

Independent Auditor's Report

To the Members of Denave India Private Limited

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

Opinion

We have audited the consolidated financial statements of Denave India Private Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

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

Registered Office:

Independent Auditor's Report (Continued)

Denave India Private Limited

consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further

Independent Auditor's Report (Continued)

Denave India Private Limited

described in paragraph (a) of the section titled "Other Matters" in this audit report.

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

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

Other Matter(s)

- a. We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 559.90 million as at 31 March 2024, total revenues (before consolidation adjustments) of Rs.1,645.72 and net cash flows (before consolidation adjustments) amounting to Rs.27.40 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

All of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which has been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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

- b. The consolidated financial statements of the Group for the year ended 31 March 23 were audited by the predecessor auditor who had expressed an unmodified opinion on 6 July 2023.

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 2(B)(t) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014

Independent Auditor's Report (Continued)

Denave India Private Limited

- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of Holding Company 31 March 2024 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 33 to the consolidated financial statements.
 - b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.
 - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2024.
 - d (i) The management of the Holding Company represented to us that, to the best of their knowledge and belief, as disclosed in the Note 29 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management of the Holding Company represented to us that, to the best of their knowledge and belief, as disclosed in the Note 29 to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
 - e. The Holding Company has neither declared nor paid any dividend during the year.
 - f. Based on our examination which included test checks, the Holding Company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility

Independent Auditor's Report (Continued)

Denave India Private Limited

except in respect of maintenance of employee records wherein the accounting software did not have the audit trail feature enabled throughout the year. For accounting software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us the remuneration paid and payable during the current year by the Holding Company, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Pratima Narang

Partner

Place: Chennai

Date: 30 April 2024

Membership No.: 226898

ICAI UDIN:24226898BKHJCF8430

B S R & Co. LLP

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Denave India Private Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (xxi) According to the information and explanations given to us and based on our examination, there are no companies included in the consolidated financial statements of the Holding Company which are companies incorporated in India except the Holding Company. The Companies (Auditor's Report) Order, 2020 of the Holding Company did not include any unfavourable answers or qualifications or adverse remarks.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Pratima Narang

Partner

Place: Chennai

Date: 30 April 2024

Membership No.: 226898

ICAI UDIN:24226898BKHJCF8430

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Denave India Private Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Denave India Private Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company, as of that date.

In our opinion the Holding Company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

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Annexure B to the Independent Auditor's Report on the consolidated financial statements of Denave India Private Limited for the year ended 31 March 2024 (Continued)

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Pratima Narang

Partner

Place: Chennai

Date: 30 April 2024

Membership No.: 226898

ICAI UDIN:24226898BKHJCF8430

Denave India Private Limited

Consolidated Balance sheet as at March 31, 2024

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

	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	30.13	38.33
Other Intangible assets	4	1.41	1.53
Right-of-use assets	5	34.40	17.81
Financial assets			
- Loans	6	0.31	0.66
- Other financial assets	7	4.72	15.39
Deferred tax assets, net	13	40.68	48.75
Other tax assets, net	8	78.13	46.44
Other non-current assets	9	5.74	0.03
Total non-current assets		195.52	168.94
Current assets			
Financial assets			
- Trade receivables	10	842.81	673.33
- Cash and cash equivalents	11	386.63	339.24
- Bank balances other than cash and cash equivalents	12	160.80	142.61
- Loans	6	3.09	3.24
- Other financial assets	7	13.58	4.11
Other current assets	9	34.07	16.89
Total current assets		1,440.98	1,179.41
Total assets		1,636.50	1,348.35
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	16.81	17.88
Other equity	14	861.14	805.88
Total equity		877.95	823.76
Liabilities			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	15	12.64	8.03
Provisions	16	50.20	37.78
Total non-current liabilities		62.84	45.81
Current liabilities			
Financial liabilities			
- Lease liabilities	15	22.43	9.84
- Trade payables			
Total outstanding dues of micro enterprises and small enterprises; and	17	69.33	50.84
Total outstanding dues of creditors other than micro enterprises and small enterprises	17	170.52	98.62
- Other financial liabilities	18	303.05	195.66
Other current liabilities	19	97.52	73.56
Provisions	16	30.68	27.82
Current tax liabilities, (net)	20	2.18	22.44
Total current liabilities		695.71	478.78
Total liabilities		758.55	524.59
Total equity and liabilities		1,636.50	1,348.35

Material accounting policies

1 & 2

The notes from 1 to 40 are an integral part of these consolidated financial statements

As per our separate report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration no. 101248W/W-100022

Pratima Narang

Pratima Narang

Partner

Membership No. 226898

Place: Chennai

Date: April 30, 2024

for and on behalf of the Board of Directors of

Denave India Private Limited

CIN - U85110DL1999PTC190362

Snehashish

Snehashish Bhattacharjee

Whole-Time Director

DIN: 00188864

Place: Noida

Date: April 30, 2024

Ramaswamy Narayan

Ramaswamy Narayan

Director

DIN: 00304905

Place: Noida

Date: April 30, 2024

Denave India Private Limited

Consolidated Statement of profit and loss for the year ended March 31, 2024

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

	Note	Year ended March 31, 2024	Year ended March 31, 2023 (Restated) refer note 36
Income			
Revenue from operations	21	4,542.83	3,642.25
Other income	22	7.53	7.41
Total income		4,550.36	3,649.66
Expenses			
Employee benefits expense	23	3,112.36	2,421.46
Sub contract expenses	24	769.64	531.76
Finance costs	25	2.72	2.80
Depreciation and amortization expense	26	42.11	25.04
Other expenses	27	367.03	360.55
Total expenses		4,293.86	3,341.61
Profit before tax		256.50	308.05
Tax expense:			
Current tax			
-relating to current year	13	43.36	53.41
-relating to earlier year	13	0.88	(2.61)
Deferred tax	13	9.91	(15.28)
Total tax expense		54.15	35.52
Profit for the year		202.35	272.53
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
- Re-measurement gains/ (losses) on defined benefit plans		(7.32)	(7.96)
- Income tax effect on above	13	1.84	2.00
Items that will be reclassified to profit or loss			
- Exchange differences on translating financial statements of foreign operations		(7.13)	15.05
- Income tax effect on above		-	-
Total other comprehensive income		(12.61)	9.09
Total other comprehensive income for the year		189.74	281.62
Earnings per equity share			
(Face value of equity shares of Rs. 10/- each)			
Basic earnings per share (in Rs.)	28	11.70	15.25
Diluted earnings per share (in Rs.)	28	10.85	14.57

Material accounting policies

1 & 2

The notes from 1 to 40 are an integral part of these consolidated financial statements

As per our separate report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm's Registration no. 101248W/W-100022

for and on behalf of the Board of Directors of

Denave India Private Limited

CIN - U85110DL1999PTC190362


Pratima Narang

Partner

Membership No. 226898

Place: Chennai

Date: April 30, 2024


Snehashish Bhattacharjee

Whole-Time Director

DIN: 00188864

Place: Noida

Date: April 30, 2024


Ramaswamy Narayan

Director

DIN: 00304905

Place: Noida

Date: April 30, 2024

Denave India Private Limited
Consolidated Statement of changes in equity for the year ended March 31, 2024
(All amounts are in Millions of Indian Rupees unless otherwise stated)

A. Equity share capital		Note	Amount
Balance as at April 1, 2023		14	17.88
Changes in equity share capital due to prior period errors			-
Restated balance as at April 1, 2023			17.88
Changes in equity share capital during the year			(1.07)
Balance as at March 31, 2024		14	16.81
Balance as at April 1, 2022		14	17.88
Changes in equity share capital due to prior period errors			-
Restated balance as at April 1, 2022			17.88
Changes in equity share capital during the year			-
Balance as at March 31, 2023		14	17.88

Particulars	Reserves and Surplus				Items of other comprehensive income	Total
	General reserve	Capital redemption reserve	Employee Stock options reserve	Retained earnings		
Balances as at April 1, 2023	7.22	-	41.60	735.52	21.54	805.88
Profit for the year	-	-	-	202.35	-	202.35
Other comprehensive income for the year	-	-	-	(5.48)	(7.13)	(12.61)
Total comprehensive income for the year	7.22	-	41.60	932.39	14.41	995.62
Transactions with owners of the group						
Tax on buy-back of equity shares- Refer Note 14	-	-	-	(28.45)	-	(28.45)
Buy-back of equity shares- Refer Note 14	(7.22)	1.07	-	(115.99)	-	(122.14)
Stock Options accumulated during the year	-	-	16.12	-	-	16.12
Total transactions with owners of the group	(7.22)	1.07	16.12	(144.45)	-	(134.48)
Balances as at March 31, 2024	-	1.07	57.72	787.95	14.41	861.14
Balance as at April 1, 2022	7.22	-	22.84	468.95	6.49	505.50
Profit for the year	-	-	-	272.53	-	272.53
Other comprehensive income for the year	-	-	-	(5.96)	15.05	9.09
Stock Options accumulated during the year	-	-	18.76	-	-	18.76
Balances as at March 31, 2023	7.22	-	41.60	735.52	21.54	805.88

1 & 2

Material accounting policies
The notes from 1 to 40 are an integral part of these consolidated financial statements
As per our separate report of even date attached

for **SR & Co. LLP**
Chartered Accountants
Firms Registration no. 101248W/W-100022

Pratima Narang

Pratima Narang
Partner
Membership No. 226898

Place: Chennai
Date: April 30, 2024

for and on behalf of the Board of Directors of
Denave India Private Limited
CIN - U85110G3119999PTC190362

Snehashish Bhattacharjee

Snehashish Bhattacharjee
Whole-Time Director
DIN: 00188864

Place: Noida
Date: April 30, 2024

Place: Noida
Date: April 30, 2024

Denave India Private Limited

Consolidated Statement of cash flows for the year ended March 31, 2024

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

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flows from operating activities			
Profit before tax		256.50	308.05
Adjustment for:			
Depreciation and amortisation expense	26	42.11	25.04
Loss on sale of Assets	27	0.26	-
Interest on Income Tax refund	22	-	(2.26)
Interest income on others	22	(4.33)	(3.69)
Interest Income on unwinding of discount	22	(0.56)	(0.86)
Interest and finance charges on Employee loans	25	-	0.31
Finance costs	25	2.72	2.22
Impairment loss on financial assets and contract assets	27	6.19	6.69
Equity-settled share-based payment transactions	23	16.12	18.76
Unrealized foreign exchange (gain) / loss, net		1.13	(2.55)
Bad debts written off	27	-	(7.96)
Interest expense	25	-	0.08
Operating profit before working capital adjustments		320.14	343.83
Working capital adjustments:			
(Increase) in Trade receivables	10	(176.80)	(63.64)
(Increase)/ Decrease in Loans	6 & 22	0.52	(0.71)
(Increase)/ Decrease in financial assets	7 & 22	1.75	(91.81)
(Increase) in Other assets	9	(22.89)	(0.82)
Increase in Trade payables	17	90.54	71.78
Increase/ (Decrease) in financial liabilities	18	107.39	(18.34)
Increase/ (Decrease) in other current liabilities	19	23.96	(2.12)
Increase in provisions	16	7.96	34.38
Cash generated from operating activities		352.57	272.55
Income taxes paid, net		(96.05)	(40.79)
Net cash generated from operating activities		256.52	231.76
B. Cash flows from investing activities			
Acquisition of property, plant and equipment and other intangible assets	3&4	(14.49)	(33.23)
Proceeds from maturity of bank deposits	12	(18.19)	(119.61)
Interest received	22	5.61	4.47
Net cash used in investing activities		(27.07)	(148.37)
C. Cash flows from financing activities			
Principal payment of lease liabilities	38	(23.22)	(11.15)
Tax payment on buy-back of equity shares	14	(28.45)	-
Payment for Buy-back of equity shares	14	(123.21)	-
Finance costs paid		(0.05)	(0.08)
Net cash used in financing activities		(174.93)	(11.23)
D. Net cash flows during the year (A + B + C)		54.52	72.16
E. Cash and cash equivalents at the beginning of the year		339.24	252.41
Effect of movements in exchange rates on cash held	14	(7.13)	14.67
F. Cash and cash equivalents at the end of the year (D + E)	11	386.63	339.24



Denave India Private Limited

Consolidated Statement of cash flows for the year ended March 31, 2024

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

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Reconciliation of the cash and cash equivalents as per the cash flow statement			
Balances with banks			
- In current accounts		386.32	235.42
- In fixed deposits account		-	103.76
Cash on hand		0.31	0.06
Total		386.63	339.24

Material accounting policies

1 & 2

The notes from 1 to 40 are an integral part of these consolidated financial statements

As per our separate report of even date attached

for BSR & Co. LLP

Chartered Accountants

Firm's Registration no. 101248W/W-100022

for and on behalf of the Board of Directors of

Denave India Private Limited

CIN - U85110DL1999PTC190362



Pratima Narang

Partner

Membership No. 226898

Place: Chennai

Date: April 30, 2024



Snehashish Bhattacharjee

Whole-Time Director

DIN: 00188864

Place: Noida

Date: April 30, 2024



Ramaswamy Narayan

Director

DIN: 00304905

Place: Noida

Date: April 30, 2024

Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

1. Corporate information

Denave India Private Limited ("the Company") was incorporated on January 12, 1999. The Company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Group is located at No. 406A, Indraprastha Tower, 6, Commercial Complex, Wazirpur, New Delhi – 110052. The Group is engaged in the business of Sales Enablement & Other support and Staffing services. These consolidated financial statements comprise the Company and its subsidiaries referred to collectively as the ("Group") The Group primarily operates through its office at Noida, registered office and having offices located in different states of India. The Group is a material subsidiary of Updater Services Limited.

1A. Basis of preparation

1.1 Statement of compliance

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The consolidated financial statements have been prepared on accrual and going concern basis.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements for the year ended March 31, 2024 (including comparative figures) are authorised by the Board on April 30, 2024.

Details of the Group's accounting policies are included in note 2.

1.2 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items;

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit asset/ liability	Fair value of plan assets less present value of defined benefit obligations
Equity settled Share Based Payments	Fair value
Lease liability	Present value of remaining lease payments discounted using the lessee's incremental borrowing rate at the date of initial application
Right to Use Asset	Amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application

1.3 Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 2(4) and 38: Leases - whether an arrangement contains a lease;
- Note 2(5) and 32: Financial instruments: Classification and measurement.



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

Assumptions and estimation uncertainty

Information about assumptions and estimation uncertainties at the reporting date that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is mentioned below:-

- Note 2(2) and 2(3): Useful lives of property, plant and equipment and intangible assets;
- Note 2(6): Impairment test on financial and non-financial assets; key assumptions underlying recoverable amounts;
- Note 2(7), 2(9) and 33: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; and
- Note 2(8) and 16: measurement of defined benefit obligation; key actuarial assumptions.

1.4 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. The inputs used to measure the fair value of assets or liabilities fall into different levels of the fair value hierarchy. Accordingly, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Management uses various valuation techniques to determine fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management based on its assumptions on observable data as far as possible but where it not available, the management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (also refer note s). The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1.5 Basis of consolidation

Subsidiaries

The consolidated financial statements include the parent company and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company (a) has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to affect those returns through its power to direct relevant activities of the investee.

Relevant activities are those activities that significantly affect an entity's returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

In assessing control, potential voting rights that currently are exercisable and other contractual arrangements that may influence control are taken into account. The results of subsidiaries acquired or disposed of during the year are included in the consolidated financial statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

1.6 Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees which is also the functional currency of the holding company. All amounts have been rounded to the nearest millions, unless otherwise indicated.

1.7 Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Group at their functional currency spot rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign operations: The assets and liabilities of foreign operations (subsidiaries) including fair value adjustments arising on acquisition, if any, are translated into INR, the functional currency of the holding company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign currency translation differences are recognised in OCI and accumulated in other equity.

1.8 Current and non-current classification

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a 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 classified as current when –

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer 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.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group's normal operating cycle is twelve months.



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

2. Summary of accounting policies

These consolidated financial statements have been prepared applying material accounting policies and measurement bases summarized below.

1. Revenue recognition

The Group derives revenue primarily from sales enablement & other support and staffing services

The Group recognizes revenue when it satisfies performance obligations under the terms of its contracts, and control of its services is transferred to its customers in an amount that reflects the consideration the Group expects to receive from its customers in exchange for those services. This process involves identifying the customer contract, determining the performance obligations in the contract, determining the contract price, allocating the contract price to the distinct performance obligations in the contract, and recognizing revenue when the performance obligations have been satisfied.

Taxes assessed by a government authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Group from a customer, are excluded from Revenue from operations.

A performance obligation is satisfied over time if one of the following criteria are met:

- the customer simultaneously receives and consumes the benefits as the entity performs;
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the entity's performance does not create an asset with an alternative use to the entity, and the entity has an enforceable right to payment for performance completed to date

If control transfers over time, an entity selects a method to measure progress that is consistent with the objective of depicting its performance.

Staffing Services and Sales Enablement Services

Revenue is recognised as per the contracts with the Customer. Revenue from Staffing Services and Sales Enablement services is recognised on accrual basis on performance of the Services agreed and the Customer simultaneously receives and consumes the benefit as and when the services are rendered/milestones are completed.

The Group has adopted the 'as-invoiced' practical expedient for performance obligation satisfied over time with respect to certain fixed price contracts. It permits an entity to recognize revenue in the amount to which it has a right to invoice the customer if that amount corresponds directly with the value to the customer of the entity's performance completed to date.

Revenue from contracts with variable consideration is recognised when the amount of revenue to be recognised can be estimated to the extent that a significant reversal of any revenue will not occur.

Other Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate. Interest income is included under the head "other income" in the Statement of Profit and Loss.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

2. Property, plant and equipment

2.1 Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises:

- purchase price, including import duties and non-refundable taxes on purchase (goods and service tax, value added tax), after deducting trade discounts and rebates.
- any directly attributable cost of bringing the item to its working condition for its intended use, estimated costs of dismantling and removing the item and restoring the site on which it is located.
- The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The component of assets are capitalized only if the life of the components vary significantly and whose cost is significant in relation to the cost of the respective asset. The life of the component in assets are determined based on technical assessment and past history of replacement of such components in the assets. The carrying amount of any component accounted for as separate asset is derecognised when replaced.

Any gain/ loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

2.2 Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

2.3 Depreciation:

- a. Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values. It is recognized on a straight-line basis, over useful life of buildings and other equipment as prescribed under Schedule II of Companies Act, 2013.
- b. Depreciation on property, plant and equipment is charged over the estimated useful life of the asset or part of the asset as evaluated on technical assessment and in accordance with Part A of Schedule II to the Companies Act, 2013, on a straight-line basis.
- c. The estimated useful life of the property, plant and equipment on technical assessment followed by the Group is furnished below:

Asset category	Management estimate of useful life (in years)	Useful life as per Schedule II (in years)
Office Equipment	3	5
Furniture and fixtures	5	10
Computer and accessories	3-6	3-6
Vehicles	8	8-10

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

- d. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted, if necessary, for each reporting period.
- e. On property, plant and equipment added/ (disposed) off during the year, depreciation is charged on pro-rata basis from/ (up to) the date on which asset is ready for use/ (disposed off).



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

3. Intangible assets

3.1 Recognition and Measurement

Intangible assets having finite useful lives are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

3.2 Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in statement of profit and loss as incurred.

Intangible assets comprising of Computer Software are amortised on a straight line basis over the estimated useful life of 3 years. Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if necessary, for each reporting period.

4. Leases

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

5. Financial instruments

5.1 Recognition and initial measurement:

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the financial instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

5.2 Financial assets

5.2.1 Classification and subsequent measurement of financial assets:

For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing financial asset and contractual cash flow characteristics of financial asset at:

- Those measured at amortised cost.
- Those to be measured at Fair value through other comprehensive Income (FVTOCI)
- Those to be measured at Fair value through profit and loss (FVTPL);

a. Financial assets at amortised cost

Financial assets are measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- assets that are held within a business model where objective is to hold financial assets to collect contractual cash flows; and
- contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

These assets are measured subsequently at amortised cost using the effective interest method.

b. Financial assets at Fair Value Through Other Comprehensive Income ('OCI')

Financial assets is measured at Fair value through Other Comprehensive Income if it meets both of the following conditions and is not designated as at FVTPL:

- assets that are held within a business model where objective is both collecting contractual cash flows and selling financial assets; and
- contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to represent subsequent changes in the investment's fair value in OCI. This election is to be made on an investment-by-investment basis.

c. Financial assets at Fair Value Through profit and loss

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and the information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest, maintaining a particular interest rate profile, matching the duration of financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the Group's management
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

- how managers of the business are compensated – e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that pertains or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Investment in equity instruments in subsidiary

Investments in equity instruments in subsidiaries is carried at cost less provision for impairment, if any

5.3 Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

5.4 De-recognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

5.5 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

6. Impairment

6.1 Impairment of financial instruments

The Group recognise loss allowance for expected credit loss on financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit - impaired includes the following observable data:

- significant financial difficulty;
- a breach of contract such as a default or being past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables, loans, are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are credit losses that result from all possible default events over expected life of financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

Impairment (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group assumes that credit risk on a financial asset has increased significantly if it is past due.

The Group considers a financial asset to be in default when:

- the recipient is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is past due.

6.1.1 Measurement of expected credit losses

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

The Group provides for impairment of investment in subsidiaries. Impairment exists when there is a diminution in value of the investment and the recoverable value of such investment is lower than the carrying value of such investment. ECL impairment loss allowance (or reversal) recognized during the period is recognised as income/ expense in the Statement of Profit and Loss under the head 'Other expenses

6.1.2 Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

6.1.3 Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

6.2 Impairment of non-financial assets

The Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU if any, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine recoverable amount. Such a reversal is made only to an extent that asset's carrying amount does not exceed carrying amount that would have been determined, net of depreciation/ amortisation, if no impairment loss was recognised.



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

7. Income taxes

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss or to an item recognised directly in equity or in other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary difference between carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and /assets, and they relate to income taxes levied by same tax authority on same taxable entity, or on different tax entities, but they intend to settle such tax liabilities and assets on a net basis or its tax assets and liabilities will be realised simultaneously.

8. Post-employment benefits and short-term employee benefits

8.1 Short term employee benefit obligations:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

8.2 Post-employment obligation:

8.2.1 Defined benefit plans:

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

8.2.2 Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit or loss in the period during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

8.3 Other long-term employee benefit obligations:

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognised in profit or loss in the period in which they arise.

8.4 Share based payment arrangements

The grant date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an employee benefits expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

When the terms of an equity-settled award are modified, the minimum expense recognised by the Group is the grant date fair value of the unmodified award, provided the vesting conditions (other than a market condition) specified on grant date of the award are met.

Further, additional expense, if any, is measured and recognised as at the date of modification, in case such modification increases the total fair value of the share-based payment plan or is otherwise beneficial to the employee.



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

Group Share based payments

The group recognizes all stock-based compensation as a cost in the financial statements. Equity-classified awards are measured at the grant date fair value of the award. The group has recorded compensation expense based on estimated grant date fair value using the Black-Scholes option-pricing model and estimates the number of forfeitures expected to occur.

Stock based compensation benefits have been issued by the holding company (Updater Services Limited) and are charged back to the group.

9. Provisions and contingent liabilities

Provisions:

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Expected future operating losses are not provided for. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Onerous contract

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Group recognises any impairment loss on the assets associated with that contract.

10. Contingent liabilities:

Whenever there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liability. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

11. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are considered for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024

(All amounts are in millions of Indian Rupees, except share data and as stated)

12. Cash and cash equivalents and cash flow statement

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within three months from the date of acquisition and which are readily convertible into cash and which are subject to only an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In cash flow statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and other short- term highly liquid investments with original maturities of three months or less.

13. Segment reporting

In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated financial statements of the Group and therefore no separate disclosure on segment information is given in these consolidated financial statements.



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

3 Property, plant and equipment

Reconciliation of carrying amounts	Leasehold improvements	Furniture and Fixtures	Computers and data processing units	Vehicles	Office Equipment	Total
Cost						
Balance as at April 1, 2022	2.62	0.08	31.20	1.23	1.53	36.66
Additions	0.69	0.02	27.99	-	2.35	31.05
Disposals	(0.16)	(0.05)	(2.47)	(0.02)	(0.39)	(3.10)
Balance as at March 31, 2023	3.15	0.05	56.72	1.21	3.49	64.62
Additions	1.26	-	6.98	2.41	3.74	14.39
Disposals	-	-	(1.14)	-	(0.02)	(1.16)
Balance as at March 31, 2024	4.41	0.05	62.56	3.62	7.21	77.85
Accumulated depreciation						
Balance as at April 1, 2022	2.19	0.07	10.64	1.06	1.21	15.17
Depreciation	0.37	0.01	13.91	0.16	0.30	14.75
Disposals	(0.16)	(0.05)	(2.47)	(0.02)	(0.39)	(3.09)
Foreign exchange fluctuation/ adjustments	-	-	(0.47)	-	(0.06)	(0.53)
Balance as at March 31, 2023	2.40	0.03	21.61	1.20	1.06	26.30
Depreciation	0.27	-	19.59	0.05	1.23	21.14
Disposals	-	-	(0.43)	-	-	(0.43)
Foreign exchange fluctuation/ adjustments	-	-	0.34	-	0.36	0.70
Balance as at March 31, 2024	2.67	0.03	41.11	1.25	2.65	47.72
Carrying amounts						
As at March 31, 2023	0.75	0.02	35.11	0.01	2.43	38.33
As at March 31, 2024	1.74	0.02	21.45	2.37	4.56	30.13

Notes :

1. There are no assets pledged for borrowings.
2. Refer note 33 for Capital Commitments
3. The Group does not have any immovable property .
4. The Group does not have Capital Work in Progress and hence reporting for Overdue projects are not applicable to the group.

4 Other Intangible assets

Reconciliation of carrying amount	Computer software	Total
Cost		
Balance as at April 1, 2022	171.45	171.45
Additions	1.65	1.65
Disposals	(98.67)	(98.67)
Balance as at March 31, 2023	74.43	74.43
Additions	0.10	0.10
Disposals	-	-
As at March 31, 2024	74.53	74.53
Accumulated amortization		
Balance as at April 1, 2022	171.45	171.45
Ammortisation	0.12	0.12
Disposals	(98.67)	(98.67)
Balance as at March 31, 2023	72.90	72.90
Ammortisation	0.22	0.22
Disposals	-	-



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

As at March 31, 2024	73.12	73.12
Net block		
As at March 31, 2023	1.53	1.53
As at March 31, 2024	1.41	1.41

5 Right of use assets

Reconciliation of carrying amount	Right of use assets	Total
Cost		
Balance as at April 1, 2022	30.52	30.52
Additions	-	-
Disposals	-	-
Balance as at March 31, 2023	30.52	30.52
Additions	37.75	37.75
Disposals	-	-
Balance as at March 31, 2024	68.27	68.27
Accumulated depreciation		
Balance as at April 1, 2022	2.54	2.54
Amortization	10.17	10.17
Disposals	-	-
Balance as at March 31, 2023	12.71	12.71
Amortization	20.75	20.75
Disposals	-	-
Foreign exchange fluctuation/ adjustments	0.41	0.41
Balance as at March 31, 2024	33.87	33.87
Net block		
As at March 31, 2023	17.81	17.81
As at March 31, 2024	34.40	34.40



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Denave India Private Limited**Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)***(All amounts are in Millions of Indian Rupees unless otherwise stated)*

	As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current
6 Loans				
<i>(Unsecured, Considered good unless stated otherwise)</i>				
Loans to employees	0.31	3.09	0.66	3.24
	0.31	3.09	0.66	3.24
a) The above are interest free loans given to employees. The terms and conditions of the loans given are, prima facie, not prejudicial to the Group's interest. The repayment of principal has been stipulated and the repayments have been regular. There is no overdue amount as at the year end.				
b) There is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.				
	As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current
7 Other financial assets				
Security deposits	4.72	13.14	15.39	2.83
Interest accrued on fixed deposits	-	0.44	-	1.28
	4.72	13.58	15.39	4.11
8 Other tax assets, net				
Advance income tax, net of provision	64.27	-	32.73	-
Income tax paid under protest	13.86	-	13.71	-
	78.13	-	46.44	-
9 Other assets				
Prepaid expenses	5.73	11.59	-	15.07
Advances to suppliers	-	20.24	-	-
Balance with Government authorities	-	1.67	-	-
Staff Advance	0.00	0.49	-	-
Other Advances	-	-	-	1.61
Others	0.01	0.08	0.03	0.21
	5.74	34.07	0.03	16.89



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

	As at March 31, 2024	As at March 31, 2023
10 Trade receivables		
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	842.81	673.33
Trade receivables which have significant increase in credit risk	-	-
Trade receivables- credit impaired	15.59	8.90
Total trade receivables	858.40	682.23
Loss allowance	(15.59)	(8.90)
Net trade receivables	842.81	673.33
Of the above, trade receivables from related parties are as below:-		
Total trade receivables from related parties (refer note 34)	1.06	-
Less: Loss allowance	-	-
Net trade receivables	1.06	-
Movement in loss allowance on trade receivables		
Opening balance	8.91	0.03
Loss allowance made during the year (net)	6.19	8.88
Amount written off	-	-
Closing balance	15.10	8.91

10 (Ageing schedule

As at March 31, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from the due date of payment					More than 3 years	Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years			
Undisputed trade receivables									
(i) Considered good *	398.23	326.62	116.67	1.29	-	-	-	-	842.81
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
(iii) Credit impaired	2.01	1.38	0.90	4.88	4.90	1.49	0.03	-	15.59
Disputed trade receivables									
(i) Considered good	-	-	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-	-	-
Total	400.24	328.00	117.57	6.17	4.90	1.49	0.03	-	858.40
Less : Loss allowance	2.01	1.38	0.90	4.88	4.90	1.49	0.03	-	15.59
Net trade receivables	398.23	326.62	116.67	1.29	-	-	-	-	842.81

As at March 31, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from the due date of payment					More than 3 years	Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years			
Undisputed trade receivables									
(i) Considered good *	312.06	307.50	53.77	-	-	-	-	-	673.33
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	6.24	0.74	1.89	0.03	-	-	8.90
Disputed trade receivables									
(i) Considered good	-	-	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-	-	-
Total	312.06	307.50	60.01	0.74	1.89	0.03	-	-	682.23
Less : Loss allowance	-	-	6.24	0.74	1.89	0.03	-	-	8.90
Net trade receivables	312.06	307.50	53.77	-	-	-	-	-	673.33

11 Cash and Cash equivalents

	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.31	0.06
Balances held with banks	-	-
-on current accounts	386.32	235.42
-on Deposits with original maturity of less than three months	-	103.76
Total cash and cash equivalents	386.63	339.24

12 Bank balances other than cash and cash equivalents

Deposits with original maturity more than 3 months but less than 12 months	160.80	142.61
Total bank balance other than cash and cash equivalents	160.80	142.61



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

13 Income tax

A Amount recognized in statement of profit and loss

	Year ended March 31, 2024	Year ended March 31, 2023
Current tax (a)		
-tax relating to current year	43.36	53.41
-tax relating to earlier year	0.88	(2.61)
Deferred tax (b)		
Benefits attributable to - origination and reversal of temporary differences	9.91	(15.28)
Tax expense (a) + (b)	54.15	35.52

B Income tax recognized in other comprehensive income

Particulars	Year ended March 31, 2024			Year ended March 31, 2023		
	Amount	Tax (expense) / benefit	Net of tax	Amount	Tax (expense) / benefit	Net of tax
- Re-measurement gains on defined benefit plans	(7.32)	1.84	(5.48)	(7.96)	2.00	(5.96)
Total	(7.32)	1.84	(5.48)	(7.96)	2.00	(5.96)

C Reconciliation of effective tax rate

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	%	Amount	%	Amount
Profit before tax		256.50		308.05
Tax using the Group's domestic tax rate	25.17%	(64.56)	25.17%	77.53
Effect of:				
- Disallowance of CSR expenditure	-0.19%	(0.49)	-0.13%	(0.39)
- tax exemption in Malaysian entity	-2.05%	(5.26)	-4.89%	(15.06)
- 80JAA deduction	-4.80%	(12.31)	-2.55%	(7.85)
- Tax relating to earlier years	0.34%	0.88	-0.85%	(2.61)
= Others	2.64%	6.77	-5.23%	(16.10)
Effective tax rate / tax expense	21.11%	54.15	11.53%	35.52

D Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following

Particulars	Deferred tax assets		Deferred tax liabilities		Net deferred tax (assets) / liabilities	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment and intangible assets	7.19	6.08			7.19	6.08
Provision for employee benefits	33.49	42.67	-	-	33.49	42.67
	40.68	48.75	-	-	40.68	48.75



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

*All amounts are in Millions of Indian Rupees unless otherwise stated***13 Income tax (continued)****Movement in temporary differences for the year ended March 31, 2024**

Particulars	Balance as at April 1, 2023	Recognized in profit and loss during 2023-24	Recognized in OCI during 2023-24	Balance as at March 31, 2024
Property, plant and equipment and intangible assets	6.08	1.11	-	7.19
Provision for employee benefits and others	42.67	(11.02)	1.84	33.49
Total	48.75	(9.91)	1.84	40.68

Movement in temporary differences for the year ended March 31, 2023

Particulars	Balance as at April 01, 2022	Recognized in profit and loss during 2022-23	Recognized in OCI during 2022-23	Balance as at March 31, 2023
Property, plant and equipment and intangible assets	7.55	(1.47)	-	6.08
Provision for employee benefits and others	21.93	16.74	2.00	42.67
Total	31.47	15.27	2.00	48.75

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Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

14 Share capital and other equity	As at	
	March 31, 2024	March 31, 2023
A Equity Share Capital		
Authorised:		
5,00,00,000 (March 31, 2023 - 5,00,00,000) Equity shares of ₹ 1/- each	50.00	50.00
Issued, Subscribed and Paid up:		
1,68,06,358 (March 31, 2023 - 1,78,76,358) number of equity Shares of ₹ 1/- each fully paid	16.81	17.88
	16.81	17.88

14.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
At the commencement of the year	1,78,76,358	17.88	1,78,76,358	17.88
Add : Shares issued during the year	-	-	-	-
Less : Shares extinguished on buy back during the year (refer note below)	10,70,000	1.07	-	-
As at the end of the year	1,68,06,358	16.81	1,78,76,358	17.88

Note

The Board of Directors at its meeting held on August 04, 2023, approved a proposal to buy-back upto 1,070,000 equity shares of the Group for an aggregate consideration not exceeding INR 123.21 million, being 6 % of the total number of equity shares. The shareholders approved the same on August 16, 2023, by way of a special resolution. A letter of Offer was made to all eligible shareholders. The Group bought back 1,070,000 equity shares out of the shares that were tendered by eligible shareholders and extinguished the equity shares on September 15, 2023. Capital redemption reserve was created to the extent of share capital extinguished INR 1.07 million. The excess cost of buy-back of INR 123.21 million over par value of shares and corresponding tax on buy-back of INR 28.45 million were offset from retained earnings.

14.2 Shareholders holding more than 5% of the aggregate shares in the Group

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares held	% of holding	No. of shares held	% of holding
Updater Services Limited	1,13,04,744	67.26%	96,66,329	54.07%
Matrix Business Services India Private Limited	17,53,000	10.43%	-	0.00%
Snehashish Bhattacharjee	18,94,455	11.27%	31,63,748	17.70%
Debabrata Majumdar	9,27,044	5.52%	25,23,105	14.11%
Ramaswamy Narayan	9,27,044	5.52%	25,23,105	14.11%

14.3 Shares held by the holding company, the ultimate holding company, their subsidiaries and associates

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares held	% of holding	No. of shares held	% of holding
Updater Services Limited	1,13,04,744	67.26%	96,66,329	54.07%
Matrix Business Services India Private Limited	17,53,000	10.43%	-	0.00%

14.4 Shares held by promoters

Name of the shareholder	Equity shares		
	No. of shares held	% of total shares	% of change during the year
As at March 31, 2024			
Snehashish Bhattacharjee	18,94,455	11.27%	-6.43%
Debabrata Majumdar	9,27,044	5.52%	-8.60%
Ramaswamy Narayan	9,27,044	5.52%	-8.60%
As at March 31, 2023			
Snehashish Bhattacharjee	31,63,748	17.70%	0.00%
Debabrata Majumdar	25,23,105	14.11%	0.00%
Ramaswamy Narayan	25,23,105	14.11%	0.00%

14.5 Rights, preferences, and restrictions attached to shares

Equity Shares

The Group has a single class of equity shares having a par value of Rs. 1/- Accordingly, all equity shares rank equally with regard to dividends and share in the Group's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the Group. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

On winding up of the Group, the holders of equity shares will be entitled to receive the residual assets of the Group, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019
Equity shares bought back by the Group	-	-	-	-	-
Equity shares allotted as fully paid	-	-	-	-	-

Also refer note 14.1



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

14.6 Shares reserved for issue under Employee Stock options

Terms attached to stock options granted/ share purchase plan to employees are described in Note 35 regarding share-based payments.

14.7 Capital management

The Group's capital management objective is to ensure adequate return to the shareholder by maintaining the optimal capital structure. The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. It sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

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

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure. The Group manages its capital structure and makes adjustments, as it deems necessary, in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		As at March 31, 2024	As at March 31, 2023
Total debt		35.06	17.87
Cash and cash equivalents		547.43	481.85
Net debt	A	582.49	499.72
Total equity		877.95	823.76
Equity	B	877.95	823.76
Net debt to equity	C = (A/B)*100	62.35%	58.49%

The Group does not have any debt obligation. Hence only lease liabilities are considered in total debt

B Other Equity

a) Movement in Reserves & Surplus

i) General Reserve

	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	7.22	7.22
Add: Amount transferred from Retained earnings	-	-
Less: Buyback of shares	(7.22)	-
Balance at the end of the year	-	7.22

ii) Capital redemption reserve

Balance at the beginning of the year	-	-
Add: Amount transferred from Retained earnings	1.07	-
Balance at the end of the year	1.07	-

iii) Retained Earnings

Surplus in the Statement of Profit and Loss		
Opening balance	735.52	468.95
Add:- Profit for the year as per Statement of Profit and Loss	196.87	266.57
Less:- Tax on buy-back of equity shares	(28.45)	-
Less:- Buy-back of equity shares	(115.99)	-
Balance at the end of the year	787.95	735.52

iv) Employee stock option reserve

Balance at the beginning of the year	41.60	22.84
Add: Stock Options accumulated during the year	16.12	18.76
(Less): Stock Options exercised during the year	-	-
Balance at the end of the year	57.72	41.60

v) Foreign currency translation reserve

Balance at the beginning of the year	21.54	6.49
Add: Additions during the year	(7.13)	15.05
Balance at the end of the year	14.41	21.54

Closing balance

861.14	805.88
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Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

b) Nature and purpose of reserves:

General Reserve: General reserve is an accumulation of retained earnings of the Group, apart from the balance in the statement of profit and loss which can be utilized for meeting future obligations.

Capital redemption reserve: Balance of Capital redemption reserve represents the amount equal to the nominal value of shares bought back. The same may be utilised in accordance with the provision of Companies Act, 2013

Retained earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Employee stock option reserve: Share based payments reserves represents employee share based expense recognised in fair valuation of option expenses on ESOPs granted to employees

Foreign Currency Translation Reserve: Foreign currency translation reserve are exchange differences on translating financial statements of foreign operations.



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

	As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current
15 Lease liabilities				
Lease liabilities (also refer note 38)	12.64	22.43	8.03	9.84
	12.64	22.43	8.03	9.84
	As at March 31, 2024		As at March 31, 2023	
	Non-current	Current	Non-current	Current
16 Provisions				
Provision for employee benefits				
Provision for gratuity	39.90	27.85	31.87	21.14
Provision for compensated absences	10.30	2.83	5.91	6.68
	50.20	30.68	37.78	27.82

i) Gratuity

The following tables summarize the components of net benefit expenses recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the Gratuity.

The Group has its defined benefit gratuity plan as per the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity payable on termination of his employment at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The gratuity plan is a funded plan and the Group makes its contributions to a recognized fund in India.

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The Group obtains an actuarial valuation from an independent actuary measured using projected unit credit method to determine the liability as at the reporting dates.

	Year ended March 31, 2024	Year ended March 31, 2023
Amount recognized in statement of profit and loss	13.82	11.09
Amount recognized in other comprehensive income	7.32	7.96
	21.14	19.05

Recognized in statement of profit and loss

Current service cost	9.90	7.80
Interest cost on benefit obligation	3.92	3.29
	13.82	11.09

Recognized in other comprehensive loss

Actuarial (gains) arising from change in financial assumptions	1.94	7.96
Actuarial losses arising from change in demographic assumptions	-	-
Actuarial (gains) arising from experience adjustments	5.38	-
Actuarial loss arising from return on plan assets, excluding amount recognized in net interest expense	-	-
	7.32	7.96

	Year ended March 31, 2024	Year ended March 31, 2023
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Changes in present value of the defined benefit obligation are as follows:

Balance at the beginning of the year	53.01	45.32
Interest cost	3.92	3.29
Current service cost	9.90	7.80
Benefits paid	(6.40)	(11.36)
Actuarial (gains) on obligation	7.32	7.96
Balance at the end of the year	67.75	53.01

Principal actuarial assumptions used

	As at March 31, 2024	As at March 31, 2023
Discount rate	7.25%	7.39%
Salary escalation rate	5.50%	5.50%
Attrition rate		
- Up to 30 Years	90.00%	90.00%
- 31 - 44 years	50.00%	50.00%
- Above 44 years	40.00%	40.00%



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

16 Provisions (continued)

Sensitivities

	Year ended March 31, 2024		Year ended March 31, 2023	
	Increase	Decrease	Increase	Decrease
A. Discount rate				
> Sensitivity level	0.50%	0.50%	0.50%	0.50%
Defined benefit obligation	(0.55)	0.56	(0.43)	0.44
> Impact on defined benefit obligation	(68.30)	(67.19)	(53.45)	(52.57)
B. Salary escalation rate				
> Sensitivity level	0.50%	0.50%	0.50%	0.50%
Defined benefit obligation	0.53	(0.52)	0.41	(0.41)
> Impact on defined benefit obligation	(67.22)	(68.27)	(52.60)	(53.42)

ii) Compensated absences

The Group's net obligation in respect of Compensated absences is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method.

Bifurcation of Present value of Obligation

	As at March 31, 2024	As at March 31, 2023
Current	2.83	6.68
Non-current	10.30	5.91
	13.13	12.59

Financial assumptions

Discount rate	7.25%	7.39%
Salary Growth rate	5.50%	5.50%

17 Trade payables

	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (refer note below)	69.33	50.84
Total outstanding dues of creditors other than micro enterprises and small enterprises	170.52	98.62
	239.85	149.46

Of the above, trade payable to related parties are as below:

Trade payables due to related parties (refer note 34)	0.59	0.09
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Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act)

i) Principal amount remaining unpaid to any supplier at the end of the year;	68.70	50.39
ii) Interest due thereon remaining unpaid to any supplier at the end of the year;	0.63	0.45
iii), the amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		
iv). the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
v). the amount of interest accrued and remaining unpaid at the end of each accounting year;	0.63	0.45
vi). The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.63	0.45

The above disclosures have been provided based on the information available with the group in respect of the registration status of its vendors/suppliers.

All trade payables are 'current'. The group's exposure to currency and liquidity risks related to trade payables is disclosed in note 32.



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

17 Trade payables (continued)

17 (a) Ageing schedule

As at March 31, 2024

Particulars	Unbilled dues	Not due	Outstanding for following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues							
(i) MSME	33.73	32.97	2.17	0.45	-	-	69.32
(ii) Others	101.24	51.07	18.21	-	-	-	170.52
Disputed dues							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	134.97	84.04	20.38	0.45	-	-	239.82

As at March 31, 2023

Particulars	Unbilled dues	Not due	Outstanding for following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues							
(i) MSME	47.54	2.31	0.99	-	-	-	50.84
(ii) Others	82.81	8.02	7.79	-	-	-	98.62
Disputed dues							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	130.35	10.33	8.78	-	-	-	149.46

18 Other financial liabilities

Financial liabilities at amortized cost

	As at March 31, 2024	As at March 31, 2023
Employee benefits payable	289.27	194.90
Due to holding company (Group share based payments)	13.58	-
Others	0.20	0.76
Total	303.05	195.66

19 Other current liabilities

	As at March 31, 2024	As at March 31, 2023
Advance from customers	24.28	18.05
Deferred Interest Income	0.41	0.95
Statutory dues	72.83	54.56
Total	97.52	73.56

20 Other tax liabilities

	As at March 31, 2024	As at March 31, 2023
Provision for tax, (net)	2.18	22.44
Total	2.18	22.44

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Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

	Year ended March 31, 2024	Year ended March 31, 2023
21 Revenue from operations		
<i>see accounting policy note 2 (1)</i>		
Revenue from contracts with customers	4,542.83	3,642.25
	4,542.83	3,642.25
(i) Disaggregated revenue information		
Sales Enablement & Other support services	2,666.06	2,467.31
Staffing Services	1,876.77	1,174.94
	4,542.83	3,642.25
(ii) Timing of revenue recognition		
Services transferred over time	4,542.83	3,642.25
(iii) Revenue segment information		
India	3,495.81	2,950.60
Outside India		
Europe	110.40	174.91
Malaysia	690.21	301.32
Singapore	246.41	215.42
	4,542.83	3,642.25
(iv) Reconciliation of revenue recognised with the contracted price		
Revenue as per contracted price	4,558.47	3,642.25
Adjustments for:		
Discounts	15.64	-
Total revenue from contract with customers	4,542.83	3,642.25
(v) Contract assets		
The following disclosure provides information about receivables, contract assets and liabilities from contracts with customers		
Trade receivables (refer note 10)	842.81	673.33
Advance from customers (refer note 19)	24.28	18.05
22 Other income		
Interest Income		
- on fixed deposits	4.33	3.69
- on fair valuation of Security deposits	0.54	0.54
- on fair valuation of employee loans (Ind AS 109)	0.02	0.32
Foreign exchange fluctuation (net)	0.58	-
Other non-operating income	2.06	2.86
	7.53	7.41
23 Employee benefits expense *		
Salaries, wages and bonus	2,890.13	2,282.70
Contribution to provident and other funds (refer note below)	182.36	101.66
Share based payments to employees		
- Equity Settled [^]	26.54	21.92
Staff welfare expenses	13.33	15.18
	3,112.36	2,421.46
The Group makes contributions determined as a specified percentage of employee salaries, in respect of qualifying employees towards employee provident fund, which is defined contribution plan. The same is charged to statement of Profit and loss as and when it is accrued. The amount recognized as expense towards such provident fund contribution aggregated to Rs. 94.26 (March 31, 2023: Rs. 94.37)		
[^] Out of the share based payment expense, 16.12 million relates to the group share based payment expense and 10.42 million is on account of the holding company's share based payment expense		
24 Sub contract expenses *		
Sub contract expenses	769.64	531.76
	769.64	531.76

Note: Sub contract expenses consists to other direct costs directly relating to revenue from operations

* also refer note 36



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

	Year ended March 31, 2024	Year ended March 31, 2023
25 Finance costs		
Interest expense on financial liabilities that are not measured at fair value through profit or loss		
- on financial liabilities measured at amortized cost	0.00	0.08
- on lease liabilities	2.67	2.22
- on others	0.05	0.50
	2.72	2.80
26 Depreciation and amortization expense		
Depreciation of property, plant & equipment (refer note 3)	21.14	14.75
Amortisation of intangible assets (refer note 4)	0.22	0.12
Depreciation of Right-of-use assets (refer note 5)	20.75	10.17
	42.11	25.04
27 Other expenses*		
Legal & professional charges	26.60	29.29
Communication Expenses	22.09	21.47
Marketing Expenses	29.37	25.34
Computer Hire Charges	11.79	18.12
Licence Fee	27.09	23.87
Recruitment & Training expenses	21.87	28.32
Discount on services rendered	-	14.47
Rent	16.95	18.08
Insurance	17.52	12.35
Travelling and Conveyance	148.01	125.82
Payment to Auditors (refer note below)	2.90	2.77
Repairs & Maintenance:		
- Office	8.00	9.07
- Others	5.14	3.69
Power and Fuel	7.88	6.70
Provision for bad and doubtful debts	6.19	8.88
Miscellaneous expenses	1.98	0.61
Foreign exchange loss, (net)	-	-
Expenditure on Corporate Social Responsibility (refer note 30)	1.94	1.54
Rates & taxes	0.35	0.89
Bank Charges	0.81	0.85
Impairment loss for deposits	-	0.81
Printing & Stationery	10.29	7.61
Loss of sale of assets	0.26	-
	367.03	360.55
Note:		
Payment to Auditors		
As auditor		
Statutory audit	2.20	1.49
Tax audit	0.30	0.26
In another Capacity		
Certification matters	0.30	0.66
Taxation matters	0.10	0.06
Others	-	0.30
	2.90	2.77

* also refer note 36

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Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

31 Ratios as per the schedule III requirements:

a) Current ratio = Current assets divided by Current liabilities

Particulars	March 31, 2024	March 31, 2023
Current assets	1,440.98	1,179.41
Current liabilities	695.71	478.78
Ratio	2.07	2.46
% change from previous year	-15.9%	

Reason for change more than 25% : None

b) Debt-Equity Ratio = Total debt divided by total equity where total debt represents aggregate of current and non-current borrowings

Particulars	March 31, 2024	March 31, 2023
Total debt	35.06	17.87
Total equity	877.95	823.76
Ratio	0.04	0.02
% change from previous year	84.2%	

Reason for change more than 25% : The increase in debt equity ratio is on account of additional lease liability recognised in the current year

Note:

The Group does not have any debt obligations. Total debt includes the lease liabilities of the Group

c) Debt Service Coverage Ratio = Earnings available for debt services divided by total interest and principal repayments

Particulars	March 31, 2024	March 31, 2023
Earnings available for debt services (refer note 1 below)	301.33	335.89
Total interest and principal repayments (refer note 2 below)	23.22	11.15
Ratio	12.98	30.12
% change from previous year	-56.9%	

Reason for change more than 25% : The reduction in Debt Service Coverage ratio is on account of increase in interest on lease liability due to additional lease liability recognised due to new premises taken on lease during the year along with the impact of decrease in profits compared to last year

Note:

1. Earnings available for debt services = Profit before tax + Depreciation and amortization expense + Finance cost

2. Total interest and principal repayments = Interest payment on borrowings + Lease payments.

The Group does not have any debt obligations. Hence only lease liabilities are taken for calculation

d) Return on Equity ratio = Profit after tax divided by average shareholder's equity

Particulars	March 31, 2024	March 31, 2023
Net Profit after tax	202.35	272.53
Average shareholder's equity (refer note below)	850.86	673.52
Ratio	23.78%	40.46%
% change from previous year	-41.2%	

Reason for change more than 25% : The reduction in return on equity ratio is on account of accumulation of profits during the year

Note: Average shareholder's equity = (Total shareholder's equity as at beginning of respective year + total shareholder's equity as at end of respective year) divided by 2

f) Trade receivables turnover ratio = Sales divided by average trade receivables

Particulars	March 31, 2024	March 31, 2023
Turnover (refer note 1 below)	4,542.83	3,642.25
Average trade receivables (refer note 2 below)	758.07	495.04
Ratio	5.99	7.36
% change from previous year	-18.6%	

Reason for change more than 25% : None

Note:

1. Turnover represents revenue from operations

2. Average trade receivables = (Total trade receivables as at beginning of respective year + total trade receivables as at end of respective year) divided by 2



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

		Year ended March 31, 2024	Year ended March 31, 2023
28 Earnings per share (EPS)			
Profit attributable to equity shareholders	A	202.35	272.53
Net profit attributable to equity shareholders for basic EPS	B	202.35	272.53
Add: Employee stock option	C	-	-
Net profit attributable to equity shareholders for diluted EPS	D = A+C	202.35	272.53
Weighted average number of equity shares outstanding as at reporting date for basic EPS	E	1,72,92,988	1,78,76,358
Add: Potential equity shares	F	13,50,334	8,26,813
Weighted average number of equity shares outstanding as at reporting date for diluted EPS	G = E + F	1,86,43,322	1,87,03,171
Basic earnings per equity share (in Rs.)	E = A / B	11.70	15.25
Diluted earnings per share (in Rs.)	F = A / D	10.85	14.57

29 Other statutory information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group has not traded or invested in Crypto currency or virtual currency.
- (iii) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.
- (iv) The Group has not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - a) 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)
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vi) The Group does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vii) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period.
- (viii) The Group does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- (ix) The Group does not have any scheme of arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

30 Expenditure on corporate social responsibility (CSR)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amount spent for eligible CSR projects :		
a) Amount required to be spent by the Group during the year	1.94	1.54
b) Amount approved by the Board to be spent during the year	1.94	1.54
c) Amount spent during the year (in cash):	-	-
(i) Construction / acquisition of asset	-	-
(ii) On purposes other than (i) above	1.94	1.54
d) Shortfall at the end of the year	-	-
e) Total of previous years shortfall	-	-
f) Reason for shortfall	Not applicable	Not applicable
g) Details of related party transactions	Not applicable	Not applicable
h) Details of excess amount spent by the Group	Not applicable	Not applicable
i) Nature of CSR activities undertaken by the Group	Eradicating hunger, poverty and malnutrition	Eradicating hunger, poverty and malnutrition
j) The movements in the provision for unspent CSR (relating to ongoing project) is as follows:		
Opening balance	-	-
Amount required to be spent during the year	1.94	1.54
Amount spent during the year	1.94	1.54
Closing balance	-	-

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Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

31 Ratios as per the schedule III requirements:

g) Trade payables turnover ratio = Expenses divided by average trade payables

Particulars	March 31, 2024	March 31, 2023
Expenses (refer note 1 below)	1,130.22	2,758.66
Average trade payables (refer note 2 below)	97.33	164.12
Ratio	11.61	16.81
% change from previous year	-30.9%	

Reason for change more than 25% : The reduction in trade payables turnover ratio is on account of increase in settlement of outstanding dues of creditors in the current year compared to the previous year

Note:

- Expenses includes other expenses and sub contract expenses which are due and are payable to creditors.
- Average trade payables = (Total trade payables as at beginning of respective year + Total trade payables as at end of respective year) divided by 2

h) Net capital turnover ratio = Revenue from operations divided by workings capital

Particulars	March 31, 2024	March 31, 2023
Revenue from operations	4,542.83	3,642.25
Working capital (refer note below)	745.28	700.63
Ratio	609.55%	5.20
% change from previous year	17.3%	

Reason for change more than 25% : None

Note: Working capital = Current assets - Current liabilities

i) Net profit ratio = Net profit after tax divided by Revenue from operations

Particulars	March 31, 2024	March 31, 2023
Net profit after tax	202.35	272.53
Revenue from operations	4,542.83	3,642.25
Ratio	4.45%	7.48%
% change from previous year	-40.5%	

Reason for change more than 25% : The decrease in net profit ratio is due to reduction of net profit during the current year despite the increase in revenue

j) Return on capital employed / investments = Earnings before interest and taxes (EBIT) divided by capital employed

Particulars	March 31, 2024	March 31, 2023
Earnings before interest and taxes (refer note 1 below)	259.22	310.85
Capital employed (refer note 2 below)	913.02	841.63
Ratio	28.39%	36.93%
% change from previous year	-23.1%	

Reason for change more than 25% : None

Note:

- EBIT = Profit before taxes + finance cost
- Capital employed = Total equity + Lease liabilities

k) Return on investments = Income generated from invested funds divided by Average invested funds in treasury investments

Particulars	March 31, 2024	March 31, 2023
Income generated from invested funds	4.33	3.69
Invested funds in treasury investments	160.80	142.61
Ratio	2.69%	2.59%
% change from previous year	4.2%	

Reason for change more than 25% : None

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Denave India Private Limited
Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)
(All amounts are in Millions of Indian Rupees unless otherwise stated)

32 Financial instruments - Fair values and risk management

A Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Particulars	Note	March 31, 2024		March 31, 2023		
		FVTPL	FVOCI Amortized cost	FVTPL	FVOCI Amortized cost	Total
Financial assets						
Loans	6	-	3.40	-	3.90	3.90
Other financial assets	7	-	18.30	-	19.50	19.50
Trade receivables	10	-	842.81	-	673.33	673.33
Cash and cash equivalents	11	-	386.63	-	339.24	339.24
Bank balance other than cash and cash equivalents	12	-	160.80	-	142.61	142.61
Total financial assets		-	1,411.94	-	1,178.58	1,178.58
Financial liabilities						
Lease liabilities	15	-	35.06	-	17.87	17.87
Trade payables	17	-	239.85	-	149.46	149.46
Other Financial liabilities	18	-	303.05	-	195.66	195.66
Total financial liabilities		-	577.96	-	362.99	362.99

Fair value measurement hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

32 Financial instruments - Fair values and risk management (continued)

B Accounting classification and fair values (continued)

This section explains the judgements and estimates made in determining the fair values of the consolidated financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Particulars	Note	March 31, 2024			March 31, 2023				
		Carrying amount	Fair Value			Carrying amount	Fair Value		
			Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets #									
Loans	6	3.40	-	-	3.90	-	-	-	-
Other financial assets	7	18.30	-	-	19.50	-	-	-	-
Trade receivables	10	842.81	-	-	673.33	-	-	-	-
Cash and cash equivalents	11	386.63	-	-	339.24	-	-	-	-
Bank balance other than cash and cash equivalents	12	160.80	-	-	142.61	-	-	-	-
Total financial assets		1,411.94	-	-	1,178.58	-	-	-	-
Financial liabilities #									
Lease liabilities	15	35.06	-	-	17.87	-	-	-	-
Trade payables	17	239.85	-	-	149.46	-	-	-	-
Other Financial liabilities	18	303.05	-	-	195.66	-	-	-	-
Total financial liabilities		577.96	-	-	362.99	-	-	-	-

For those financial assets and liabilities, which are not carried at its fair value, disclosure of fair value is not required as the carrying amounts approximates the fair values.



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

32 Financial instruments - Fair values and risk management (continued)

C Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Market risk
- Credit risk
- Liquidity risk

Financial risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Group's risk management policies. The Group's senior management advises on financial risks and the appropriate financial risk governance framework for the Group.

The Group's risk management policies established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through establishment of standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's board of directors oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The board of directors are assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the board of directors.

The Group's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, loans, cash and cash equivalents and balances with banks that is derived directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

The sources of risks which the group is exposed to and their management is given below:

a) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency receivables, payables and borrowings. The Group is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which arise from operating activities.

i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the import of services such as management fee etc.,

Currency risk (foreign exchange risk) arises on financial instruments that are denominated in a foreign currency, i.e. in a currency other than the functional currency in which they are measured. For the purpose of Ind AS, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

The Group's revenue and net investment in subsidiaries are in foreign currency, as a result there is exposure to the risk of changes in foreign exchange rates. The Group uses derivative financial instruments wherever applicable, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates in respect of its forecasted cash flows and trade receivables.

Below is the summary of unhedged foreign currency exposure of Group's financial assets and liabilities.

Not hedged by derivative instruments	As at March 31, 2024		As at March 31, 2023	
	Foreign currency	INR	Foreign currency	INR
Receivables				
USD	3,64,500	30.38	6,78,445	54.69
	3,64,500	30.38	6,78,445	54.69
Payables				
USD	642	0.05	-	-
SGD	-	-	-	-
GBP	-	-	-	-
	642	0.05	-	-

Foreign currency sensitivity

The following table illustrates the sensitivity of profit and equity with respect to the Group's financial assets and financial liabilities and in relation to the fluctuation in the respective currencies 'all other things being equal'.

If the Indian Rupee had strengthened/ weakened against the respective currency by 1% during the year ended March 31, 2024 (March 31, 2023: 1%), then this would have had the following impact on profit before tax & equity:

The sensitivity analysis is based on the Group's foreign currency financial instruments held at each reporting date.

Particulars	Strengthening		Weakening	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Increase/ (decrease) in profit and equity	0.61	0.55	0.61	(0.55)



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

32 Financial instruments - Fair values and risk management (continued)

C Financial risk management (continued)

ii) Interest rate risk

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 group is not exposed to interest rate risk as the group does not have any debt obligations

b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. The Group is exposed to credit risk from its operating activities (primarily trade receivables)

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including end-user customers, their geographic location, industry, trading history with the customer groups and existence of previous financial difficulties. With respect to other financial assets, the Group does not expect any credit risk against such assets except as already assessed.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. The Group has adopted a practical measure of computing the expected credit loss allowance for trade receivable and other financial assets, which comprise large number of small balances, based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information including consideration for increased likelihood of credit risk. Further, the Group also makes an allowance for doubtful debts on a case to

Exposure to credit risk:

The Group's always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix under simplified approach. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due. Based on internal assessment which is driven by the historical experience and current facts available in relation to pattern of collection thereof, the credit risk for these trade receivables is considered low.

The Group's allocates each exposure to a credit risk grade based on the historic trend of receivables movement between the aging buckets. The loss rates are calculated based on the simple average of the trend in receivable ageing.

Aging Period	Average loss rate	
	31-Mar-24	31-Mar-23
0-90 days	0.16%	0.16%
90-180 days	0.34%	0.34%
180-270 days	100.00%	100.00%
270-360 days	100.00%	100.00%
More than 360 days	100.00%	100.00%

c) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors Group's liquidity position through rolling forecasts on the basis of expected cash flows.

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

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date

Particulars	Carrying amount	Total cash outflows	Less than 1 year	More than 1 year
As at March 31, 2024				
Lease liabilities	35.06	35.06	22.43	12.64
Trade payables	239.85	239.85	239.85	-
Other Financial liabilities	303.05	303.05	303.05	-
Total	577.96	577.96	565.33	12.64
As at March 31, 2023				
Lease liabilities	17.87	17.87	9.84	8.03
Trade payables	149.46	149.46	149.46	-
Other Financial liabilities	195.66	195.66	195.66	-
Total	362.99	362.99	354.96	8.03

D Offsetting financial assets and financial liabilities

The Group does not have any financial instruments that are offset or are subject to enforceable master netting arrangements and other similar agreements



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

33 Contingencies and commitments

	As at March 31, 2024	As at March 31, 2023
a) Contingent liabilities		
- Claims against the group not acknowledged as debt;		
(i) Income Tax demands	34.70	34.70
(iii) Profession tax demands	0.60	0.60
	<u>35.30</u>	<u>35.30</u>
<p>(i) The Hon'ble Supreme Court in its ruling dated February 28, 2019 held that the allowances paid to employees are essentially a part of the basic wage, which are necessarily and ordinarily paid to all employees and are to be treated as wages for the purpose of (PF) Provident Fund contribution, with fewer exception to the same. Based on legal advice, considering that the PF authorities has not commenced any proceedings claiming contribution on allowances for prior or subsequent periods and considering interpretative challenges surrounding the retrospective application of the judgement and absence of reliable measurement of provisions relating to earlier periods, this matter has been considered for evaluation of contingent liability.</p> <p>(ii) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in these consolidated financial statements.</p>		
b) Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1.15	5.12

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Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

34 Related party disclosures

(I) Where control exists:

(A) Holding company

Updater Services Limited

(B) Fellow subsidiaries

- (1) Avon Solutions & Logistics Private Limited
- (2) Matrix Business Services India Private Limited
- (3) Washroom Hygiene Concepts Private Limited

(II) Key Management Personnel (KMP)

(A) Managing Director / Executive Directors / Chief Financial Officer / Company Secretary/ Manager

- (1) Mr Snehashish Bhattacharjee- Wholetime Director
- (2) Mr Debabrata Majumdar- Wholetime Director
- (3) Mr Ramaswamy Narayan- Nominee Director
- (4) Surinder Kumar- Chief Financial Officer
- (5) Shelly Sharma- Company Secretary

(B) Non-executive directors

- (1) Mr. Raghunandana Tangirala- Nominee Director
- (2) Mr. Balaji Swaminathan-Nominee Director (till December 31, 2023)
- (3) Mr. Saravanan Ramachandran Chittary-Nominee Director
- (4) Mr. Pondicherry Chidambaram Balasubramanian-Nominee Director
- (5) Mr.Subinder Jeet Singh Khurana- Independent Director
- (6) Mr.Sunil Rewachand Chandiramani- Independent Director
- (7) Mr.Elizabeth Jacob - Nominee Director (w.e.f September 28, 2023)
- (8) Mr.Jigyasa Sharma- Nominee Director (w.e.f January 31, 2024)

(C) Relatives of KMP

- (1) Mr. Debashish Bhattacharya



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

34 Related party disclosures (continued)

(III) Transactions with related parties referred in (I) and (II) above, in the ordinary course of business:

Particulars	March 31, 2024	March 31, 2023
Revenue from rendering services		
Updater Services Limited	0.90	-
Matrix Business Services India Private Limited	-	0.65
Washroom Hygiene Concepts Pvt Ltd	0.06	-
Stock options issued to employees of the group		
Updater Services Limited	10.42	3.16
Management Fees / Purchase of Services		
Avon Solutions & Logistics Pvt. Ltd.	8.09	-
Matrix Business Services India Private Limited	0.33	0.24
Debashish Bhattacharya	1.20	1.20
Compensation of key management personnel of the group:		
Short-term employee benefits		
Salary and allowances	8.87	23.06
Contribution to Provident fund (defined contribution)	0.56	1.31
Independent Directors Sitting Fee	0.78	0.45

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

(IV) Balance outstanding as at the year end:

Particulars	March 31, 2024	March 31, 2023
Trade Payables		
Updater Services Limited (Group Share based payments)	13.58	3.16
Matrix Business Services India Private Limited	0.07	0.09
Avon Solutions & Logistics Pvt Ltd	0.52	-
Trade Receivable		
Updater Services Limited	1.06	-
Employee benefits Payable		
Mr. Debashish Bhattacharya	0.11	0.10
Mr Snehashish Bhattacharjee	0.46	0.01

(V) Terms and conditions of transactions with related parties

Transactions with related parties are at arm's length and all the outstanding balances are unsecured.



Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

35 A Share-based payments:

The Group's Employee stock option plan-2018 "ESOP-2018" came into effect from 01st March, 2018. It was approved by the Board of Directors (the Board) in the meeting held on 01st March, 2018, and by the members of the Group in the Extra Ordinary General Meeting held on March 1, 2018 and further modified vide Board resolution dated 4th April, 2018; 30th January, 2020 and 31st December 2020.

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

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

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

When exercisable, each option is convertible into one equity share. All the options shall be exercised within the exercise period of 84 months from the date of vesting by paying in full the stipulated exercise price per share after which any unexercised options will lapse. The expense recognised (net of reversal) for share options during the year is March 31, 2024 INR 16.11 Mn (March 2023: INR 18.77)

A. Details of ESOP 2018/2021

Particulars	2017-18	2017-18	2018-19	2020-21	2020-21	2021-22	2022-23
	Block-I	Block-II	Block-I	Block-I	Block-II	Block-I	Block-I
Date of grant	10-Mar-18	30-Apr-18	30-Apr-18	22-Apr-20	30-Dec-20	30-Apr-21	18-Aug-22
Number granted	2,97,750	2,97,750	2,37,987	47,975	2,35,000	1,37,000	7,47,000
Surrendered	37,975	-	-	-	-	-	-
Fresh Grant	-	-	-	-	-	-	-
Total	2,59,775	2,97,750	2,37,987	47,975	2,35,000	1,37,000	7,47,000
Exercise price (in ₹)	1	1	1	1	1	1	1
Vesting period	1 year	1 year	1-3 years	1-3 years	1-3 years	1-3 years	1-4 years
Vesting 25%	10-Mar-19	30-Apr-19	30-Apr-19	22-Apr-21	30-Dec-21	30-Apr-22	
Vesting 25%	10-Mar-20	30-Apr-20	30-Apr-20	22-Apr-22	30-Dec-22	30-Apr-23	Refer note 5 below
Vesting 50%	10-Mar-21	30-Apr-21	30-Apr-21	22-Apr-23	30-Dec-23	30-Apr-24	
Vesting conditions	There shall be a period of one year between the date of grant of Options and the vesting of Options. The vesting is subject to other vesting conditions as per ESOP 2018/2021 as amended from time to time.						
Method of settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Modification in terms	Refer note 1 below	Refer note 1 below	Refer note 2 below	Refer note 3 below	Refer note 4 below	Nil	Nil

Notes:

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

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

a. 50% of the options will vest to the employees after one year from the date of acceptance of the offer, 25% after two years from the date of acceptance of the offer and 25% after three years from the date of acceptance of the offer
b. One year from the date of acceptance of the offer by the Compensation committee for one employee considering that the said change is not detrimental to the interest of the participating employees.

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

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

5. Vesting period is 10% at the end of first year, 15% at the end of second year, 15% at the end of third year and 60% at the end of fourth year.

B. Movement in the options granted to employees

Particulars	Number of options	
	As at	As at
	March 31, 2024	March 31, 2023
Outstanding at the beginning of the year	14,59,870	7,12,870
Options granted during the year	-	7,47,000
Weighted average exercise price per option(₹)	-	1
Options exercised during the year	-	-
Options lapsed during the year	(1,00,000)	-
Options surrendered during the year	-	-
Outstanding at the end of the year	13,59,870	14,59,870
Exercisable at the end of the year	7,09,070	4,56,370

C. Fair value of options granted

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

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Exercise price	1	1
Expected volatility	23.29%	23.29%
Expected dividend yield (%)	-	-
Risk free interest rates	6.52%	6.52%
Expected life of the option	7 years	7 years
Weighted average share price	72.54	72.54
Fair Value of the Option	71.54	71.54

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Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

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

35 B Share based payments- Holding company options

Employee stock option plan 2022

The shareholders of Updater services Limited (Holding company) approved Employee Stock Option Schemes "Updater Employee Stock Option Plan 2022" ("ESOP 2022 Plan") on December 3, 2022. The primary objective of the above schemes is to reward certain employees of holding Company and its subsidiaries for their association, dedication and contribution to the goals of the Holding Company.

Under the Scheme, 315,000 options were granted to the certain employees at an exercise price of INR300/- in multiple tranches. The options issued under the plan has a term of 1- 4 years as provided in the stock options grant letter and vest based on the tenure served by such employees.

The Holding Company had granted certain options during the previous year to such employees which vest based on non-market linked performance conditions related to the Group over a 4 year period which is stipulated in the respective grant letters issued to the employees. The performance conditions has been communicated to respective employees. Further, the Plan also provides ability for the employee to catch up any unvested options for a particular Tranche in the next year provided the performance conditions specified for the next financial year are achieved.

When exercisable, each option is converted into one equity share of Face value of INR 10/- each fully paid up. Management has estimated and had also considered future projections in determining the number of options expected to be tested and has accounted for the ESOP expense accordingly.

The expense recognised for share options during the year ended March 31, 2024 is INR 10.42 million (March 31, 2023: INR 3.16). This amount will be paid by the Group to its holding Company in connection with the ESOP plan.

A. Details of ESOP 2022

Particulars	Tenure based	Performance based	Tenure based	Performance based
	Tranche- T1	Tranche- E1	Tranche- T2	Tranche- E2
Date of grant	16-Dec-22	16-Dec-22	04-Mar-23	04-Mar-23
Number granted	1,50,996	1,51,004	6,500	6,500
Surrendered	-	-	-	-
Fresh Grant	-	-	-	-
Total	1,50,996	1,51,004	6,500	6,500
Exercise price (in ₹)	300	300	300	300
Vesting period	4 years	4 years	4 years	4 years
	Graded vesting	Graded vesting	Graded vesting	Graded vesting
Vesting conditions	Service condition- Tenure based	Performance condition- EBITDA	Service condition- Tenure based	Performance condition- EBITDA
Method of settlement	Equity- Settled	Equity- Settled	Equity- Settled	Equity- Settled
Method of valuation	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes

B. Movement in the options granted to employees

Particulars	Number of options	
	As at March 31, 2024	As at March 31, 2023
Outstanding at the beginning of the year	3,15,000	-
Options granted during the year	-	3,15,000
Weighted average exercise price per option(₹)	300	300
Options exercised during the year	-	-
Options surrendered during the year	-	-
Outstanding at the end of the year	3,15,000	3,15,000
Exercisable at the end of the year	-	-

C. Fair value of options granted

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

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Exercise price	300	300
Expected volatility	41.50%	41.50%
Expected dividend yield (%)	-	-
Risk free interest rates	7.43%	7.43%
Expected life of the option	2- 3.5 years	2- 3.5 years
Weighted average share price	INR 293.45/- INR 82.59/- to INR 113.83/-	INR 293.45/- INR 82.59/- to INR 113.83/-
Fair Value of the Option		

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Denave India Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)

(All amounts are in millions of Indian Rupees, except share data and as stated)

36 Restatement

During the year, the Group has elected to present the amounts disclosed under Cost of services comprising of salaries, wages and bonus and subcontractor expenses grouped under Employee Benefits Expense and Other expenses respectively to facilitate better presentation and in line with the requirements of Schedule III. This has resulted in restatement of the affected financial statement line items for the year ended 31 March 2023 in the Statement of Profit and Loss. The reclassification does not have an impact on the profit and retained earnings for the year ended and as at March 31, 2023

	Year ended March 31, 2023		
	Previously reported balance	Re-classification	Restated balances
A Reconciliation of total comprehensive income for the year ended March 31, 2023			
Income			
Revenue from operations	3,642.25	-	3,642.25
Other income	7.41	-	7.41
Total income	3,649.66	-	3,649.66
Expenses			
Cost of Services	2,657.80	(2,657.80)	-
Sub Contract Expenses	-	531.76	531.76
Employee benefits expense	453.61	1,967.85	2,421.46
Finance costs	2.80	-	2.80
Depreciation and amortization expenses	25.04	-	25.04
Other expenses	202.36	158.19	360.55
	3,341.61	0.00	3,341.61
Profit before tax	308.05	(0.00)	308.05
Tax expense			
Current tax	53.41	-	53.41
Tax relating to earlier years	(2.61)	-	(2.61)
Deferred tax	(15.28)	-	(15.28)
Total tax expense	35.52	-	35.52
Profit for the year	272.53	-	272.53
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Re-measurement gains / (losses) on defined benefit plans	(7.96)	-	(7.96)
- Income tax effect on above	2.00	-	2.00
Total other comprehensive income	(5.96)	-	(5.96)
Total comprehensive income for the year	266.57	-	266.57
Earnings per equity share			
(Face value of equity shares of Rs. 10/- each)			
Basic earnings per share (in Rs)	6.49	-	15.25
Diluted earnings per share (in Rs)	6.22	-	14.57

Notes:

Adjustments

a The following is the reclassification from Cost of Services to the respective captions of the Profit and Loss account basis the schedule III disclosure

Particulars	Year ended March 31, 2023		
	Previously reported balance	Adjustments Re classification	Restated balances
Profit before taxes	308.05	-	308.05
Retained earnings	735.52	-	735.52

- b There is no impact on the Balance sheet for the Group as at March 31, 2023
c There is no impact on the Statement of cash flows of the Group for the year ended March 31, 2023



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024 (continued)

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

37 a) GROUP INFORMATION

Information about subsidiaries

The Group's subsidiaries as at March 31, 2024 and March 31, 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the company	Principal activities	Country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests	
			31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Denave India Private Limited, Chennai	Sale of staffing and sales enablement services	India	100%	100%	0%	0%
Denave (M) Sdn. Bhd. Malaysia	Sale of staffing and sales enablement services	Malaysia	100%	100%	0%	0%
Denave SG Pte Limited	Sale of staffing and sales enablement services	Singapore	100%	100%	0%	0%
Denave Europe Limited	Sale of staffing and sales enablement services	United Kingdom	100%	100%	0%	0%
Denave Pte Limited*	Sale of staffing and sales enablement services	Singapore	0%	100%	0%	0%

* Denave Pte Limited had been amalgamated with Denave SG Pte Limited with effect from May 1, 2023.



Denave India Private Limited

Notes to consolidated financial statements for the year ended March 31, 2024 (continued)

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

37 b) Additional information, as required under schedule III to the Companies Act, 2013 of entities consolidated as subsidiaries, joint ventures and associates

S No.	Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As a % of consolidated net assets	Amount	As a % of consolidated profit or (loss)	Amount	As % of consolidated other comprehensive	Amount	As % of consolidated total comprehensive income	Amount
	Parent company								
1	Denave India Private Limited, India								
	Balance as at March, 31, 2024	61.91%	543.55	81.62%	165.15	43.43%	(5.48)	84.15%	159.67
	Balance as at March 31, 2023	63.12%	519.92	42.58%	116.05	-65.57%	(5.96)	39.09%	110.09
	Foreign subsidiaries								
2	Denave (M) Sdn. Bhd. Malaysia								
	Balance as at March, 31, 2024	21.22%	186.33	10.33%	20.91	74.72%	(9.43)	6.05%	11.48
	Balance as at March 31, 2023	21.23%	174.87	23.02%	62.74	66.45%	6.04	24.42%	68.78
3	Denave SG Pte Limited, Singapore								
	Balance as at March, 31, 2024	13.89%	121.93	6.83%	13.81	1.42%	(0.18)	7.19%	13.64
	Balance as at March 31, 2023	0.01%	0.12	0.04%	0.12	0.11%	0.01	0.04%	0.13
4	Denave Europe Limited, United Kingdom								
	Balance as at March, 31, 2024	8.14%	71.46	1.74%	3.53	(19.65%)	2.48	3.17%	6.01
	Balance as at March 31, 2023	7.95%	65.45	14.32%	39.02	22.44%	2.04	14.58%	41.06
6	Denave Pte Limited, Singapore								
	Balance as at March, 31, 2024	-	-	-	-	-	-	-	-
	Balance as at March 31, 2023	13.24%	109.03	20.21%	55.09	(55.89%)	7.05	22.07%	62.14
7	Sub total								
	Balance as at March, 31, 2024	105.16%	923.28	100.52%	203.40	99.92%	(12.60)	100.56%	190.80
	Balance as at March 31, 2023	105.54%	869.40	100.18%	273.02	100.00%	9.09	100.21%	282.20
6	Less : Effect of inter company adjustments / eliminations								
	Balance as at March, 31, 2024	(5.16%)	(45.32)	(0.52%)	(1.05)	0.08%	(0.01)	(0.56%)	(1.06)
	Balance as at March 31, 2023	(5.54%)	(45.64)	(0.18%)	(0.49)	-	-	(0.21%)	(0.58)
7	Total								
	Balance as at March, 31, 2024	100.00%	877.95	100.00%	202.35	100.00%	(12.61)	100.00%	189.74
	Balance as at March 31, 2023	100.00%	823.76	100.00%	272.53	100.00%	9.09	100.00%	281.62



Denave India Private Limited**Notes to Consolidated financial statements for the year ended March 31, 2024 (continued)***(All amounts are in Millions of Indian Rupees unless otherwise stated)***38 Leases**

The group has taken various premises including offices, flats and other assets under lease for which lease agreements are generally cancellable in nature and are renewable by mutual consent on agreed upon terms

The following are the disclosures that has been made pursuant to Ind AS 116 requirements

(i) Right of use assets

Refer note 5 for detailed break-up of right of use assets and depreciation thereon.

(ii) Lease liabilities

	As at March 31, 2024	As at March 31, 2023
Lease liabilities		
Non-current	12.64	8.03
Current	22.43	9.84
Maturity analysis - contractual undiscounted cash flows		
Not later than one year	22.76	11.15
Later than one year and not later than five years	14.30	8.36
More than five years	-	-
Total undiscounted lease liabilities	37.06	19.51
	Year ended March 31, 2024	Year ended March 31, 2023
(iii) Amounts recognized in profit or loss		
Interest on lease liabilities	2.67	2.22
Amortization of right of use assets	20.75	10.17
Expenses relating to short-term leases	16.95	18.08
(iv) Amounts recognized in the statement of cash flows		
Total cash outflow towards lease payments (excluding short-term leases)	23.22	11.15
(v) Reconciliation of Movements of liabilities to cash flows arising from financing activities		
Balance as on April 1, 2023		17.87
Additions during the year		37.75
Interest		2.67
Rental payments		(23.22)
Balance as on March 31, 2024		35.07
Balance as on April 1, 2022		26.79
Interest		2.22
Rental payments		(11.14)
Balance as on March 31, 2023		17.87

39 Transfer pricing

The Group has transactions with related parties. For the financial year ended March 31, 2023, the Group has obtained the Accountant's report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act, 1961 and has filed the same with the tax authorities. For the year ended March 31, 2024, the Group maintains documents as prescribed by the Income-tax Act to prove that these transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the consolidated financial statements, particularly on the amount of tax expense and that of provision for taxation.

40 Events after the reporting period

There are no significant subsequent events that have occurred after the reporting period till the date of these consolidated financial statements.

As per our separate report of even date attached

for **BSR & Co. LLP**
Chartered Accountants

Firm's Registration no. 101248W/W-100022

Pratima Narang

Pratima Narang

Partner

Membership No. 226898

Place: Chennai

Date: April 30, 2024

for and on behalf of the Board of Directors of

Denave India Private Limited

CIN - U85110DL1999PTC190362

Snehashish
Snehashish Bhattacharjee
Whole-Time Director
DIN: 00188864

Rajawamy
Rajawamy Narayan
Director
DIN: 00304905

Place: Noida
Date: April 30, 2024

Place: Noida
Date: April 30, 2024

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