Tranche I (A)

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

Tranche I (B), II and III

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

UPDATER SERVICES LIMITED Chennai 600 097

This space has been intentionally left blank

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

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

37 Share-based payments (Continued)

A. Details of ESOP 2019

Name of the scheme - ESOP 2019	Tranche - I (A)	Tranche - I (B)	Tranche - II	Tranche - III
Date of grant	17-04-2019	17-04-2019	18-10-2019	10-01-2020
Number granted	4,06,772	5,21,235	1,44,788	77,220
Exercise price (in INR)	10	111	111	111
Vesting period	1 year	1 - 3 years	1 - 3 years	1 - 3 years
Vesting condition	100% on April 17, 2020			
		25% on September 30, 2020	25% on September 30, 2020	25% on September 30, 2020
		25% on September 30, 2021	25% on September 30, 2021	25% on September 30, 2021
		50% on September 30, 2022	50% on September 30, 2022	50% on September 30, 2022

B. Movement in the options granted to employees

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

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

C. Fair value of options granted

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

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

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

38 Details of dues to micro enterprises and small enterprises

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2022 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company:

Particulars	As at 31 March 2022	As at March 31, 2021
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period		
Principal amount due to micro enterprises and small enterprises	173.11	93.65
Interest due on above	10.30	7.02
(b) Payment made to suppliers (other than interest) beyond the appointed day, during the period	1,158.30	573.26
(c) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(d) Interest due and payable to suppliers under MSMED Act, for payments already made	26.21	13.40
(e) Interest accrued and remaining unpaid at the end of the period to suppliers under MSMED Act	61.16	45.13

UPDATER SERVICES LIMITED Chennai 600 09[illegible]

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

39 Capital management

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

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

Particulars	As at 31 March 2022	As at March 31, 2021
Current borrowings	5,757.61	1,147.60
Lease Liabilities	46.30	65.55
Less: cash and cash equivalents	(216.32)	(2,116.19)
Net debt	**5,587.59**	**(903.04)**
Total capital	**28,838.87**	**25,294.62**
Capital and net debt	**34,426.46**	**24,391.58**
Gearing ratio	**16.23%**	**-3.70%**

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

40 Commitments and Contingencies

Particulars	As at 31 March 2022	As at March 31, 2021
a. Contingent Liabilities		
Income tax*	1,556.05	-
Professional Tax**	56.12	56.12
Others***	13.44	13.44
b. Commitments		
-Estimated amount of contracts remaining to be executed on capital account and not provided for net of capital advances	693.44	5.42

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

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

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

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

41 Segment information

The Company is engaged in one business namely providing facility management services & associated services and the operation primarily caters to the domestic market. The Managing director of the company has been identified as being the chief operating decision maker (CODM), he evaluates the company's performance, allocate resources based on the analysis of the various performance indicator of the company as a single unit.

Geographic information

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

UPDATER SERVICES LIMITED Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

41 **Segment information (Continued)**

Particulars	Year ended 31 March 2022	Year ended 31 March 2021 (Restated)*
India	1,06,907.25	1,00,429.05
Outside India	160.02	87.46
Total Revenue as per Profit and Loss Statement	1,07,067.27	1,00,516.51

Non-current operating assets:

	As at 31 March 2022	As at March 31, 2021
India	2,297.16	883.72
Outside India	-	-
	2,297.16	883.72

Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets and intangible assets.

Information about major customers

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

*Restated (Refer Note 2.1 & Note 50)

42 **Related party disclosures**

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

Description of Relationship	Name of the related parties
Subsidiary company	Wynwy Technologies Private Limited (Formerly known as Zappy Home Solutions Private Limited)
	Stanworth Management Private Limited
	Global Flight Handling Services Private Limited
	Tangy Supplies and Solutions Private Limited
	Integrated Technical Staffing and Solutions Private Limited
	Fusion Foods & Catering Services Private Limited
	Avon Solutions & Logistics Private Limited
	Matrix Business Services India Private Limited
	Washroom Hygiene Concept Private Limited
	Updater Services (UDS) Foundation
	Denave India Private Limited
Step Subsidiary company	Denave Europe Limited, UK
	Denave (M) SDN BHD, Malaysia
	Denave Poland Sp. Z.o.o
	Global Flight Handling Services (Pune) Private Limited
	Global Flight Handling Services (Patna) Private Limited
	Global Flight Handling Services (Raipur) Private Limited
	Global Flight Handling Services (Vizag) Private Limited
	Global Flight Handling Services (Surat) Private Limited
Entities under Common Control	Best Security Services Private Limited
	Tangy Facility Solutions Private Limited
	Tangirala Infrastructure Development Private Limited
	Denave Pte Limited, Singapore
	Updater services Private Limited - Employees group gratuity scheme
Key Management Personnel (KMP)	Mr. T Raghunandana, Director
	Mrs. T Shanthi, Director (till September 13, 2022)
	Mr. Jayaram L B, Company Secretary (from June 29, 2021)
	Mr. Balaji Swaminathan, Chief Financial Officer
	Mr. Sunil Rewachand Chandiramani, Director
	Mr Amit Choudhary, Director
	Mr. Shankar Gopalakrishnan, Director
	Mr. Vijay Dhanuka, Director
	Mr Amitabh Jaipuria, Chief Operating Officer (from March 1, 2022)
	Mr. P C Balasubramanian, Director (from September 13, 2022)

UPDATER SERVICES LIMITED Chennai 600 097

This space has been intentionally left blank

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

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

42 Related party disclosures (continued)

(B) Transactions entered during the year	Year ended 31 March 2022	Year ended 31 March 2021
Materials purchased		
Tangy Supplies & Solutions Private Limited	1,987.34	2,006.27
Purchase of capital goods		
Tangy Supplies & Solutions Private Limited	167.84	168.71
Wynwy Technologies Private Limited (Formerly known as Zappy Home Solutions Private Limited)	-	15.50
Rent expense		
Mr. T. Raghunandana	114.37	109.61
Mrs. T. Shanthi	114.37	109.61
Interest income		
Stanworth Management Private Limited	2.67	14.86
Wynwy Technologies Private Limited	82.68	66.43
Global Flight Handling Services Private Limited	28.26	6.57
Services received		
Best Security Services Private Limited	174.19	148.74
Stanworth Management Private Limited	139.54	227.42
Matrix Business Services India Private Limited	0.44	0.24
Washroom Hygiene Concept Private Limited	12.31	7.30
Avon Solutions and Logistics Private Limited	0.00	0.03
Tangirala Infrastructure Development Private Limited	-	2.34
Integrated Technical Staffing and Solutions Private Limited	20.00	27.73
Denave India Private Limited	25.64	
Services provided		
Wynwy Technologies Private Limited (Zappy Home Solutions Private Limited)	0.38	-
Updater Services (UDS) Foundation	2.37	3.55
Tangy Supplies & Solutions Private Limited	1.04	0.73
Avon Solutions and Logistics Private Limited	35.68	
Matrix Business Services India Private Limited	0.26	1.86
Global Flight Handling Services Private Limited	146.58	
Impairment on loans to related parties		
Global Flight Handling Services Private Limited	-	44.09
Wynwy Technologies Private Limited	370.35	66.43
Reimbursement of Expenses (receivables)		
Stanworth Management Private Limited	1.88	-
Profit on Sale of Investment		
Avon Solutions and Logistics Private Limited	224.96	-
Managerial remuneration		
Mr. T. Raghunandana	192.00	149.60
Mr. Jayaram L B	9.02	20.55
Mr. Amitabh Jaipuria	13.65	-
Mr. Balaji Swaminathan	63.10	40.09
Director sitting fees		
Mr. Sunil Rewachand Chandiramani	11.00	-
Mr. Amit Choudhary	10.00	-
Best Security Private Limited	-	1.48
Investment in equity		
Denave India Private Limited	7,531.55	-
Loan given to		
Wynwy Technologies Private Limited	288.74	19.11
Stanworth Management Private Limited	25.00	
Global Flight Handling Services Private Limited	532.40	36.53

UPDATER SERVICES LIMITED Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

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

42 Related party disclosures (continued)

(B) Transactions entered during the year

	Year ended 31 March 2022	Year ended 31 March 2021
Security Deposit - Paid / (Refund)		
Mr. T. Raghunandana	-	19.06
Mrs. T Shanthi, Director	-	19.06
Stanworth Management Private Limited	-	(29.83)
Loan Repayment from		
Wynwy Technologies Private Limited	-	18.46
Stanworth Management Private Limited	51.45	194.37
Integrated Technical Staffing and Solutions Private Limited	-	2.62
Contribution to Gratuity		
Updater Services Private Limited - Employees Company Gratuity Scheme	172.34	184.97
Contribution for CSR expenditure		
Updater Services (UDS) Foundation	-	67.53

(C) Balance outstanding at the end of the year

	As at March 31, 2022	As at 31 March 2021
Investment in Equity		
Tangy Supplies & Solutions Private Limited	10.00	10.00
Avon Solutions and Logistics Private Limited	686.41	796.92
Integrated Technical Staffing and Solutions Private Limited	1.00	1.00
Stanworth Management Private Limited	263.23	263.23
Wynwy Technologies Private Limited	10.00	10.00
Fusion Foods and Catering Private Limited	1,421.99	1,421.93
Global Flight Handling Services Private Limited	11.87	11.87
Updater Services (UDS) Foundation	1.00	1.00
Denave India Private Limited	7,531.55	-
Matrix Business Services India Private Limited	4,880.18	4,880.18
Washroom Hygiene Concept Private Limited	1,880.63	1,880.63
Security Deposits given to		
Mr. T. Raghunandana	114.37	114.37
Mrs. T. Shanthi	114.37	114.37
Loan and accrued Interest receivable from		
Stanworth Management Private Limited	25.23	51.46
Wynwy Technologies Private Limited (excluding Impairments on loan)	1,135.76	763.26
Global Flight Handling Services Private Limited	657.68	97.03
Interest Received		
Stanworth Management Private Limited	2.45	-
Trade Payable		
Tangy Supplies & Solutions Private Limited	632.88	585.84
Best Security Services Private Limited	29.72	14.75
Mr. T. Raghunandana	5.43	-
Mrs. T. Shanthi	5.86	-
Stanworth Management Private Limited	25.10	31.27
Integrated Technical Staffing and Solutions Private Limited	20.00	19.95
Denave India Private Limited	2.78	-
Matrix Business Services India Private Limited	0.39	0.02
Washroom Hygiene Concept Private Limited	2.97	2.54
Director Fee payable		
Mr Amit Choudhary	2.70	-
Mr. Sunil Rewachand Chandiramani	2.70	-
Capital creditors		
Tangy Supplies & Solutions Private Limited	62.64	84.95

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

42 Related party disclosures (continued)

(C) Balance outstanding at the end of the year

	As at March 31, 2022	As at 31 March 2021
Trade Receivable		
Tangy Supplies & Solutions Private Limited	0.09	0.09
Updater Services (UDS) Foundation	2.71	0.61
Global Flight Handling Services Private Limited	146.58	-
Zappy Home Solutions Private Limited	0.13	-
Avon Solutions And Logistics Private Limited	5.29	-

(D) Compensation to key managerial personnel is follows:

Consideration to key managerial personnel	As at March 31, 2022	As at 31 March 2021
Salaries and other employee benefits*@	277.77	210.24

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

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

Terms and conditions of transactions with related parties

The sales to and purchases from related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and interest free and settlement occurs in cash. As at period ended March 31, 2022, the company has recorded ₹ 1133.61 lakhs towards impairment of loans and receivables relating to amounts owed by related parties (As at year ended 31 March 2021: ₹ 860.30 Lakhs). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

43 Significant accounting judgements, estimates and assumptions

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

Estimates and assumptions

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

a) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about defined benefit obligations are given in Note 35

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rate of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

b) Revenue Recognition and Estimate related to expected price concession

Revenue Recognition

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

Estimate related to expected price concession

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

c) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The Black Scholes valuation model has been used by the Management for share-based payment transactions. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 37.

d) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

600 097

Chennai

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

43 Significant accounting judgements, estimates and assumptions (Continued)

e) Leases - Determining the lease term of contracts with renewal and termination options - Company as a lessee
The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

f) Impairment of non-financial assets
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

g) Determining the lease term of contracts with renewal and termination options – Company as lessee
The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

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

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

Refer to Note 36 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

h) Fair value measurement of financial instruments
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 44 and 45 for further disclosures.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. When the contingent consideration meets the definition of a financial liability, it is subsequently remeasured to fair value at each reporting date. The determination of the fair value is based on discounted cash flows. The key assumptions take into consideration the probability of meeting each performance target and the discount factor. (Refer Note 44 for details)

The Company has remeasured the financial liabilities in current year as well as in previous year. Refer note 23.

44 Fair values

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

Particulars - Non-Current and Current	Carrying value		Fair value	
	As at March 31, 2022	As at 31 March 2021	As at March 31, 2022	As at 31 March 2021
Financial Assets				
Loan	735.46	95.93	735.46	95.93
Security deposits	600.55	473.74	600.55	473.74
Rental deposits	343.86	332.06	343.86	332.06
	1,679.87	901.73	1,679.87	901.73
Financial Liability				
Liability payable to promoters of acquired subsidiary	877.31	1,561.93	877.31	1,561.93
Put Option Liability	1,232.00	-	1,232.00	-
	2,109.31	1,561.93	2,109.31	1,561.93

The carrying value of above financial assets and liabilities are same as fair value of financial items.

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

The fair value of the financial assets and liabilities is included 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.

Updater Services Limited Chennai 600 097

S.R. Batliboi & Associates LLP Chennai Chartered Accountants

45 Fair value hierarchy

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

Particulars	Carrying value		Fair value	
	As at March 31, 2022	As at 31 March 2021	As at March 31, 2022	As at 31 March 2021
Financial assets				
Loan (Level 3)	735.46	95.93	735.46	95.93
Security deposits (Level 3)	600.55	473.74	600.55	473.74
Rental deposits (Level.3)	343.86	332.06	343.86	332.06
	1,679.87	901.73	1,679.87	901.73

	Carrying value		Fair value	
	As at March 31, 2022	As at 31 March 2021	As at March 31, 2022	As at 31 March 2021
Financial liabilities				
Liability payable to promoters of acquired subsidiary (Level 3)	877.31	1,561.93	877.31	1,561.93
Put Option Liability (Level 3)	1,232.00	-	1,232.00	-
	2,109.31	1,561.93	2,109.31	1,561.93

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

Notes

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

Description of significant unobservable inputs to valuation:

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

Financial Items	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Rental deposits	DCF	IRR - Incremental borrowing rate from bank	7%-9%	2% (31 March 2021: 2%) increase (decrease) in the borrowing rate would result in increase (decrease) in fair value by INR 3.20 lacs (31 March 2021: INR 6.92 lacs)
Liability payable to promoters of acquired subsidiary	DCF	WACC	20%-30%	5% (31 March 2021: 5%) increase (decrease) in the WACC would result in increase (decrease) in fair value by INR 43.87 lacs (31 March 2021: INR 78.1 lacs)

UPDATER SERVICES LIMITED Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

This space has been intentionally left blank

46 Financial risk management objectives and policies

The Company's principal financial liabilities is borrowings and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as loan, trade and other receivables, cash and short-term deposits, which arise directly from its operations.

The Company is exposed to credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. The following disclosures summarises the company's exposure to financial risks:

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, and equity investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2022 and 31 March 2021.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March 2022.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:
The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2022 and 31 March 2021 including the effect of hedge accounting.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and loans receivables.

Trade and other receivables

In cases of customers where credit is allowed, the average credit period on such sale of service ranges from 1 day to 90 days. The customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with this assessment and outstanding customer receivables are regularly monitored.
Ind AS requires an entity to recognise in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised in accordance with Ind AS 109. The Company assesses at each date of statements of financial position whether a financial asset or a Company of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.
The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a age wise provision matrix which is prepared considering the historical data for collection of receivables.

As at March 31, 2022

Particulars	Less than 120 days	More than 120 days	Total
ECL & EPC rate	-1.3%	-26.2%	
Estimated total gross carrying amount at default	22,122.14	1,369.30	23,491.44
ECL- simplified approach	(286.57)	(358.36)	(644.93)
Net carrying amount	**21,835.57**	**1,010.94**	**22,846.51**

As at March 31, 2021 (Restated)*

Particulars	Less than 120 days	More than 120 days	Total
ECL & EPC rate	-1.0%	-29.0%	
Estimated total gross carrying amount at default	22,178.77	2,225.19	24,403.95
ECL- simplified approach	(231.79)	(645.50)	(877.28)
Net carrying amount	**21,946.98**	**1,579.69**	**23,526.67**

*Restated (Refer Note 2.1 & Note 50)

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is ₹ 28,672.73 Lakhs and ₹ 25,012.76 Lakhs as of March 31, 2022 and March 31, 2021 respectively, being the total of the carrying amount of balances with trade receivables.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company operating activities (when revenue or expense is denominated in a foreign currency). However the net investment in subsidiaries are in Indian rupees, as a result there is no exposure to the risk of changes in foreign exchange rates. Consequently, the Company does not uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of is forecasted cash flows and trade receivables. The Company has not entered into foreign currency swap / derivative transactions to cover the risk exposure on account of foreign currency transactions.

Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

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

46 Financial risk management objectives and policies (Continued)

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

Particulars	As at March 31, 2022		As at 31 March 2021	
	Amount in FC	Amount in Rs.	Amount in FC	Amount in Rs.
Trade Receivables - USD	0.67	51.23	0.16	11.93

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

USD	Profit and loss		Equity	
	Increased by 5%	Decreased by 5%	Increased by 5%	Decreased by 5%
March 31, 2022	2.56	(2.56)	2.56	(2.56)
March 31, 2021	0.60	(0.60)	0.60	(0.60)

Note:

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rate
The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

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

Liquidity risk

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

All financial liabilities are due within 1 year from the balance sheet date. The existing surplus funds along with the cash generated by the company are sufficient to meet its current obligations.

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

As at March 31, 2022

Particulars	Within 1 year	1 - 3 years	3 - 5 years	Total
Borrowings	5,757.61	-	-	5,757.61
Trade Payables	2,196.04	-	-	2,196.04
Other financial liabilities	12,039.25	1,232.00	-	13,271.25
Lease Liabilities	38.45	7.85	-	46.30
	20,031.35	1,239.85	-	21,271.20

As at March 31, 2021

Particulars	Within 1 year	1 - 3 years	3 - 5 years	Total
Borrowings	1,147.60	-	-	1,147.60
Trade Payables	2,103.64	-	-	2,103.64
Other financial liabilities	10,254.71	844.83	-	11,099.54
Lease Liabilities	41.32	24.23	-	65.55
	13,547.27	869.06	-	14,416.33

Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

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

47 Impact of Covid-19 Pandemic

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

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

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

49 Other Statutory Information

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

(ii) The Company has balance/transactions with the below-mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act,

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

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

(v) (b) To the best of its knowledge and belief of the management of the Company, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lender invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

UPDATER SERVICES LIMITED Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

This space has been intentionally left blank

50 Retrospective restatement : Correction of prior period errors

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

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

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

Sn No	Particulars	31st March 2021 (Restated)	31st March 2021 (Previously reported)	Effect on Profits/Variance	1st April 2020 (Restated)	1st April 2020 (Previously reported)	Effect on Profits/Variance
Restatements having effect to Profit & Loss (refer following table below)							
A	Revenue from contracts with customers	1,00,516.51	99,871.84	644.67	1,08,471.55	1,09,379.03	(907.48)
B	Impairment for doubtful trade receivables	306.69	220.74	(85.95)	419.03	255.68	(163.35)
C	**Total Effect on Profit before tax**			**558.72**			**(1,070.83)**
D	Deferred tax charge / (credit)	(718.19)	(858.81)	(140.62)	(73.45)	180.88	254.33
E	**Total effect on Profit after tax**			**418.10**			**(816.50)**
Restatements having effect to Balance Sheet							
F	Opening Retained earnings	10,708.22	11,625.72	(917.50)	8,615.72	8,716.72	(101.00)
G	Trade receivables including unbilled revenue and Contract Assets	25,012.76	25,680.11	(667.35)	32,283.08	33,509.15	(1,226.07)
H	Deferred tax asset	3,371.29	3,203.33	167.96	2,679.67	2,371.09	308.58
I=E	**Profit after Tax**	**3,083.34**	**2,665.24**	**418.10**	**2,437.37**	**3,253.87**	**(816.50)**
J=E	**Total Comprehensive Income**	**3,162.35**	**2,744.25**	**418.10**	**2,286.39**	**3,102.89**	**(816.50)**
K	**Earnings per share (Rs)**	**5.84**	**5.05**	**0.79**	**4.61**	**6.16**	**(1.55)**
L	**Diluted earnings per share (Rs)**	**5.80**	**5.01**	**0.79**	**4.58**	**6.12**	**(1.54)**

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

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

UPDATER SERVICES LIMITED Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

This space has been intentionally left blank

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

52 Ratio Analysis and its elements

Ratio	As on 31st March, 2022	As on 31st March, 2021 (Restated)*	% variance	Reason for Variance
a) Current ratio	1.13	1.49	-24%	
b) Return on equity ratio	0.16	0.16	1%	
c) Trade receivables turnover ratio	3.99	3.51	14%	
d) Trade payables turnover ratio	3.64	3.24	12%	
e) Net capital turnover ratio	32.23	10.51	207%	The Company has availed Working capital loan from Bank which is outstanding as on March 31, 2022 amounting to Rs 4,573 lakhs and repaid subsequently in Apr-22. However in the previous year significant loan amount has been paid off before March 31, 2021 leading to variance in the current year.
f) Net profit ratio	0.03	0.03	5%	
g) Return on capital employed	0.13	0.14	-12%	
i) Debt-equity ratio	0.20	0.05	340%	The Company has availed Working capital loan from Bank which is outstanding as on March 31, 2022 amounting to Rs 4,573 lakhs and repaid subsequently in Apr-22. However in the previous year significant loan amount has been paid off before March 31, 2021 leading to variance in the current year.
j) Debt Service Coverage ratio	6.05	5.56	9%	
h) Return on investment	Not Applicable	Not Applicable		

Note:
a. There is no Inventory in the Company. Hence Inventory turnover ratio is not furnished
b. There is no dividend income or any other income from the investments. Hence return on investment ratio is not furnished

Annexure	As on 31st March, 2022	As on 31st March, 2021 (Restated)*
a) Current ratio (A)/(B)		
Current Assets (A)	29,703.50	29,154.52
Current Liabilities (B)	26,381.05	19,590.27
b) Return on equity ratio		
Earnings before Interest and Taxes	4,400.96	3,805.07
Average Shareholders equity	27,066.74	23,706.01
Closing Shareholders equity	28,838.87	25,294.62
Opening Shareholders equity	25,294.62	22,117.39
c) Trade receivables turnover ratio		
Net Sales (Revenue from Operations)	1,07,067.27	1,00,516.51
Average Trade Receivable	26,842.75	28,647.92
Closing Trade receivable (Including Unbilled Revenue)	28,672.73	25,012.76
Opening Trade receivable (Including Unbilled Revenue)	25,012.76	32,283.08
d) Trade payables turnover ratio		
Purchases	7,823.81	6,793.86
Average Trade payables	2,149.84	2,096.93
Closing Trade payables	2,196.04	2,103.64
Opening Trade payables	2,103.64	2,090.22
e) Net capital turnover ratio		
Net Sales (Revenue from Operations)	1,07,067.27	1,00,516.51
Working Capital (Current Assets - Current liabilities)	3,322.45	9,564.25
f) Net profit ratio		
Net Profit after Interest and Taxes	3,521.11	3,162.35
Net Sales (Revenue from Operations)	1,07,067.27	1,00,516.51
g) Return on capital employed		
Net profit before Interest and taxes	4,400.96	3,805.07
Capital employed (Tangible Net worth + Total Debt + Deferred Tax Liability)	34,596.48	26,442.22
i) Debt- Equity Ratio		
Total Debt	5,757.61	1,147.60
Shareholder's Equity	28,838.87	25,294.62

UPDATER SERVICES LIMITED Chennai 600 097

S.R. Batliboi & Associates LLP Chartered Accountants Chennai

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

52 Ratio Analysis and its elements (Continued)

Annexure	As on 31st March, 2022	As on 31st March, 2021 (Restated)*
j) Debt Service Coverage ratio		
Earnings for debt service = Net profit after taxes + Non-cash operating expenses	4,859.10	4,322.04
Debt service = Interest & Lease Payments + Principal Repayments	802.51	777.75

*Restated (Refer Note 2.1 & Note 50)

53 Subsequent Event

The Company has entered into a definitive agreement on 14th December 2022 to acquire 100% of equity share capital in Athena BPO Private Limited ("Athena") in a phased manner The Company has acquired 57% stake in Athena on 23rd December 2022 for Rs. 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).

54 Previous Year/Period Figures

Previous year/ period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure. (Refer Note 50)

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

per Aravind K
Partner
Membership No. 221268

Place: Chennai
Date : December 31, 2022

S.R. Batliboi & Associates LLP
Chennai
Chartered Accountants

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 10930

Amitabh Jaipuria
Chief Executive officer

Place: Chennai
Date : December 31, 2022