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## **ADIS ENTERPRISES PRIVATE LIMITED**

**CIN: U74999MH2018PTC313792**

**FINANCIAL STATEMENTS**

**FY 2023-24**

# Independent Auditors' Report

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To the Members of ADIS ENTERPIRSES PRIVATE LIMITED

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **ADIS ENTERPIRSES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Other Information

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditors' report thereon.

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

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

### Management's Responsibility for the Financial Statements

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure-A", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder.
  - e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) The Company has been exempted from the requirement of its auditor reporting on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls (clause (i) of Section 143(3)).
  - g) In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year is in accordance with the provisions of Section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company does not have any pending litigations which would impact its financial position in its financial statements.
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - (iv)
      - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company has neither declared nor paid any dividend during the year and hence, the reporting on compliance under Section 123 of the Act is not applicable to the Company.
- (vi) The Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the Company as per the statutory requirement for record retention.

**For Mahesh P. & Co.**  
Chartered Accountants  
(FRN: 105818W)

**Mahesh P. Ladwa**  
**(Proprietor)**  
**Membership No. 032698**  
**UDIN: 24032698BKGPXB8571**

Place: Mumbai  
Date: April 30, 2024

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## **ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the members of ADIS ENTERPRISES LIMITED on the financial statements for the year ended March 31, 2024, we report 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 intangible assets.  
  
(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner at reasonable intervals. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. In our opinion and according to the information and explanations given to us, the discrepancies noticed on physical verification of fixed assets as compared to book records were not material and have been properly dealt with in the books of account.  
  
(c) The Company does not have any immovable property (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee). Accordingly, clause 3 (i) (c) of the Order is not applicable.  
  
(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.  
  
(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no inventory held by the Company and hence reporting under clause 3(ii)(a) of the Order is not applicable.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits during any point of time of the year in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in, provided any guarantee, security or granted loan or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year and hence clause 3(iii)(a) to (f) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of section 186 of the Act are applicable. Further, there are no loans, guarantees and securities given in respect to which the provisions of Section 185 of the Act are applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Accordingly, clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of service tax, value added tax, sales tax, duty of customs, duty of Excise and Cess. There were no outstanding dues (as mentioned above) as of 31st March 2024 for a period of more than six months from the date they became payable.  
  
(b) There were no dues of Income-tax and service tax, which have not been deposited as on 31st March 2024 on account of dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to banks during the year.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.  
  
(c) In our opinion and according to the information and explanations given to us by the management, term loans have been utilized for the purpose for which they were obtained by the Company.  
  
(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on a short-term basis have been used for long-term purposes by the Company.  
  
(e) According to the information and explanations given to us and on an overall examination of the financial statements of Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates and joint ventures as defined under Companies Act, 2013.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates and joint ventures as defined under Companies Act, 2013.
- (x) (a) The Company did not raise any money by way of an initial public offer or further public offer (including debt instruments) during the year. Thus, clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally convertible) during the year. Thus, clause 3 (x)(b) of the Order is not applicable to the Company.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on the information and explanations provided to us, the Company is not required to have whistle-bowler complaints as per Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The Company does not require to have internal audit systems and hence clause 3(xiv)(a) to (b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, clause 3(xvi)(a) to (b) of the Order is not applicable.
- (c) The Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of opinion that no material uncertainty exists as on the date of the audit report regarding whether the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) The Company is not required to spend amount towards Corporate Social Responsibility (CSR) as per the requirements of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) to (b) of the Order is not applicable.

**For Mahesh P. & Co.**  
Chartered Accountants  
(FRN: 105818W)

**Mahesh P. Ladwa**  
**(Proprietor)**  
**Membership No. 032698**  
**UDIN: 24032698BKGPXB8571**

Place: Mumbai  
Date: April 30, 2024

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# ADIS Enterprises Private Limited

All in INR thousands except share data

## Balance Sheet

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>A ASSETS</b>			
<b>Non – current assets</b>			
Other intangible assets	3	87	230
Deferred tax assets (net)	4	1,001	944
Income tax assets (net)	4	11	690
<b>Total non – current assets</b>		<b>1,099</b>	<b>1,864</b>
<b>Current assets</b>			
Inventories	5	-	-
Financial assets			
(i) Trade receivables	6	8,095	9,307
(ii) Cash and cash equivalents	7	8,978	7,502
(iii) Other current financial assets	8	3,724	2,516
Other current assets	9	255	99
<b>Total current assets</b>		<b>21,052</b>	<b>19,424</b>
<b>Total assets</b>		<b>22,151</b>	<b>21,288</b>
<b>B EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	100	100
Other equity	11	12,997	11,301
<b>Total equity</b>		<b>13,097</b>	<b>11,401</b>
<b>Liabilities</b>			
<b>Non – current liabilities</b>			
Provisions	12	1,001	703
<b>Total non-current liabilities</b>		<b>1,001</b>	<b>703</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	13	2,292	2,682
(ii) Trade payables	14		
(a) Total outstanding dues of micro enterprises and small enterprises		8	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		364	149
(iii) Other current financial liabilities	15	3,606	4,686
Other current liabilities	17	1,087	1,340
Provisions	12	696	327
<b>Total current liabilities</b>		<b>8,053</b>	<b>9,184</b>
<b>Total liabilities</b>		<b>9,054</b>	<b>9,887</b>
<b>Total equity and liabilities</b>		<b>22,151</b>	<b>21,288</b>

The accompanying notes form an integral part of these financial statements.

As per our report of even date

**For Mahesh P. & Co.**  
Chartered Accountants  
(FRN: 105818W)

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

**Mahesh P. Ladwa**  
(Proprietor)  
Membership No. 032698

Brajesh Kumar  
Director  
(DIN: 07833562)

Bikash Mishra  
Director  
(DIN: 07900700)

Place: Mumbai  
Date: April 30, 2024

Place: New Delhi  
Date: April 30, 2024

Place: New Delhi  
Date: April 30, 2024

# ADIS Enterprises Private Limited

All in INR thousands except share data

## Statement of Profit and Loss

S No	Particulars	Note No.	Year ended	
			March 31, 2024	March 31, 2023
	<b>Income</b>			
1	a) Revenue from operations	18	36,572	42,904
	b) Other income	19	397	388
	<b>Total Income (a + b)</b>		<b>36,969</b>	<b>43,292</b>
	<b>Expenses</b>			
	a) Purchases of inventory		94	110
	b) Changes in inventory	20	-	79
2	c) Employee benefits expense	21	33,442	38,172
	d) Finance costs	22	289	82
	e) Depreciation and amortization expenses	23	143	24
	e) Other expenses	24	771	2,421
	<b>Total expenses (a + b + c + d + e)</b>		<b>34,739</b>	<b>40,888</b>
3	<b>Profit before tax and exceptional items (1-2)</b>		<b>2,230</b>	<b>2,404</b>
4	Exceptional items		-	-
5	<b>Profit before tax (3+4)</b>		<b>2,230</b>	<b>2,404</b>
6	<b>Tax expense</b>			
	a) Current tax	4	491	167
	b) Deferred tax	4	(33)	592
	<b>Total tax expense</b>		<b>458</b>	<b>759</b>
7	<b>Profit for the year (5-6)</b>		<b>1,772</b>	<b>1,645</b>
8	<b>Other comprehensive income</b>			
	Items that will not be reclassified to profit or loss:			
	a) Re-measurement of defined benefits plan	21	(102)	1,462
	b) Income tax relating to these items	4	26	(368)
	<b>Other comprehensive income / (loss) for the year (net of taxes)</b>		<b>(76)</b>	<b>1,094</b>
9	<b>Total comprehensive income for the year (7+8)</b>		<b>1,696</b>	<b>2,739</b>
10	Earnings per share (EPS) (face value INR 10 per share)	25		
	(a) Basic (INR)		177.20	164.50
	(b) Diluted (INR)		177.20	164.50
11	Weighted average equity shares used in computing earnings per equity share			
	(a) Basic (Nos.)		10,000	10,000
	(b) Diluted (Nos.)		10,000	10,000

The accompanying notes form an integral part of these financial statements.

As per our report of even date

**For Mahesh P. & Co.**  
Chartered Accountants  
(FRN: 105818W)

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

**Mahesh P. Ladwa**  
(Proprietor)  
Membership No. 032698

Brajesh Kumar  
Director  
(DIN: 07833562)

Bikash Mishra  
Director  
(DIN: 07900700)

Place: Mumbai  
Date: April 30, 2024

Place: New Delhi  
Date: April 30, 2024

Place: New Delhi  
Date: April 30, 2024



# ADIS Enterprises Private Limited

All in INR thousands except share data

## Statement of Changes in Equity

### A. Equity Share Capital

Year ended March 31, 2023

Particulars	As at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as on April 1, 2022	Changes during the year	As at March 31, 2023
Equity Share Capital	100.00	-	100.00	-	100.00

Year ended March 31, 2024

Particulars	As at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as on April 1, 2023	Changes during the year	As at March 31, 2024
Equity Share Capital	100.00	-	100.00	-	100.00

### B. Other Equity

Year ended March 31, 2023

Particulars	Reserves and surplus	Other reserves	Total other equity
	Retained earnings	Equity contribution by parent	
As at April 1, 2022	8,542	20	8,562
Profit / (loss) for the year	1,645	-	1,645
Other comprehensive income / (loss)	1,094	-	1,094
<b>Total comprehensive income for the year</b>	<b>2,739</b>	<b>-</b>	<b>2,739</b>
As at March 31, 2023	11,281	20	11,301

Year ended March 31, 2024

Particulars	Reserves and surplus	Other reserves	Total other equity
	Retained earnings	Equity contribution by parent	
As at April 1, 2023	11,281	20	11,301
Profit / (loss) for the year	1,772	-	1,772
Other comprehensive income / (loss)	(76)	-	(76)
<b>Total comprehensive income for the year</b>	<b>1,696</b>	<b>-</b>	<b>1,696</b>
As at March 31, 2024	12,977	20	12,997

The accompanying notes form an integral part of these financial statements.

As per our report of even date

**For Mahesh P. & Co.**  
Chartered Accountants  
(FRN: 105818W)

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

**Mahesh P. Ladwa**  
(Proprietor)  
Membership No. 032698

Brajesh Kumar  
Director  
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Bikash Mishra  
Director  
(DIN: 07900700)

Place: Mumbai  
Date: April 30, 2024

Place: New Delhi  
Date: April 30, 2024

Place: New Delhi  
Date: April 30, 2024

# ADIS Enterprises Private Limited

All in INR thousands except share data

## Statement of Cash Flows

S No	Particulars	Year ended	
		March 31, 2024	March 31, 2023
<b>A.</b>	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	Profit before tax	2,230	2,404
	<b>Adjusted for:</b>		
	Depreciation and amortization expenses	143	24
	Finance costs	289	82
	Interest income	(397)	(388)
	Allowance for expected credit loss	-	(389)
	<b>Operating profit / (loss) before working capital changes</b>	<b>2,265</b>	<b>1,733</b>
	<b>Movement in working capital:</b>		
	Decrease / (increase) in trade receivables	1,212	(3,418)
	Decrease / (increase) in inventories	-	79
	Decrease / (increase) in other current assets	(156)	43
	Decrease / (increase) in other current financial assets	(1,213)	1,118
	(Decrease) / increase in trade payables	223	49
	(Decrease) / increase in provisions	565	564
	(Decrease) / increase in other current liabilities	(253)	(180)
	(Decrease) / increase in other current financial liabilities	(1,078)	(135)
	<b>Cash (used in) / generated from operations</b>	<b>1,565</b>	<b>(147)</b>
	Direct tax (paid), net of refunds	186	932
	<b>Net cash inflow / (outflow) from operating activities</b>	<b>1,751</b>	<b>785</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	Purchase of property plant and equipment and capital work-in-progress	-	(254)
	Interest received	404	363
	<b>Net cash inflow / (outflow) from investing activities</b>	<b>404</b>	<b>109</b>
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	Interest paid	(289)	(82)
	<b>Net cash inflow / (outflow) from financing activities</b>	<b>(289)</b>	<b>(82)</b>
<b>D.</b>	<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,866</b>	<b>812</b>
<b>E.</b>	Cash and cash equivalents at the beginning of the year	4,820	4,008
	<b>Cash and cash equivalents at the end of the year (D+E)</b>	<b>6,686</b>	<b>4,820</b>

Reconciliation of cash and cash equivalents as per the statement of the cash flows			
		March 31, 2024	March 31, 2023
	Cash and cash equivalents as per above comprise of the following:		
	Cash and cash equivalents	8,978	7,502
	Cash credit	(2,292)	(2,682)
	Bank overdrafts	-	
	<b>Balances as per statement of cash flows</b>	<b>6,686</b>	<b>4,820</b>

The accompanying notes form an integral part of these financial statements.

As per our report of even date

**For Mahesh P. & Co.**  
Chartered Accountants  
(FRN: 105818W)

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

**Mahesh P. Ladwa**  
(Proprietor)  
Membership No. 032698

Brajesh Kumar  
Director  
(DIN: 07833562)

Bikash Mishra  
Director  
(DIN: 07900700)

Place: Mumbai  
Date: April 30, 2024

Place: New Delhi  
Date: April 30, 2024

Place: New Delhi  
Date: April 30, 2024

# ADIS Enterprises Private Limited

All in INR thousands except share data

## Notes to the financial statements

### 1. Company overview

ADIS Enterprises Private Limited (“the Company”) is a company limited by shares, incorporated and domiciled in India. The Company was incorporated on September 10, 2018. Its registered office is situated at 401, 4<sup>th</sup> floor, Majestic Shopping Centre, JSS Road, Ambewadi, Girgaum, Mumbai - 400004, India

The Company is engaged in the business of rendering facility management services.

During the year ended March 31, 2020, Dusters Total Solutions Services Private Limited (‘DTSS’) has acquired 51% of outstanding equity shares of the Company from the existing shareholders. With this acquisition, the Company has become subsidiary of DTSS.

During the year ended March 31, 2021, Dusters Total Solutions Services Private Limited (‘DTSS’) has acquired remaining 49% of outstanding equity shares of the Company from the existing shareholders. With this acquisition, the Company has become wholly owned subsidiary of DTSS.

These financial statements were authorized for issue by the directors on April 30, 2024.

### 2. Summary of material accounting policies

This note provides a list of material accounting policies adopted in the preparation of these financial statements.

#### 2.1 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind-AS) and other applicable provisions of the Companies Act, 2013 (“the Companies Act”) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind-AS are notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements are presented in Indian Rupees (INR) and are rounded off to the nearest millions (‘Mn’) except per share data and unless stated otherwise. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. The figures which are appearing as ‘0’ are result of rounding off.

#### 2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention on an accrual and going concern basis, except for the following material items which have been measured at fair value as required by relevant Ind-AS:

- certain financial assets and financial liabilities (including derivative financial instruments) and contingent consideration that are measured at fair value;
- assets held for distribution to owners upon demerger that are held at lower of carrying cost and fair value less cost to distribute;
- share based payments; and
- the defined benefit asset / (liability) which is recognised as the present value of defined benefit obligation less fair value of plan assets.

Accounting policies have been applied consistently to all periods presented in these financial statements.

The financial statements are based on the classification provisions contained in Ind AS 1, ‘Presentation of Financial Statements’ and division II of schedule III of the Companies Act 2013. For the purpose of clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable or required.

#### Fair value measurement

The Company records certain financial assets and liabilities at fair value on a recurring basis. The Company determines fair value based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date and either in the principal market or in the absence of a principal market, most advantageous market for that asset or liability.

#### Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, bonds and debentures and mutual funds that have quoted price. The fair value of all financial instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

In accordance with Ind-AS 113, ‘Fair value measurement’, assets and liabilities are to be measured based on the following valuation techniques:

- Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- Income approach – Converting the future amounts based on market expectations to its present value using the discounting method.
- Cost approach – Replacement cost method.

### 2.3 Summary of material 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 classified as current when it is:

- Expected to be realised or intended to be sold or consumed in the 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 the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period;

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;

# ADIS Enterprises Private Limited

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- (ii) It is held primarily for the purpose of trading;
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments, do not affect its classification.

The Company classifies all other liabilities as non-current.

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

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

## b) Property, plant and equipment Recognition and measurement

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Items of property, plant and equipment ('PPE') are initially recognized at cost. Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, asset retirement obligation and directly 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. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

Subsequent expenditure related to an item of property, plant and equipment is added to its carrying value only when it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss in the year during which such expenses are incurred.

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work-in-progress ('CWIP').

Advances given towards purchase of an item of property, plant and equipment outstanding as at each balance sheet date are disclosed under other non-financial assets.

### Depreciation

The Company depreciates property, plant and equipment over the estimated useful lives using written down value method from the date, the assets are available for use.

The estimated useful lives of assets are as follows:

Category	Useful life
Buildings	60 years
Plant and machinery	8 to 15 years
Leasehold improvement	Shorter of useful life or lease period
Right-of-use assets	Lease period
Computer equipment	3 years
Furniture and fixtures	10 years
Office Equipment	5 years
Vehicles	8 years

Based on technical assessment, the useful lives as given above best represent the period over which the management expects to use these assets. The estimated useful lives for these assets may therefore be different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

The residual values are generally not more than 5% of the original cost of the asset. The asset's 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.

Additions are depreciated on a pro-rata basis from the date, the asset is available for use till the date the assets are derecognised.

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. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss when the asset is derecognised.

## c) Intangible assets Recognition and measurement

Intangible assets are recognized when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at historical cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised software development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

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

The estimated useful lives of intangible assets are as follows:

Category	Useful life
Computer software	5 years

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Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

## Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials, services, and direct payroll and related costs of employees' time spent on the project.

## License & franchise:

Licenses & franchise fees are amortized commencing from the date when license & franchise fees are available for intended use.

## d) Investment in subsidiaries, associates and joint ventures

A subsidiary is an entity over which the Company has control. The Company controls an investee entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. This is generally the case where the Company holds between 20% and 50% of the voting rights.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control exist are similar to those necessary to determine control over the subsidiaries.

Investments in subsidiaries, associates and joint ventures is accounted for at cost less impairment loss, if any. The said investments are tested for impairment whenever circumstances indicate that their carrying value may exceed the recoverable amount.

## e) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

### Financial assets

#### Initial recognition and measurement

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

#### Subsequent measurement

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

- (i) Financial assets at amortised cost
- (ii) Financial assets at fair value through other comprehensive income (FVTOCI)
- (iii) Financial assets, derivatives and equity instruments at fair value through profit or loss (FVTPL)

#### Financial instruments at amortised cost

A 'Financial asset' is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions call and similar options) but does not consider the expected credit losses. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The interest income based on EIR is included as interest income as a part of other income in the statement of profit and loss. The losses arising from impairment are recognised in profit or loss. A gain or loss on such financial asset which is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised. This category generally applies to trade and other receivables.

#### Financial instruments at FVTOCI

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

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

Financial assets included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income calculated using the EIR method, impairment losses & reversals and foreign exchange gain or loss in the profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

#### Financial instruments at FVTPL

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial assets, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is made only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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*All in INR thousands except share data*

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss in respect of such assets that are not part of a hedging relationship. The gain /loss on assets measured at FVTPL are presented in the statement of profit and loss within other gains/losses in the period in which it arises. Interest income from these financial assets is included in other income.

## **Equity investments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with gain/loss presented in the statement of profit and loss within other gains/losses in the period in which it arises.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

## **Derecognition of financial assets**

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

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

When the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized. Similarly, where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## **Impairment of financial assets**

The Company recognizes loss allowances on a forward-looking basis using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. How the Company determines whether there has been a significant increase in the credit risk has been detailed in the notes to the financial statements. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in the statement of profit and loss.

## **Financial liabilities**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below.

### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments, if any entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

### **Borrowings**

After initial recognition, borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowing using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares which are mandatorily redeemable are classified as liabilities. The dividends on these preference shares, to the extent such dividends are mandatorily payable, are recognised in profit or loss as finance costs.

The fair value of the liability portion of an optionally convertible debenture/ bond/ preference share or a zero-coupon debenture/ bond/ preference share or compulsorily convertible debenture/preference shares where the price of conversion of the debenture/preference shares into equity share is not fixed, is determined using a market rate of interest for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound financial instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

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When the terms of a financial liability are renegotiated and the entity issues equity instrument to a creditor to extinguish all or part of a liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instrument issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

## 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, with corresponding increase in investment in subsidiary. 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.

Financial Guarantee issued by the parent of the Company are recognized initially as a pre-payment at fair value with corresponding credit to equity contribution by the parent. The pre-payment is amortized over the period of financial guarantee on straight-line basis, and recognized as finance cost in the statement of profit and loss.

## Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/ losses. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss as other gains/losses.

## 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. The Company's senior management determine changes in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. 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. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

## Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company of the counterparty.

## f) Trade receivables

Trade receivables that do not contain a significant financing component are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method, less provision for impairment (allowance for expected credit loss).

## g) Current and deferred tax

Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses / unused tax credits.

### Current tax

The current income tax charge is calculated on the basis of tax laws enacted or substantially enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Effective from April 1, 2019, the Company has adopted the option of lower effective corporate tax rate of 25.17% (including surcharge and cess), as per Section 115BAA of Income Tax Act.

### Deferred tax

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

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

- (i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- (ii) 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, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- (i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

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- (ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced 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. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

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

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

## **h) Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (including cash credit facilities) as they are considered an integral part of the Company's cash management. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## **i) Equity share capital**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## **j) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

## **k) Provisions and contingencies**

### **Provisions**

A provision is recognized when the Company has a present legal or a constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are recognised for legal claims and service warranties. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in provision due to the passage of time is recognised as an interest expense.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. In respect of losses that are covered by insurance, such losses are recognised as an expense when there is clear evidence or determination or probability that any portion of the loss is not expected to be settled through insurance or other forms of recovery.

### **Asset Retirement Obligations (ARO)**

ARO are recognised for those operating lease arrangements where the Company has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognised as part of the cost of that particular asset and amortised or depreciated in the same manner as the asset to which it pertains. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

### **Contingent liabilities and contingent assets**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle, or a reliable estimate of the amount cannot be made. Contingent asset is not recognised and is disclosed only where an inflow of economic benefits are probable.

### **Contingent liabilities recognised in a business combination**

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

## **l) Revenue recognition**

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Revenue is recognized when the control is transferred to the customer and when the Company has completed its performance obligations under the contracts.

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*All in INR thousands except share data*

At the inception of the new contractual arrangement with the customer, the Company identifies the performance obligations inherent in the agreement. The terms of the contracts are such that the services to be rendered represent a series of services that are substantially the same with the same pattern of the transfer to the customer.

Revenue is recognized as follows:

- (i) Revenue from services represents the amounts receivable for services rendered.
- (ii) For contract-based business (Expressed or implied), revenue represents the sales value of work carried out for customers during the period. Such revenues are recognized in the period in which the service is rendered.
- (iii) Unbilled revenue (contract assets) net of expected deductions is recognised at the end of each period. Such unbilled revenue is reversed in the subsequent period when actual invoice is raised.
- (iv) Unearned income (contract liabilities) represents revenue billed but for which services have not yet been performed. The same is released to the statement of profit and loss as and when the services are rendered.
- (v) Revenue from the use of assets such as rent for using property, plant and equipment is recognized on a straight-line basis over the terms of the related leases unless payments are structured to increase in line with the expected general inflation to compensate for the lessors' expected inflationary cost increase.

## **Sale of goods**

Revenue from the sale of goods is recognised when the control of goods has been transferred, being when the products are delivered to the buyer, the buyer having the full discretion over the use of the goods and there is no unfulfilled obligation that could affect the buyer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the buyer, and either the buyer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Discounts and rebates are estimated based on accumulated experience. The Company provides normal warranty provisions for general repairs for one year on all its products sold, in line with the industry practice. A liability is recognised at the time the product is sold. Revenue is deferred and recognised on a straight line basis over the extended warranty period in case warranty is provided to customer for a period beyond one year.

## **Rendering of services**

In contracts involving the rendering of services, revenue is measured using the proportionate completion method when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Estimates of revenue, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenue or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known to the management.

## **Multiple-element arrangements**

When a sales arrangement contains multiple elements, such as services, material and maintenance, revenue for each element is determined based on each element's fair value.

Revenue recognition for delivered elements is limited to the amount that is not contingent on the future delivery of products or services, future performance obligations or subject to customer-specified return or refund privileges.

The undiscounted cash flows from the arrangement are periodically estimated and compared with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

## **Interest income**

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

## **Dividends**

Dividend income from investments is recognised in profit or loss as other income when the Company's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and amount of the dividend can be measured reliably.

## **Rental income**

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term unless payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increase and is included in revenue in the statement of profit or loss due to its operating nature.

## **m) Employee benefits**

The Company's employee benefits mainly include wages, salaries, bonuses, compensated absences, defined contribution to plans, defined benefit plans and share-based payments. The employee benefits are recognized in the year in which the associated services are rendered by the employees of the Company.

## **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits and compensated absences expected to be settled within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to reporting date and are measured at the amounts expected to be paid when the liabilities are settled. The liability for compensated absences is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as employee benefits payable under other financial liabilities, current.

## **Bonus**

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually or legally obliged or where there is a past practice that has created a constructive obligation.

## **Compensated absences/Leave obligations**

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to a specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on

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non-accumulating compensated absences is recognized in the statement of profit and loss in the year in which the absences occur. Re-measurements arising out of actuarial gains / losses are immediately taken into the statement of profit and loss and are not deferred.

In respect of those employees who are entitled to an encashment of the leave at the end of every calendar year, a provision is created to account for the liability.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

## **Post-employment obligations**

The Company operates the following post-employment schemes:

- i) Defined contribution plans such as provident fund and employees' state insurance; and
- ii) Defined benefit plans such as gratuity.

## **Defined contribution plan**

The Company's policy to contribute on a defined contribution basis for eligible employees, to Employees' Provident Fund, Employees' Pension Scheme and Employees' State Insurance Scheme towards post-employment benefits, all of which are administered by the respective Government authorities, and has no further obligation beyond making its contribution which is expected in the year in which it pertains. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

## **Defined benefit plan**

The Company has a defined benefit plan, viz., Gratuity, for all its employees, the liability for which is accrued and provided for as determined by an independent actuarial valuation. A portion of this liability for gratuity is contributed to a fund administered and operated by a reputed insurance company. The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit is actuarially determined (using the projected unit credit method) at the end of each year.

Present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields on government bonds at the end of the reporting periods that have approximately similar terms to the related obligation.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- (ii) Net interest expense or income

Past service costs are recognised in profit or loss on the earlier of:

- (i) The date of the plan amendment or curtailment, and
- (ii) The date that the Company recognises related restructuring costs.

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

Remeasurements, 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 other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

## **Equity settled stock-based compensation**

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).

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. The fair value of options granted under various Employee Share option plans is recognised as an employee benefits expense with a corresponding increase in equity (share option outstanding account).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates in the period of change, if any, in the profit or loss, with corresponding adjustment to equity.

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, if any, 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.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## **Cash settled stock-based compensation**

Employees of the Company receive share-based compensation in the form of parent company's share options. The cost of cash-settled transactions is measured initially at fair value at the grant date based on a debit note received from the parent company. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability.

## **n) Borrowing costs**

Borrowing costs include interest calculated on the effective interest rate method, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of the assets that necessarily take a substantial period of time to get ready for their intended use or sale ('qualifying assets'), are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the statement of profit and loss within finance costs in the period in which they are incurred.

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All in INR thousands except share data

## **o) Leases**

### **Company as a lessee**

The Company's lease asset classes primarily consist of leases for buildings, equipment and vehicles. For any new contract, the Company assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- (i) the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
- (ii) The Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- (iii) The Company has the right to direct the use of the identified asset throughout the period of use.

The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

### **Measurement and recognition of leases as a lessee**

At lease commencement date, the Company recognises a right-of-use asset ('ROU') and a corresponding lease liability on the balance sheet. The right-of-use asset is measured at cost, which comprises of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets using the written down value method from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

IndAS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with an option to extend or terminate the lease, if the use of such option is reasonably certain. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Extension and termination options are included in a number of leases of the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Lease liability and right-of-use assets have been separately presented in the notes to the financial statements under 'Other financial liability' and 'Property, plant and equipment' (except those meeting the definition of investment property) respectively. Lease payments have been classified as 'Cash flows from financing activities'.

### **Short-term leases and leases of low-value assets:**

The Company has elected not to recognise ROU and lease liabilities for short term leases that have a lease term of twelve months or less and leases of low value assets. The Company recognises lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### **Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless payments are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increase under "Other Income" in the statement of Profit and Loss. 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. The respective leased assets are included in the balance sheet based on their nature.

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.

## **p) Impairment of non-financial assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets, other than inventories and deferred tax assets, are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of its fair value less cost of disposal and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the asset. For the purposes of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units or CGU). Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company's CGUs expected to benefit from the synergies arising from the business combination. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU, pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill recognized in the statement of profit and loss is not reversed in the subsequent period. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of impairment at the end of each reporting period.

## **q) Earnings per share**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

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*All in INR thousands except share data*

Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

Diluted Earnings per share amounts are computed by dividing the net profit attributable to the equity holders of the Company (after deducting preference dividends and attributable taxes but after adjusting the after income tax effect of interest and other financing cost associated with dilutive potential equity shares) by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

## **r) Cash flow statement**

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

## **2.4 Other accounting policies**

### **a) Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of such expenditure can be measured reliably. All other repair and maintenance costs are recognized in profit or loss as incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties are depreciated using written down value method over their estimated useful lives of 60 years. The useful life has been determined based on a technical evaluation performed by the management's expert.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

### **b) Financial instruments**

#### **Derivatives**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends upon whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated.

Derivatives which are not designated as hedges are accounted for at fair value through profit or loss and are included in other gains/ losses.

#### **Embedded derivatives**

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

If the hybrid contract contains a host that is a financial asset within the scope of Ind-AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind-AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

### **c) Inventories**

Inventories are valued at the lower of the cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

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

### **d) Non-current assets held for sale/distribution to owners and discontinued operations**

The Company classifies non-current assets and disposal groups as held for sale/distribution to owners if their carrying amounts will be recovered principally through a sale/distribution rather than through continuing use and where a sale is considered highly probable. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale/distribution will be made or that the decision to sell/distribute will be withdrawn and Management must be committed to the sale/distribution being completed within one year from the date of classification.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/distribute except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Assets and liabilities classified as held for sale/distribution are presented separately in the balance sheet.

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An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell/distribute. A gain is recognised for any subsequent increases in fair value less costs to sell/ distribute an asset (or a disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of sale/ distribution of the non-current asset (or disposal group) is recognised on the date of derecognition.

Property, plant and equipment and intangible assets once classified as held for sale/distribution to owners are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- (i) Represents a separate major line of business or geographical area of operations,
- (ii) Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or
- (iii) Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

## **e) Government grants**

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions.

Government grants relating to income or expenditure /expenses are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and recognised on a straight-line basis over the expected lives of related assets and presented within other income.

## **f) Foreign currency transaction and balances**

The financial statements of the Company are presented in Indian Rupees (INR) which is also the Company's functional currency, i.e., the currency of the primary economic environment in which the Company operates.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates prevailing 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 prevailing as at the reporting date. Subsequently, differences arising on restatement or settlement of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions and translation differences are recognised in OCI with the accumulation in other equity as foreign currency translation reserve. 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).

The equity items denominated in foreign currencies are translated at historical cost.

## **g) Cash dividend and non-cash distribution to equity holders of the Company**

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the carrying value of the assets to be distributed in case of distributions in which all owners of the same class of equity instruments are treated equally or the distributed asset is ultimately controlled by the same party or parties both before and after the distribution, and at fair value of the assets to be distributed in other cases, with such value recognised directly in equity. For this purpose, a group of individuals shall be regarded as controlling an entity when, as a result of contractual arrangements, they collectively have the power to govern its financial and operating policies so as to obtain benefits from its activities, and that ultimate collective power is not transitory. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

## **h) Exceptional items**

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

## **2.5 Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

## **2.6 Significant accounting judgements, estimates and assumptions**

### **Use of estimates and judgment**

The preparation of the financial statements in conformity with Ind-AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes.

Estimates and underlying assumptions are reviewed on an ongoing basis. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

### **Judgements**

In the process of applying the Company's accounting policies, management has made various judgements, which have the most significant effect on the amounts recognised in the financial statements.

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# ADIS Enterprises Private Limited

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*All in INR thousands except share data*

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

## **Critical estimates and judgements**

The areas involving critical estimates or judgements are:

- (i) Estimation of current tax expense and payable – Note 4
- (ii) Estimated useful life of intangible assets – Note 2.3.c
- (iii) Estimation of defined benefit obligation -21
- (iv) Recognition of deferred tax assets for carried forward of tax losses – Note 4
- (v) Impairment of trade receivables -6
- (vi) Whether assets held for distribution to owners meet the definition of discontinued operations – Note 2.4.d

## **Impairment**

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. There are no reasonable foreseeable changes in these key estimates which would have caused an impairment of these assets.

## **Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

## **Taxes**

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

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

The cost of the defined benefit gratuity plan and other post-employment benefits 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.

The mortality rate is based on publicly available mortality tables. Those 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.

## **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 Discounted Cash Flows 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.

## **Intangible asset under development**

The Company capitalises development costs for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

## **Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

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## 3. Other Intangible Assets

### Year ended March 31, 2023

Description of Assets	Gross block				Accumulated amortisation				Net carrying value as at March 31, 2023
	As at April 1, 2022	Additions during the year	Sale and adjustments	As at March 31, 2023	As at April 1, 2022	Charge for the year	Sale and adjustments	As at March 31, 2023	
Computer software	-	254.00	-	254.00	-	24.00	-	24.00	230.00
<b>Grand Total</b>	<b>-</b>	<b>254.00</b>	<b>-</b>	<b>254.00</b>	<b>-</b>	<b>24.00</b>	<b>-</b>	<b>24.00</b>	<b>230.00</b>

### Year ended March 31, 2024

Description of Assets	Gross block				Accumulated amortisation				Net carrying value as at March 31, 2024
	As at April 1, 2023	Additions during the year	Sale and adjustments	As at March 31, 2024	As at April 1, 2023	Charge for the year	Sale and adjustments	As at March 31, 2024	
Computer software	254.00	-	-	254.00	24.00	143.00	-	167.00	87.00
<b>Grand Total</b>	<b>254.00</b>	<b>-</b>	<b>-</b>	<b>254.00</b>	<b>24.00</b>	<b>143.00</b>	<b>-</b>	<b>167.00</b>	<b>87.00</b>

## 4. Income tax

The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:

### Statement of profit and loss:

#### Profit or loss section:

Particulars	March 31, 2024	March 31, 2023
<b>Current income tax:</b>		
Current income tax charge	502	11
Adjustments in respect of current income tax expense / (reversal) of previous years	(11)	156
<b>Deferred tax:</b>		
Decrease / (increase) in deferred tax assets (net)	(33)	592
<b>Income tax expense / (credit) reported in the statement of profit and loss</b>	<b>458</b>	<b>759</b>

#### OCI section:

#### Tax related to items recognised in OCI during the year:

Particulars	March 31, 2024	March 31, 2023
Tax expense / (credit) on re-measurement of defined benefit plans	(26)	368
<b>Income tax charged to OCI</b>	<b>(26)</b>	<b>368</b>

#### Reconciliation of tax expense and the accounting profit multiplied by the tax rate for March 31, 2024 and March 31, 2023:

Particulars	March 31, 2024	March 31, 2023
Accounting profit before tax from continuing operations	2,230	2,404
Accounting profit before income tax	2,230	2,404
Statutory income tax rate	25.17%	25.17%
Income tax expense at statutory rate	561	605
Adjustments in respect of current income tax of previous years	(11)	156
Other non-deductible expenses	(92)	(2)
<b>Tax expense reported in the statement of profit and loss</b>	<b>458</b>	<b>759</b>

\*The effective tax rate applicable to the Company for the financial year 2024-25 would be 25.17% (including surcharge and cess) based on the law as it exists on the date of these financial statements.

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The balance in deferred tax assets/ (liabilities) comprises temporary differences attributable to:

Particulars	March 31, 2024	March 31, 2023
Property, plant and equipment / Intangible assets	17	(3)
Defined benefit obligations	549	397
Deductions in respect of certain benefits under the Income Tax Act, 1961	-	115
Accruals and others	5	5
Allowance for expected credit loss	430	430
<b>Total deferred tax assets / (liabilities)</b>	<b>1,001</b>	<b>944</b>

Reconciliation of deferred tax assets (liabilities), net:

Particulars	Property, plant and equipment / Intangible assets	Defined benefit obligations	Deductions in respect of certain benefits under the Income Tax Act, 1961	Accruals and others	Allowance for expected credit loss	Total
As at April 1, 2022	-	709	388	3	804	1,904
Tax income / (expense) during the period recognised in profit or loss	(3)	56	(273)	2	(374)	(592)
Tax income / (expense) during the period recognised in OCI	-	(368)	-	-	-	(368)
As at March 31, 2023	(3)	397	115	5	430	944
Tax income / (expense) during the period recognised in profit or loss	20	128	(115)	-	-	33
Tax income / (expense) during the period recognised in OCI	-	26	-	-	-	26
As at March 31, 2024	17	549	-	5	430	1,001

Income tax assets:

Particulars	March 31, 2024	March 31, 2023
<b>Opening balance</b>	<b>690</b>	<b>1,789</b>
Acquisition	-	-
Taxes paid	602	832
Refund received	(789)	(1,764)
Current tax payable for the year	(492)	(167)
<b>Income tax assets</b>	<b>11</b>	<b>690</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

## 5. Inventories

Particulars	March 31, 2024	March 31, 2023
Uniforms	-	-
<b>Total inventories at the lower of cost and net realisable value</b>	<b>-</b>	<b>-</b>

## 6. Trade receivables

Particulars	March 31, 2024	March 31, 2023
Trade receivables	9,802	11,014
Less: Allowance for expected credit loss	1,707	1,707
<b>Total trade receivables</b>	<b>8,095</b>	<b>9,307</b>



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## Break-up of security details:

Particulars	March 31, 2024	March 31, 2023
Secured, considered good	-	-
Unsecured, considered good	8,095	9,307
Doubtful	1,707	1,707
<b>Total</b>	<b>9,802</b>	<b>11,014</b>
Less: Impairment Allowance (allowance for expected credit loss)	1,707	1,707
<b>Total</b>	<b>8,095</b>	<b>9,307</b>

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person and from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed in note 29.

The amount of loss allowance ("lifetime" expected credit loss) has been recognised under the simplified approach for trade receivable and hence break-up of trade receivable into 'significant increase in credit risk' and 'credit impaired' has not been disclosed separately.

Refer Note 30 for the Company's policy regarding impairment allowance on trade receivables and Company's credit risk management processes.

For outstanding balances, terms and conditions relating to related party receivables refer note 29.

## The movement in allowances for expected credit loss is as follows:

Particulars	March 31, 2024	March 31, 2023
<b>Opening balance</b>	<b>1,707</b>	<b>3,196</b>
Additions	-	-
Write off (net of recovery)	-	(1,489)
<b>Closing balance</b>	<b>1,707</b>	<b>1,707</b>

The ageing schedule for outstanding trade receivables from the due date is given below:

### Year ended March 31, 2023

Particulars	Outstanding for following periods from due date						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables	5,333	1,097	961	1,744	1,806	73	<b>11,014</b>
(ii) Disputed trade receivables	-	-	-	-	-	-	-

### Year ended March 31, 2024

Particulars	Outstanding for following periods from due date						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables	1,924	3,599	2,511	712	494	562	<b>9,802</b>
(ii) Disputed trade receivables	-	-	-	-	-	-	-

## 7. Cash and bank balances

### Cash and cash equivalents

Particulars	March 31, 2024	March 31, 2023
<b>Balances with banks:</b>		
– Bank deposits with original maturity of three months or less	8,978	7,502
<b>Total</b>	<b>8,978</b>	<b>7,502</b>

Bank balances lying in various current accounts bear no interest.

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods.

## 8. Other financial assets

Particulars	March 31, 2024	March 31, 2023
<b>Other non-current financial assets</b>	-	-
<b>Other current financial assets</b>		
Unbilled revenue*	3,694	2,481
Interest accrued on deposits / investments	30	35
<b>Total other current financial assets</b>	<b>3,724</b>	<b>2,516</b>
<b>Total financial assets</b>	<b>3,724</b>	<b>2,516</b>

\*All unbilled dues are undisputed and falling under the ageing of less than six months from the date of completion of delivery of goods/services. Further, unbilled revenues are classified as financial assets as right to consideration is unconditional and is due only after passage of time.

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No other advances are due from directors or other officers of the Company either severally or jointly with any other person and from firms or private companies respectively in which any director is a partner, a director or a member except as disclosed in note 29.

Refer note 30 for the Company's policy regarding impairment allowance on other financial assets and Company's credit risk management processes.

## 9. Other Assets

Particulars	March 31, 2024	March 31, 2023
<b>Other current assets</b>		
Prepaid expenses	255	99
<b>Total other current assets</b>	<b>255</b>	<b>99</b>

## 10. Equity Share capital

### Authorized share capital

Particulars (Equity shares of INR 10 each)	Nos.	INR thousand
<b>As at April 1, 2022</b>	<b>10,000</b>	<b>100</b>
Increase/(decrease) during the year	-	-
<b>As at March 31, 2023</b>	<b>10,000</b>	<b>100</b>
Increase/(decrease) during the year	-	-
<b>As at March 31, 2024</b>	<b>10,000</b>	<b>100</b>

### Issued, subscribed and paid up equity capital

Particulars (Equity shares of INR 10 each)	Nos.	INR thousand
<b>As at April 1, 2022</b>	<b>10,000</b>	<b>100</b>
Increase/(decrease) during the year	-	-
<b>As at March 31, 2023</b>	<b>10,000</b>	<b>100</b>
Increase/(decrease) during the year	-	-
<b>As at March 31, 2024</b>	<b>10,000</b>	<b>100</b>

### Shares held by holding / ultimate holding Company / and/or their subsidiaries/associates

Out of the equity shares issued by the Company, shares held by its holding company are as below:

	March 31, 2024	March 31, 2023
<b>Holding Company</b>	<b>Nos</b>	<b>Nos</b>
Dusters Total Solutions Services Private Limited*	10,000	10,000

\* Includes 1 nominee share (March 31, 2023: 1 share) held by Rituraj Kishore Sinha

### Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share and to participate in dividends in proportion to the number of and amounts paid on the shares held. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the 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.

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

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Nos.	% holding in the class	Nos.	% holding in the class
Dusters Total Solutions Services Private Limited	10,000	100%	10,000	100%

No equity shares were issued as bonus, for consideration other than cash or bought back during the period of five years immediately preceding the reporting date.

### Details of promoter shareholding in the Company

#### Year ended March 31, 2024

S. No.	Name of the Promoter/Promoter Group	Equity shares as on April 1, 2021 (in Nos.)	% holding in the class	Equity shares as on March 31, 2023 (in Nos.)	% holding in the class	% Change during the year
<b>Promoters</b>						
1	Dusters Total Solutions Services Private Limited	10,000	100.00%	10,000	100.00%	-
<b>Total</b>		<b>10,000</b>		<b>10,000</b>		

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Year ended March 31, 2023

S. No.	Name of the Promoter/Promoter Group	Equity shares as on April 1, 2021 (in Nos.)	% holding in the class	Equity shares as on March 31, 2023 (in Nos.)	% holding in the class	% Change during the year
<b>Promoters</b>						
1	Dusters Total Solutions Services Private Limited	10,000	100.00%	10,000	100.00%	-
<b>Total</b>		<b>10,000</b>		<b>10,000</b>		

## 11. Other equity

Particulars	March 31, 2024	March 31, 2023
<b>Reserves and surplus</b>		
Retained earnings	12,977	11,281
<b>Total reserves and surplus (A)</b>	<b>12,977</b>	<b>11,281</b>
<b>Other reserves</b>		
Equity contribution by parent	20	20
<b>Total other equity (A+B)</b>	<b>12,997</b>	<b>11,301</b>

### Retained earnings

Particulars	March 31, 2024	March 31, 2023
<b>Balance at the beginning of year</b>	<b>11,281</b>	<b>8,542</b>
Net Profit / (loss) for the year	1,772	1,645
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit plans directly in retained earnings (net of taxes)	(76)	1,094
<b>Balance at the end of year</b>	<b>12,977</b>	<b>11,281</b>

### Equity contribution by parent

Particulars	March 31, 2024	March 31, 2023
<b>Balance at the beginning of year</b>	<b>20</b>	<b>20</b>
Fair value adjustment of corporate guarantee provided by parent	-	-
<b>Balance at the end of year</b>	<b>20</b>	<b>20</b>

### Nature and purpose of Reserves

#### Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company and re-measurement differences on defined benefit plans.

## 12. Provisions

Particulars	March 31, 2024		March 31, 2023	
	Non-current	Current	Non-current	Current
<b>Provision for employee benefits (refer note 21)</b>				
Gratuity	1,001	234	703	-
Leave liabilities	-	462	-	327
<b>Total</b>	<b>1,001</b>	<b>696</b>	<b>703</b>	<b>327</b>

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## 13. Borrowings

Particulars	Note	March 31, 2024	March 31, 2023
<b>Non-current Borrowings</b>		-	-
<b>Current borrowings</b>			
<b>Secured</b>			
<b>Loans repayable on demand</b>			
<b>From Banks</b>			
-RBL	a	2,292	2,682.00
<b>Total secured borrowings</b>		<b>2,292</b>	<b>2,682.00</b>
<b>Current borrowings</b>		<b>2,292</b>	<b>2,682.00</b>
Aggregate Secured borrowings		2,292	2,682.00
Aggregate Unsecured borrowings		-	-

Notes:

**Current Borrowings:**

**Loan repayable on demand:**

- a) Loan repayable on demand represents the amount outstanding against the cash credit facilities from RBL Bank Limited. The loan carry interest of 9.45% to 10.30% per annum on outstanding amount. The loans are secured by first pari-passu charge on current assets of the Company. The interest rate is variable and linked with 6month MCLR + 1.25% p.a.

## 14. Trade payables

Particulars	March 31, 2024	March 31, 2023
<b>Non-current</b>	-	-
<b>Current</b>		
<b>Trade payables</b>		
-total outstanding dues of creditors other than micro enterprises and small enterprises(MSME)	8	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	364	149
<b>Total current trade payables</b>	<b>372</b>	<b>149</b>
<b>Total</b>	<b>372</b>	<b>149</b>

The terms and conditions of the above financial liabilities are as follows:

- a. Trade payables are non-interest bearing and are normally settled on credit terms ranging from 30-90 days which vary by vendor and type of service.  
b. For outstanding balances, terms and conditions with related parties, refer to note 29.

The ageing schedule for outstanding trade payables from due date is given below:

**Year ended March 31, 2023**

Particulars	Outstanding for following periods from due date					Total
	Not due	<1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	-	-	-	-	-	-
(ii)Others	6	143	-	-	-	149

**Year ended March 31, 2024**

Particulars	Outstanding for following periods from due date					Total
	Not due	<1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	8	-	-	-	-	8
(ii)Others	303	61	-	-	-	364

There are no disputed dues during the year ended March 31, 2024 and March 31, 2023.

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Based on the information available with the Company, the amount payable to creditors who have been identified as “suppliers” within the meaning of “Micro, Small and Medium Enterprises Development (MSMED) Act, 2006” is as below:

Particulars	March 31, 2024	March 31, 2023
Principal amount and the interest [INR Nil (March 31, 2023 –Nil)] due thereon	8	-
Amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

## 15. Other financial liabilities

Particulars	March 31, 2024	March 31, 2023
<b>Non-current</b>	-	-
<b>Current</b>		
Employee benefits payable	3,010	3,144
Other payables and accruals*	596	1,542
<b>Total other current financial liabilities</b>	<b>3,606</b>	<b>4,686</b>

## 16. Financial instruments by category

Particulars	March 31, 2024			March 31, 2023		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Financial assets:</b>						
Trade receivables	-	-	8,095	-	-	9,307
Cash and cash equivalents	-	-	8,978	-	-	7,502
Other financial assets	-	-	3,724	-	-	2,516
<b>Total financial assets</b>	-	-	<b>20,797</b>	-	-	<b>19,325</b>
<b>Financial liabilities:</b>						
Trade payables	-	-	372	-	-	149
Borrowings	-	-	2,292	-	-	2,682
Other financial liabilities	-	-	3,606	-	-	4,686
<b>Total financial liabilities</b>	-	-	<b>6,270</b>	-	-	<b>7,517</b>

Fair values of assets and liabilities carried at amortized costs are as follows:

Particulars	March 31, 2024		March 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets:</b>				
Trade receivables	8,095	8,095	9,307	9,307
Cash and cash equivalents	8,978	8,978	7,502	7,502
Other financial assets	3,724	3,724	2,516	2,516
<b>Total financial assets</b>	<b>20,797</b>	<b>20,797</b>	<b>19,325</b>	<b>19,325</b>
<b>Financial liabilities:</b>				
Trade payables	372	372	149	149
Borrowings	2,292	2,292	2,682	2,682
Other financial liabilities	3,606	3,606	4,686	4,686
<b>Total financial liabilities</b>	<b>6,270</b>	<b>6,270</b>	<b>7,517</b>	<b>7,517</b>

The Company has assessed that the fair value of cash and short-term deposits, trade receivables, capital creditors, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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## Valuation processes

The finance department of the Parent includes the team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The team reports directly to the chief financial officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every 3 months, in line with the Company's quarterly reporting period. External valuer's assistance is also taken for valuation purposes where required.

The main level 3 inputs used by the Company are derived and evaluated as follows:

- Discounts rate are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.
- Risk adjustments specific to the counter parties (including assumptions about credit default rates) are derived from credit risk grading determined by the Company's internal credit management group.
- Volatility used for option pricing model is based on historical volatility of comparable companies.
- Contingent consideration – estimated based on expected cash outflows arising from the forecasted sales and the entities; knowledge of the business and how the current economic environment is likely to impact it.

## 17. Other Liabilities

Particulars	March 31, 2024	March 31, 2023
<b>Current</b>		
Statutory dues payable	1,087	1,340
<b>Total other current liabilities</b>	<b>1,087</b>	<b>1,340</b>
<b>Total other liabilities</b>	<b>1,087</b>	<b>1,340</b>

## 18. Revenue from Operations

Particulars	March 31, 2024	March 31, 2023
<b>Rendering of services</b>		
<b>Facility management services</b>		
From Housekeeping, Cleaning, Facility operation & management services	36,572	42,904
<b>Revenue from operations</b>	<b>36,572</b>	<b>42,904</b>

The Company's revenue is from rendering of services towards housekeeping, cleaning, facility operation & management services and has been recognized over the period of time from the contracts with customers, located in Indian geography.

## Contract balances:

The following table provides information about unbilled revenue from contract with customers

Particulars	March 31, 2024	March 31, 2023
<b>Opening balance</b>	<b>2,481</b>	<b>3,599</b>
Transfers from unbilled revenue, recognised at the beginning of the year, to receivables	(2,481)	(3,599)
Increase due to revenue recognised during the year, excluding amounts billed during the year	3,694	2,481
<b>Closing balance</b>	<b>3,694</b>	<b>2,481</b>

## 19. Other income

Particulars	March 31, 2024	March 31, 2023
Interest income	397	388
<b>Total</b>	<b>397</b>	<b>388</b>

## 20. Changes in inventory

Particulars	March 31, 2024	March 31, 2023
Inventory at the beginning of the year	-	79
Inventory at the end of the year	-	-
<b>Changes in inventory - (increase)/decrease</b>	<b>-</b>	<b>79</b>

## 21. Employee benefits

### a) Employee costs include:

Particulars	March 31, 2024	March 31, 2023
Salaries, wages and bonus	28,986	32,880
Contribution to provident and other funds	3,028	3,611
Gratuity expense	431	562
Leave compensation	997	1,094
Staff welfare expenses	-	25
<b>Total</b>	<b>33,442</b>	<b>38,172</b>

# ADIS Enterprises Private Limited

All in INR thousands except share data

## b) Defined contribution plans

The Company has certain defined contribution plans.

Contributions are made to provident fund for employees at the rate of 12% of the salary (subject to a limit of INR 15,000 salary per month) as per regulations. The contributions are made to a statutory provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual or constructive obligations in this regard.

Further, contributions are made in respect of Employees' State Insurance Scheme, for specified employees, at the rate of 3.25% of the gross pay as per regulations. The contributions are towards medical benefits provided by the Government to the employees. The contributions are made to employees' state insurance authorities administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual or constructive obligations in this regard.

Contributions to provident fund and employees' state insurance scheme are recognized as an expense as they become payable which coincides with the period during which relevant employee services are received. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Particulars	March 31, 2024	March 31, 2023
Expense recognised during the period towards defined contribution plans	3,028	3,611

## c) Defined benefits plans

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary, years of employment with the Company subject to completion of five years of service and other conditions. The gratuity plan is a partly funded plan and the Company makes contributions to a fund administered and operated by a reputed insurance company. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The following tables summarises the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

### Expenditure to be recognized during the year:

Particulars	March 31, 2024	March 31, 2023
Current service cost	384	477
Interest cost	47	85
<b>Total amount recognised in profit or loss</b>	<b>431</b>	<b>562</b>
<b>Remeasurements</b>		
Return on plan assets, excluding amounts included in interest income	(12)	(23)
loss/(gain) from changes in financial assumptions	2	(58)
Experience loss / (gain)	112	(1,382)
<b>Total loss / (gain) recognised in other comprehensive income</b>	<b>102</b>	<b>(1,462)</b>

### Change in present value of defined benefit obligation is summarized below:

Reconciliation of opening and closing balances of Defined Benefit Obligation	March 31, 2024	March 31, 2023
<b>Defined benefit obligation at the beginning of year</b>	<b>1,220</b>	<b>2,094</b>
Current service cost	384	477
Interest cost	71	89
Remeasurements	114	(1,439)
<b>Defined benefit obligation at the end of year</b>	<b>1,789</b>	<b>1,220</b>

### Reconciliation of fair value of plan assets:

Reconciliation of opening and closing balances of fair value of plan assets	March 31, 2024	March 31, 2023
<b>Fair value of plan assets at the beginning of the year</b>	<b>517</b>	<b>431</b>
Interest income	24	4
Remeasurements	12	23
Contribution by employer	-	60
<b>Fair value of plan assets at the closing of the year</b>	<b>553</b>	<b>517</b>

### Reconciliation of fair value of Assets and Obligations:

Reconciliation of fair value of assets and obligations	March 31, 2024	March 31, 2023
Fair value of plan assets	553	517
Present value of obligation	(1,789)	(1,220)
<b>Asset / (liability) recognized in balance Sheet</b>	<b>(1,236)</b>	<b>(703)</b>

The present value of defined benefit obligation relates to active employees only.

# ADIS Enterprises Private Limited

All in INR thousands except share data

The principal assumptions used in determining gratuity and post-employment benefit obligations for the Company's plans are shown below:

## Principal Assumptions:

Principal actuarial assumptions	March 31, 2024	March 31, 2023
Discount rate	7.15%	7.20%
<b>Future salary increase</b>	5.00%	5.00%
<i>Attrition rate</i>		
<b>Billing employees</b>	57.00%	57.00%
- Age from 21-30 years	52.00%	52.00%
- 31-40	42.00%	42.00%
- 41-50	40.00%	40.00%
- 51 & above	43.00%	43.00%

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	March 31, 2024	March 31, 2023
<b>Discount rate</b>		
0.5% increase	-1.11%	-1.18%
0.5% decrease	1.14%	1.21%
<b>Future salary increases</b>		
0.5% increase	1.15%	1.23%
0.5% decrease	-1.14%	-1.21%

The above sensitivity analysis are based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected credit unit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

## Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are market volatility, changes in inflation, changes in interest rates, rising longevity, changing economic environment and regulatory changes.

The Company has selected a suitable insurer to manage the funds in such a manner as to ensure that the investment positions are managed with an asset-liability matching framework that has been developed to achieve investments which are in line with the obligations under the employee benefit plans. Within this framework, the asset-liability matching objective is to match assets to the obligations by investing in securities to match the benefit payments as they fall due.

The insurer, on behalf of the Company, actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that failure of any single investment should not have a material impact on the overall level of assets.

## Defined benefit liability and employer contributions

The weighted average duration of the post-employment benefit plan obligations and expected maturity analysis of undiscounted gratuity benefits is as follows:

Particulars	March 31, 2024	March 31, 2023
The weighted average duration of the post-employment benefit plan obligations (in years)	2	2
Expected Contribution to the fund during the next year	786	100
<b>Maturity profile:</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Less than a year	786	475
Between 1-2 years	457	358
Between 2-5 years	683	482
Over 5 Years	202	154
<b>Total</b>	<b>2,128</b>	<b>1,469</b>

d) 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 Code has been published in the Gazette of India. The effective date of these Codes has not yet been notified and the Company will assess the impact of these codes as and when they come into effect and will provide for the appropriate impact in its financial statements in the period in which, the Code becomes effective.

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# ADIS Enterprises Private Limited

All in INR thousands except share data

## 22. Finance costs

Particulars	March 31, 2024	March 31, 2023
Interest Expense	289	82
<b>Total</b>	<b>289</b>	<b>82</b>

## 23. Depreciation and amortization expense

Particulars	March 31, 2024	March 31, 2023
Amortization of intangible assets (Note 3)	143.00	24.00
<b>Total</b>	<b>143.00</b>	<b>24.00</b>

## 24. Other expenses

Particulars	March 31, 2024	March 31, 2023
Other Direct Operating Cost	125	367
Selling expenses	-	43
Travelling and conveyance	29	138
Postage and telephone	5	11
Stationary and printing	-	2
Rent*	60	67
Insurance	5	19
Repairs and maintenance:		
- Machinery	-	29
- Others	81	5
Payments to auditors (Refer details below)	55	60
Legal and professional fees	148	117
Allowance for expected credit loss	-	(389)
Other administration and general expenses	263	1,952
<b>Total</b>	<b>771</b>	<b>2,421</b>

\* Rent expenses pertained to short-term leases and low value assets.

## Payment to Auditors

Particulars	March 31, 2024	March 31, 2023
<i>As auditor:</i>		
Statutory Audit fee (including fees for limited review)	48	48
Other services (certification fees)	7	12
<b>Total payment to auditors</b>	<b>55</b>	<b>60</b>

## 25. Earnings per share (EPS)

A reconciliation of profit for the year and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Particulars	March 31, 2024	March 31, 2023
<b>Profit attributable to equity holders of the Company :</b>		
Profit attributable to equity holders of the Company for basic earnings	1,772	1,645
Profit attributable to equity holders of the Company adjusted for the effect of dilution	1,772	1,645
Weighted average number of equity shares for basic EPS (Numbers)	10,000	10,000
<b>Effect of dilution:</b>		
<b>Weighted average number of equity shares adjusted for the effect of dilution</b>	10,000	10,000
Nominal value of equity shares (INR)	10	10
Earnings per share		
- Basic (INR)	177.20	164.50
- Diluted (INR)	177.20	164.50

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# ADIS Enterprises Private Limited

All in INR thousands except share data

## 26. Commitments and contingencies

### (a) Capital commitment

The estimated amount of contracts remaining to be executed on capital account (net of capital advance) and not provided is given below:

Particulars	March 31, 2024	March 31, 2023
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	-	-

### (b) Contingent liabilities

Particulars	March 31, 2024	March 31, 2023
Claims against the Company not acknowledged as debt:		
- Litigation matters with respect to direct & indirect taxes	-	-
Other money for which the Company is contingently liable	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

The Company records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Company reviews these provisions periodically and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. The Company believes that the amount or estimable range of reasonably possible loss, will not, either individually or in the aggregate, have a material adverse effect on its business, financial position, results of the Company, or cash flows with respect to loss contingencies for legal and other contingencies as at March 31, 2024.

Disputed claims against the Company, including claims raised by the tax authorities and which are pending in appeal /court and for which no reliable estimate can be made of the amount of the obligation, are not provided for in the accounts. However, the present obligation, if any, as a result of past events with a possibility of outflow of resources, when reliably estimable, is recognized in the accounts as an expense as and when such obligation crystallises.

## 27. Events occurring after the Balance Sheet date

There were no other significant events that occurred after the balance sheet date.

## 28. Operating segment

Particulars	March 31, 2024	March 31, 2023
Revenue from Facility management	36,572	42,904
EBITDA from Facility management	2,265	2,122

The Company is required to disclose segment information based on the 'management approach' as defined in Ind AS 108 - Operating Segments, which in how the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on the analysis of the various performance indicators. In the case of the Company, the CODM reviews the results of the Company as a whole as the Company is primarily engaged in the business of rendering facility management services in India. Accordingly, the Company is a single CGU, hence single segment Company. The information as required under Ind AS 108 is available directly from the financial statements, hence no separate disclosures have been made.

## 29. Related party transactions

### Names of related parties

**Ultimate Holding company** - SIS Limited (formerly known as Securities and Intelligence Services (India) Limited)

**Holding company** - Dusters Total Solutions Private Limited

Fellow subsidiaries	Key Management Personnel and their relatives
- SIS Business Support Services and Solutions Pvt. Ltd.	- Brajesh Kumar - Director - Bikash Mishra - Director - NGS Sanjeev Kumar - Director

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# ADIS Enterprises Private Limited

All in INR thousands except share data

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Particulars	Holding Company		Fellow subsidiaries		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Purchase of goods / receiving of services / expenses reimbursed by the Company	262	1,883	230	55	492	1,938
Sale of goods / rendering of services / expenses reimbursed by related party	515	222	-	-	515	222
Rent paid	40	60	-	-	40	60

**Balances outstanding at the end of the year: Terms and conditions of transactions with related parties**

Particulars	Holding Company		Fellow subsidiaries		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Trade payables / other payables	303	6	26	6	328	12
Trade receivables / other receivables	154	49	-	-	154	49

The sales to and purchases from, related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances at the year-end are unsecured and carry interest equivalent to market rate, where specified, in terms of the transactions, and settlement occurs in cash. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties.

### 30. Financial risk management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support the financing of the operations of its subsidiaries, joint ventures and associates. The Company's principal financial assets include trade and other receivables, cash and cash equivalents that derive directly from its operations, loans, security and other deposits.

The Company's operations expose it to market risk, credit risk and liquidity risk. The Company's focus is to reduce volatility in financial statements while maintaining balance between providing predictability in the Company's business plan along with reasonable participation in market movement. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

#### 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 mainly comprises currency risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, loans and deposits given, FVTOCI investments and derivative financial instruments.

#### 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 which arises from assets and liabilities denominated in currencies other than the functional currency of the respective entities and foreign currency revenue and cash flows. The Company's exposure to the risk of changes in foreign currency exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries. The Company has limited foreign currency transactions and has limited exposure to foreign currency assets and liabilities resulting in the foreign currency risk being low.

The exchange rate between the Indian Rupee and foreign currencies has fluctuated in recent years and may continue to do so in the future. Consequently, the results of the Company's operations may be affected as the Indian Rupee appreciates/depreciates against these currencies.

There is no foreign currency denominated financial assets and financial liabilities as at March 31, 2024 and March 31, 2023.

#### Interest rate risk

Interest rate risk primarily arises from floating rate borrowing, including various revolving and other lines of credit. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company does not have long-term borrowing at the end of the reporting period and therefore has no exposure to interest rate changes.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind-AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

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All in INR thousands except share data

## Credit risk

Credit risk arises from the possibility that counterparties may not be able to settle their obligations as agreed resulting in a financial loss. The primary exposure to credit risk arises from Trade receivables and Unbilled revenue. These are unsecured and are managed by the Company through a system of periodically assessing the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Four customers accounted for more than 10% of the accounts receivable as of March 31, 2024 (March 31, 2023: Two customers) and Four customers accounted for more than 10% of revenues for the year ended March 31, 2024 (March 31, 2023: Three customers). There is no significant concentration of credit risk. The Company uses the ECL method to assess the loss allowance for Trade receivables and Unbilled revenue taking into account primarily the historical trends and analysis of bad debts. The Company does not expect any credit risk or impairment in respect of amounts lent to its subsidiaries, associates and joint ventures, if any.

The credit risk for financial assets other than bank balances and trade receivables are considered low.

## Significant estimates and judgements

### Impairment of financial assets

The impairment provision for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history and existing market conditions. The Company estimates loss arising on trade receivables as a percentage of sales based on past trends and such loss is directly debited to revenue instead of creating a provision for impairment of receivables.

### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Surplus funds are invested in bank fixed deposits or used to temporarily reduce the balance of cash credit accounts to optimize interest costs.

### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The Company consistently generates sufficient cash flows from operations and has access to multiple sources of funding to meet its financial obligations and maintain adequate liquidity for use.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, shareholder equity, and finance leases.

The Company has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and significant portion of short-term debt maturing within 12 months can be rolled over with existing lenders. The Company believes that it has sufficient working capital and cash accruals to meet its business requirements and other obligations.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

### Year ended March 31, 2024

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	2,292	-	-	-	-	2,292
Other financial liabilities	-	3,606	-	-	-	3,606
Trade payables	-	372	-	-	-	372

### Year ended March 31, 2023

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	2,682.00	-	-	-	-	2,682.00
Other financial liabilities	-	4,686	-	-	-	4,686
Trade payables	-	149	-	-	-	149

As a matter of policy, the Company does not carry out any hedging activities.

There has been no default in servicing borrowings and/ or breaches in loan covenants.

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# ADIS Enterprises Private Limited

All in INR thousands except share data

## 31. Additional capital disclosures

For the purpose of the Company's capital management, capital includes issued equity capital, share premium, all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholder value and support its strategies and operating requirements. The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with a focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements for the Company's operations are generally met through operating cash flows generated and supplemented by long-term and working capital borrowings from banks.

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to optimise the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants to which it is subject. 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 ratio, which is Net Debt divided by EBITDA. The Company defines Net Debt as borrowings less cash and cash equivalents, excluding discontinued operations, but including bank balances and deposits irrespective of their duration / maturity.

Particulars	March 31, 2024	March 31, 2023
Borrowings (Note 13)	2,292	2,682
Cash and cash equivalents (Note 7), other bank balances and deposits (including margin money)	(8,978)	(7,502)
<b>Net Debt</b>	<b>(6,686)</b>	<b>(4,820)</b>
<b>EBITDA</b>	<b>2,265</b>	<b>2,122</b>
<b>Net debt to EBITDA ratio</b>	<b>(2.95)</b>	<b>(2.27)</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it simultaneously meets financial covenants attached to its borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any borrowing in the current period.

## Dividends

The Company declares and pays dividends in Indian rupees. According to the Companies Act, 2013 any dividend should be declared out of accumulated distributable profits. A Company may, before the declaration of any dividend, transfer a percentage of its profits for that financial year as it may consider appropriate to the reserves.

The Company has not declared or paid any dividend during the year ended March 31, 2024 and March 31, 2023.

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# ADIS Enterprises Private Limited

All in INR thousands except share data

## 32. Additional regulatory information

### (A) Financial ratios

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023
Current ratio	Current asset	Current liabilities	2.61	2.12
Debt-equity ratio	Total debt	Shareholders' equity	0.17	0.24
Debt Service Coverage ratio	Earning befor interest and taxes	Debt service *	7.35	25.67
Return on equity ratio	Net profits after taxes	Average shareholders' equity	14.46%	16.41%
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	4.20	5.80
Inventory turnover ratio	Cost of goods sold	Average inventory	-	4.78
Trade payables turnover ratio	Cost of goods sold	Average trade payables	0.36	1.52
Net capital turnover ratio	Revenue from operations	Working capital	3.15	5.21
Net profit ratio	Net profits after taxes	Revenue from operations	4.84%	3.84%
Return on capital employed	Earning befor interest and taxes	Capital employed **	32.65%	37.37%
Return on investment	The Company has no investment, hence Return on Investment ratio has not been disclosed		-	-

The effect of working capital management and increased finance cost against utilization of borrowings during the current financial year resulting to variance in ratios.

\*Debt service = Interest expense + current maturities of long-term debt

\*\* Capital employed = Total equity + Net debt

(B) The disclosures required under Division II of Schedule III have been given to the extent applicable to the Company.

As per our report of even date

**For Mahesh P. & Co.**  
Chartered Accountants  
(FRN: 105818W)

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

**Mahesh P. Ladwa**  
(Proprietor)  
Membership No. 032698

Brajesh Kumar  
Director  
(DIN: 07833562)

Bikash Mishra  
Director  
(DIN: 07900700)

Place: Mumbai  
Date: April 30, 2024

Place: New Delhi  
Date: April 30, 2024

Place: New Delhi  
Date: April 30, 2024