Sri Moookambika Infosolutions Private Limited

Special Purpose Balance Sheet as at 31 March 2023

All amounts are in ₹ lakhs, unless otherwise stated

Particulars	Note no.	As at 31 March 2023
A Assets		
1. Non-current assets		
(a) Property, plant and equipment	3	166
(b) Capital work-in-progress		-
(c) Intangible assets		-
(d) Investment Property		-
(e) Financial assets		
(i) Loans		
(ii) Other financial assets	4	40
(f) Deferred tax asset (net)	5	173
(g) Non current tax assets (net)		-
(h) Other non-current assets	6	26
		405
2. Current assets		
(a) Financial assets		
(i) Trade receivables	7	1,303
(ii) Cash and Cash equivalents	8	99
(iii) Bank balances other than (iii) above	9	743
(iv) Loans	10	900
(v) Other financial assets	4	30
(b) Other current assets	6	103
		3,178
TOTAL		3,583
B Equity and liabilities		
I Equity		
1. Equity share capital	11	10
2. Other equity	12	2,482
		2,492
II Liabilities		
1. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	13	-
(ii) Other financial liabilities	14	-
(b) Provisions	15	236
(c) Other non-current liabilities	16	-
		236
2. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	13	-
(ii) Trade payables	17	
Total outstanding dues of Micro Enterprises and Small Enterprises		-
Total outstanding dues of creditors other than Micro Enterprises and		8
(iii) Other financial liabilities	14	446
(b) Provisions	15	68
(c) Current tax liabilties (net)	18	218
(d) Contract liabilities	19	4
(e) Other current liabilities	16	111
		855
TOTAL		3,583

See accompanying notes forming part of the financial statements

In terms of our report attached
For J A A & Associates
Chartered Accountants
Firm Regn No. 013699S

For and on behalf of the Board of Directors

Aradhana Ashok
Partner
Membership No. 214452
UDIN:23214452BGXQBA1570

Venkatraman N.
Director
(DIN:01856347)

Praveen Kumar Darshankar
Director
(DIN: 06641952)

JAA & ASSOCIATES FRN No.: 013699S Chartered Accountants

Place: Bengaluru, India
Date: 06th May 2023

Sri Moookambika Infosolutions Pvt Ltd

Speical Purpose Statement of Profit and Loss for the period 1 January 2023 to 31 March 2023

All amounts are in ₹ lakhs, unless otherwise stated

Particulars	Note no.	For the Period 1 January 2023 to 31 March 2023
Income		
1. Revenue from operations	20	2,053
2. Other income	21	10
3. Total revenue (1 + 2)		2,063
4. Expenses		
(a) Employee benefit expense	22	1,429
(b) Finance costs	23	1
(c) Depreciation and amortization expense	24	17
(d) Other expenses	25	81
Total expenses		1,530
5. Profit before tax (3-4)		533
6. Tax expense:		
(a) Current tax		118
(b) Adjustment of tax relating to earlier periods		-
(b) Deferred tax		10
Total tax expense		129
7. Profit for the year (5 - 6)		404
8. Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
(i) Re-measurement gains/ (losses) on defined benefit plans		(31)
Income tax relating to items not reclassified		8
Other comprehensive income for the year, net of tax		(23)
Total comprehensive income for the year (7+8)		381
9. Earnings per equity share		
Basic and diluted attributable to equity shareholders		
(Face value Rs.100/- per share)		
Basic		4,044.70
Diluted		4,044.70

See accompanying notes forming part of the financial statements

In terms of our report attached
For J A A & Associates
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Firm Regn No. 013699S

FRN No.: 013699S

Aradhana Ashok
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Membership No. 214452
UDIN:23214452BGXQBA1570

For and on behalf of the Board of Directors

Venkatraman N.
Director
(DIN: 01856347)

Praveen Kumar Darshankar
Director
(DIN: 06641952)

Place: Bengaluru, India
Date: 06th May 2023

Sri Mookambika Infosolutions Private Limited
Speical Purpose Cash flow statement for the for the period 1 January 2023 to 31 March 2023
All amounts are in ₹ lakhs, unless otherwise stated

Particulars	Note no.	For the Period January 1, 2023 to March 31 2023
A. Cash flow from operating activities		
Profit before tax		533
Adjustments for:		
Depreciation and amortisation		17
Interest income		(15)
Loss on property, plant and equipment sold / written off		1
Interest Expense		1
Provision for gratuity		1
Provision for leave encashment		(4)
Operating profit before changes in working capital		534
Changes in working capital		
Adjustments for increase/(decrease) in liabilities:		
Other Non current Financial liabilities		-
Other Non current liabilities		-
Long-term provisions		-
Trade payables		(7)
Short-term provisions		(15)
Other current Financial liabilities		(482)
Other current liabilities		17
Contract liabilities		4
Adjustments for (increase)/decrease in assets:		
Other Non current financial asset		-
Other Non current assets		3
Trade receivables		(433)
Other current financial asset		10
Other current assets		(46)
Cash generated/(utilised) from operating activities		(415)
Income taxes refund / (paid)		(1)
Net cash generated/(utilised) from operating activities (A)	(A)	(416)
B. Cash flows from investing activities		
Payment for purchase of property, plant and equipment		(10)
Proceeds from disposal of property, plant and equipment		-
Proceeds from disposal of Investment property		-
Bank balances not considered as Cash and cash equivalents		500
Interest received		-
Net cash generated/(utilised) from investing activities (B)	(B)	490
C. Cash flows from financing activities		
Repayment of long-term borrowings (including current maturities of long term borrowings)		(104)
Proceeds from long term borrowings		
Proceeds from short term borrowings (net)		(99)
Changes in loans (net)		124
Interest on borrowings and others		(1)
Proceeds from issuance of equity share capital		
Dividends paid		-
Net cash flow from financing activities (C)	(C)	(80)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(A + B + C)	(5)
Cash and cash equivalents at the beginning of the year		6
Cash and cash equivalents at the end of the year		1

Cash and cash equivalents at the end of the year comprises:		
(a) Cash on hand		-
(b) Cash on hand-Foreign Currency		-
(c) Balances with banks:		
In current account		1
Total cash and cash equivalents		1

See accompanying notes forming part of the financial statements

In terms of our report attached
For J A A & Associates
Chartered Accountants
Firm Regn No. 013699S

For and on behalf of the Board of Directors

Aradhana Ashok
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Venkatraman N.
Director
(DIN: 01856347)

D. Praveen
Praveen Kumar Darshankar
Director
(DIN: 06641952)

J A A & ASSOCIATES
FRN No.: 013699S
Chartered Accountants

Place: Bengaluru, India
Date: 06th May 2023

Sri Mookambika Infosolutions Private Limited

Statement of Changes in Equity for the year ended 31 March 2023
All amounts are in ₹ lakhs, unless otherwise stated

A. Equity share capital

Particulars	Equity shares		Instruments entirely equity in nature		Total	
	Number	Amount	Number	Amount	Number	Amount
As at 31 December 2022	10,000	10	-	-	10,000	10
Add: Issued and subscribed during the year	-	-	-	-	-	-
As at 31 March 2023	10,000	10	-	-	10,000	10

B. Other equity

Particulars	Reserves and Surplus				
	Securities premium reserve	Retained earnings	Revaluation Reserve	General Reserve	Total
Balance as at 31 December 2022	-	1,867	-	233	2,100
Additions during the year					
Profit for the year	-	404	-	-	404
Transfer to General Reserve	-	-	-	-	-
Transfer from retained earnings	-	-	-	-	-
Items of the other comprehensive income, net of tax					
Remeasurement gain on defined benefit plans	-	(31)	-	-	(31)
Income tax relating to items not reclassified	-	8	-	-	8
Balance as at 31 March 2023	-	2,249	-	233	2,482

See accompanying notes forming part of the financial statements

In terms of our report attached
For J A A & Associates
Chartered Accountants
Firm Regn No. 013699S

For and on behalf of the Board of Directors

JAA & ASSOCIATES FRN No.: 013699S Chartered Accountants

Aradhana Ashok
Partner
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Venkatraman N.
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Director
(DIN: 06641952)

Place: Bengaluru, India
Date: 06th May 2023

Sri Mookambika Infosolutions Private Limited
Notes forming part of the Special Purpose Financial Statements

Summary of Significant Accounting Policies and Other Explanatory Information

1. Corporate information

Sri Mookambika Infosolutions Private Limited (SMIPL) is engaged in the business of providing technology solutions. The company office IT services such as enterprise solutions, digital data platforms, mobility services, DevSecOps, the internet of things, and electronic data interchange. It has 7+ offices in India.

The company is partnered with CMMI, Nasscom, and CIO. The company was incorporated in 2010 and has its registered office located in Madurai, Tamil Nadu.

On **1st Jan 2023**, Sri Mookambika Infosolutions Private Limited (SMIPL) ('Company') becomes the subsidiary of Happiest Minds Technologies Limited.

2. **Significant accounting policies**

2.1 **Basis of Accounting**

These **Special Purpose Financial Statements** ("Special Purpose Financial Statements") have been prepared by the Management of the Company for the purpose of complying with the request of Happiest Minds Limited, the Holding Company, for the purpose of its consideration in the preparation of the consolidated financial statements of the Holding Company.

These **Special Purpose Financial Statements** have been prepared in accordance with the recognition and measurement principles of the accounting policies as considered by the Holding Company (which are in compliance with IndAS) and the presentation format as requested by the Holding Company, and accordingly do not represent a set of General Purpose Financial Statements. The management has applied necessary due diligence and making the necessary adjustments to determine the opening balance as at **January 1, 2023** in compliance with such accounting policies. The significant accounting policies as considered in preparation of these Special Purpose Financial Statements, are included below from **Note 2.2.**

As these Special Purpose Financial Statements have been prepared for the aforesaid specific purpose, these may not be suitable for any other purpose.

2.2 **Basis of preparation of the Special Purpose Financial Statements**

a) **Statement of compliance**

These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

b) Functional and presentation currency

These Special Purpose Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are in Indian Rupees lakhs except share data and per share data, unless otherwise stated.

c) **Basis of measurement**

The Special Purpose Financial Statements have been prepared on the historical cost basis except for the following items:

Items	Measurement
Certain financial assets and liabilities	Fair Value
Net Defined Benefit (Asset)/Liability	Fair Value of plan assets less present value of defined benefit obligations

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Summary of Significant Accounting Policies and Other Explanatory Information

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

d) **Use of estimates and judgments**
In preparing these Special Purpose Financial Statements, management has made judgments, 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 on-going basis. Revisions to accounting estimates are recognized prospectively.

Application of accounting policies that require critical accounting estimates involving judgments and the use of assumptions in the Special Purpose Financial Statements have been disclosed below:

Judgments
- **Note 3** - Property, plant and equipment:
  Timing of capitalization and nature of cost capitalised.

- **Note 35** - Financial Instruments

- **Note 28** - Measurement of defined benefit obligations: Key actuarial assumptions

Assumptions and estimation uncertainties
- **Note 3** - Estimation of the useful life of property, plant and equipment

- **Note 27** - Recognition and measurement of provisions and contingencies:
  Key assumptions about the likelihood and magnitude of an outflow of resources;

- **Note 28** - Employee benefit plans:
  Key actuarial assumptions

- **Note 36** - Expected credit loss

e) **Measurement of fair values**
The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company's has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurement, including level 3 fair values, and reports directly to the chief financial officer. 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).

f) **Current and non-current classification**
The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

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An asset is treated as current when it is:
• Expected to be realized or intended to be sold or consumed in normal operating cycle
• Held primarily for the purpose of trading
• Expected to be realized within twelve months after the reporting period, or
• Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:
• It is expected to be settled in normal operating cycle,
• It is held primarily for the purpose of trading,
• It is due to be settled within twelve months after the reporting period, or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

2.2 Summary of significant accounting policies

(a) Revenue recognition

The Company derives revenue primarily from rendering of services. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The Company is a principal in rendering of services. Amounts disclosed as revenue are net of trade allowances, rebates and Goods and Services tax (GST), amounts collected on behalf of third parties and includes reimbursement of out-of-pocket expenses, with corresponding expenses included in cost of revenues.

Revenue from the rendering of services and sale of license is recognised when the Company satisfies its performance obligations to its customers as below:

Rendering of services

Revenues from services comprise primarily income from time-and-material and fixed price contracts. Revenue with respect to time-and-material contracts is recognised over the period of time as the related services are performed. Revenue with respect to fixed price contracts where performance obligation is transferred over time. The input (efforts expended) method has been used to measure progress towards completion, as there is a direct relationship between input and productivity. Provisions for estimated losses on contracts-in-progress are recorded in the period in which such losses become probable based on the current contract estimates. In determining the transaction price for rendering of services, the Company considers the effect of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the customers if any. Revenue is recognised net of trade and cash discounts.

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Summary of Significant Accounting Policies and Other Explanatory Information

Trade receivables
A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Variable consideration
If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Contract balances
Contract assets: The Company classifies its right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset where the right to consideration is unconditional upon passage of time. Unbilled revenue which is conditional is classified as other current asset. Trade receivables and unbilled revenue is presented net of impairment.

Contract liabilities: A contract liability (which we referred to as Unearned Revenue) is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received.

Interest income
Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head 'other income' in the Statements of profit and loss.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Statements of profit and loss.

Dividend income
Dividend income on investments is accounted when the right to receive the dividend is established, which is generally when shareholders approve the dividend. Dividend income is included under the head "Other income" in the Statements of profit and loss account.

(b) Foreign currency transactions
(i) Functional and presentation currency:
Items included in the Special Purpose Financial Statements of the company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Special Purpose Financial Statements are presented in Indian Rupees (INR), which is functional and presentation currency of the Company.

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FRN No.: 013699S
Chartered Accountants

Summary of Significant Accounting Policies and Other Explanatory Information

(ii) **Transactions and balances:**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in Statement of Profit and Loss.

(c) Borrowing costs

Borrowing costs include:
(i) interest expense calculated using the effective interest rate method,
(ii) finance charges in respect of lease liabilities, and
(iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.
Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

(d) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

i. **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards government administered provident fund and employee state insurance scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Provident fund and Employee State Insurance
Contribution towards provident fund and employee state insurance for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

ii. **Defined benefit plans**

Gratuity: A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated 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 Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as

JAA & ASSOCIATES
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Summary of Significant Accounting Policies and Other Explanatory Information

at the balance sheet date, having maturity periods approximating to the terms of related obligations.

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 in OCI. The Company 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.

Compensated leave: Compensated absences are provided for based on actuarial valuation carried out by an independent actuary as at the balance sheet date using the projected unit credit method.

iii. **Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.
The cost of short-term compensated absences is accounted as under:
(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
(b) in case of non-accumulating compensated absences, when the absences occur.

iv. **Long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

(e) **Taxation**

Income tax comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to an item recognised directly in the other comprehensive income.

(i) **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates 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 realize the assets and settle the liability on a net basis or simultaneously.

(ii) **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Special Purpose Financial Statements and the corresponding tax bases used in the computation of taxable profit.
Deferred tax liabilities are generally recognised for all taxable temporary differences.
Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if

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the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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 the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum alternative tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Ind AS 12, Income Taxes defines deferred tax to include carry forward of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement is grouped with deferred tax assets (net) in the balance sheet.

(f) Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss if any.

Property, plant and equipment are measured at cost which includes capitalized borrowing costs, less accumulated depreciation and impairment losses, if any. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, freight, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and restoring onsite; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Cost includes expenditures directly attributable to the acquisition of the asset.

The Company depreciates property, plant and equipment over the estimated useful life on a straight line basis from the date the assets are ready for intended use. The estimated useful lives of assets as prescribed in Schedule II to the Companies Act, 2013 are as follows:

Computers	- 3 years
Furniture and Fixture	- 10 years
Vehicles	- 8 years
Office Equipment's	- 5 years

Pro-rata depreciation is provided from/up to the date of purchase or disposal, for assets purchased or sold during the year.
Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.
The cost and related accumulated depreciation are eliminated from the Special Purpose Financial Statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognized as capital advance and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

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The change in this accounting estimate is to be applied prospectively in accordance with Ind AS 8, "Accounting policies, changes in accounting estimate and errors' and has an impact on depreciation and amortisation expense.

(g) Intangible assets

Goodwill
Goodwill on acquisitions of business is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Company of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Company of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

Other intangible assets
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An item of intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation methods and periods
The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Asset Life in Years
Computer software -3 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of the each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the company can demonstrate:
- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Subsequent costs related to intangible assets are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

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Summary of Significant Accounting Policies and Other Explanatory Information

(h) Lease

The Company 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 company assesses whether:

(i) the contract involves the use of an identified asset
(ii) the company has substantially all of the economic benefits from use of the asset through the period of the lease.
(iii) the company has the right to direct the use of the asset.

As a Lessee

Leases are recognised as right of use of asset and corresponding liability at the date at which the leased asset is available for use by the Company.

Lease liabilities include the net present value of the following lease payments:

- Lease payments less any lease incentives receivable
- Amounts expected to be payable by the Company under residual value guarantees, if any

The lease payments are discounted using Company's incremental borrowing rate (since the interest rate implicit in the lease cannot be readily determined). Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on any key variable / condition, are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:
- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received.
- Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as on expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a Lessor

Lease income from operating leases where the Company is lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

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Summary of Significant Accounting Policies and Other Explanatory Information

(i) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment lossess, if any.

Any gain or loss on disposal of an investment property is recognised in profit and loss.

The fair value of investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company 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 Company recognises any impairment loss on the assets associated with that contract.

(k) Financial instruments

a) **Recognition and initial measurement**

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) **Classification and subsequent measurement**

Financial assets

On initial recognition, a financial asset is classified as measured at
- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
– the contractual terms of the financial asset give rise on specified dates to cash flows that are

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solely payments of principal and interest on the principal amount outstanding.

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

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 Company 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 Company 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 Company's claim to cash flows from specified assets (e.g. non- recourse features)."

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 permits 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

a) 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.

b) 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 liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as 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.

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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.

c) **Derecognition**

Financial assets
The Company 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 Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company 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 Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company 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. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

d) **Offsetting**
Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company 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.

(l) Impairment

a) **Financial assets (other than at fair value)**
The Company assesses at each date of balance sheet, whether a financial asset or a Company of financial assets is impaired. Ind AS 109 - Financial Instruments requires expected credit losses to be measured though a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

Allowance for credit losses on receivables
The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the company deals with and the countries where it operates.

b) **Non-financial assets**

Tangible and Intangible assets
Property, plant and equipment, capital work-in-progress and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. 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 cash flows that are largely independent of those from other assets. In such

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cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to it's recoverable amount. An impairment loss is recognised in the statement of profit and loss.

(m) Earnings / loss per share (EPS)

Basic earnings / loss per share is computed by dividing profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings / loss per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(n) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Special Purpose Financial Statements unless the possibility of an outflow of resources embodying economic benefits is remote.
Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

(o) Cash flow statement

Cash flows are reported using the indirect method, whereby net profit / loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregate. Bank overdrafts and investment in liquid mutual funds are classified as cash and cash equivalents for the purpose of cash flow statement, as they form an integral part of an entity's cash management.

(p) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less. For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

(q) Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis.

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Notes to the Special Purpose Financial statements for the year ended 31 March 2023
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3. Property, plant, equipment

Particulars	Computer equipment	Plant and machinery	Office equipment	Furniture and fixtures	Vehicles	Electrical equipments	Land-Leasehold	Total
Gross block								
Balance as at December 31, 2022	195	-	13	9	39	-	-	256
Additions during the year	2	-	1	7	-	-	-	10
Disposals during the year								-
Balance as at March 31, 2023	197	-	14	16	39	-	-	266
Accumulated Depreciation	-	-	-	-	-	-	-	-
Balance as at 31 December 2022	69	-	3	4	6	-	-	82
Depreciation / amortisation expense for the year	15	-	1	1	1			18
Deductions / Adjustments for the year								-
Balance as at 31 Marrch 2023	84	-	4	5	7	-	-	100
Net Block								
Balance as at 31 December 2022	126	-	10	5	33	-	-	174
Balance as at March 31, 2023	113	-	10	11	32	-	-	166

Note:
(i) All assets are owned by the company unless otherwise stated.
(ii) Deemed carrying cost - For property, plant and equipment existing as on the date of transition to Ind AS, i.e., 1 April 2021, the Company has used carrying value as at 1 April 2021 as deemed cost.

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4. Other financial assets

Particulars	Non-current	Current
	As at 31 March 2023	As at 31 March 2023
(Unsecured and considered good)		
Security deposit	40	2
Interest accrued but not due on fixed deposits	-	11
Interest accrued but not due on loan	-	4
Other Receivables	-	13
Total	40	30

5. Deferred tax asset
Deferred tax asset (net)
The Company has a net deferred tax asset position for the period 1 Jan 2023 to 31 March 2023 significantly arising from brought forward tax losses and unabsorbed depreciation.

Particulars	As at 31 March 2023
Deferred tax asset	173
Total	173

(i) Recognised deferred tax assets and liabilities
Deferred tax assets and liabilities are attributable to the following:

Particulars	As at 31 March 2023
Property, plant and equipment	19
Employee benefits	77
Lease liabilities	77
Total	173

Particulars	As at 31 Dec 2022	Recognised in statement of profit and loss	Recognised directly in equity	Recognised in OCI	As at 31 March 2023
Property, plant and equipment	10	9	-	-	19
Employee benefits	70	(1)	-	8	77
Other items	96	(18)	-	-	77
Total	176	(10)	-	8	173

6. Other current assets

Particulars	Non-current	Current
	As at 31 March 2023	As at 31 March 2023
(Unsecured and considered good)		
Prepaid expenses	26	-
Balances with government authorities (Refer Note below)	-	43
Advances to employees	-	59
Advances to suppliers	-	1
Total	26	103

Note:
Balances with government authorities:

Particulars	As at 31 March 2023
Balances with government authorities	281
Less: Provision for GST input	(238)
Total	43

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Notes to the Special Purpose Financial statements for the year ended 31 March 2023
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Financial assets

7. Trade receivables
As at 31 March 2023

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 - 2 year	2 - 3 year	More than 3 year	
Undisputed Trade Receivables considered good	1,303	-	-	-	-	1,303
Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	1,303	-	-	-	-	1,303

Particulars	As at 31 March 2023
Trade receivables outstanding for a period	-
Considered good	
Considered doubtful	-
	-
Less: Provision for doubtful trade receivables	-
	-
Others	1,303
Total	1,303

8. Cash and cash equivalents

Particulars	As at 31 March 2023
Cash on hand	-
Cash on hand-Foreign Currency	-
Balances with banks:	
(i) In current accounts	0
(i) In Overdraft accounts	99
Total	99

9. Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2023
Balances with banks:	
(i) Fixed Deposit with original maturity of more than three months but less than twelve months under lien (Refer note below)	743
Total	743

10. Loans

Particulars	Non-current	Current
	As at 31 March 2023	As at 31 March 2023
(Unsecured and considered good)		
Loans to related parties	-	900
Total	-	900

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Notes to the Special Purpose Financial statements for the year ended 31 March 2023
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11. Equity share capital

Particulars	As at 31 March 2023	
(i) Authorized shares	Numbers	Amount
Equity shares of ₹ 100 each with voting rights	10,000	10
Total Authorised shares	10,000	10

Particulars	As at 31 March 2023	
(ii) Issued, subscribed and fully paid-up shares	Numbers	Amount
Equity shares of ₹ 100 each with voting rights	10,000	10
Total issued, subscribed and fully paid-up share capital	10,000	10

Notes

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

Equity shares	As at 31 March 2023	
	Numbers	Amount
At the beginning of the year	10,000	10
Equity shares issued during the year	-	-
ESOP shares issued during the year	-	-
Outstanding at the end of the year	10,000	10

(b) Terms/ rights attached to equity shares

i. The company has only one class of equity shares having par value of rupees 100 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General

(c) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date-

Particulars	As at 31 March 2023	
	Numbers	Amount
Equity shares allotted as fully paid bonus shares by	-	-

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

Particulars	As at 31March 2023	
	Numbers	% holding in the class
Equity shares of ₹ 100 each fully paid		
M.P.Selvaganesh	1	0.01%
Happiest Minds Technologies Limited	9,999	99.99%

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

(e) Shares reserved for issue under options

Shares held by promoters at the end of the year	As at 31 March 2023	
Promoter name	No.of shares	% of Total shares
M.P.Selvaganesh	1	0.01%
Happiest Minds Technologies Limited	9,999	99.99%

12. Instruments entirely equity in nature

Particulars	As at 31 March 2023
Reserves & Surplus	
(i) Securities premium	-
(ii) Other Comprehensive Income	(233)
(iii) Deficit in the statement of profit and loss	2,482
(iv) General Reserve	233
Closing Balance	2,482

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Particulars	As at 31 March 2023
(i) Securities premium account	
Opening balance	-
Add : Premium on exercise of employee ESOPS	-
Closing balance	-
(ii) Other items of OCI	-
As at the commencement of the year	(210)
Add: Additions during the year	(23)
Less: Reclassified to profit or loss	
Closing Balance	(233)
(iii) Deficit in the statement of profit and loss	
As at 31st December 2022	1,908
Add: Profit for the year	605
Less: Withdrawal	30
Add: transferred from revaluation reserve	-
Closing balance	2,482
(iv) General Reserve	
As at the commencement of the year	233
Add: Transferred from P&L	-
Closing Balance	233
Total reserves and surplus	2,482

See accompanying notes forming part of the financial statements

In terms of our report attached
For J A A & Associates
Chartered Accountants
Firm Regn No. 013699S

For and on behalf of the Board of Directors

Aradhana Ashok
Partner
Membership No. 214452
UDIN:23214452BGXQBA1570

Venkatraman N.
Director

Praveen Kumar Darshankar
Director

Place: Bengaluru, India
Date: 06th May 2023

Sri Mookambika Infosolutions Private Limited

Notes to the Special Purpose Financial statements for the year ended 31 March 2023
All amounts are in ₹ lakhs, unless otherwise stated

Financial Liabilities

13. Borrowings

Particulars	Non-current
	As at 31 March 2023
Loans and advances from related parties	-
Total	-

13. Borrowings

Particulars	Current
	As at 31 March 2023
(a) Other loans and advances	
(i) From Banks - Secured	
(a) Overdraft (Refer Note (i)	-
Current maturities of long-term borrowings (Refer Note 16 above)	-
Total	-

Notes:

(i) (a) The rate of interest on the credit facility is 2% above EBLR and for a tenur of 12 months. The loan is secured by (i) hypothecation of the receivables and immovalbe properties (ii) Joint and several personal guarantee of Mr. S Balakrishnan and Mr. M P Selvaganesh.
(i) (b) The credit faciltiy availed on Fixed Depostis, the rate of interest is 1% above RD/(S)TDR rate minimum of 8% p.a. with monthly rest.

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14. Other financial liabilities

Particulars	Non-current As at 31 March 2023	Current As at 31 March 2023
Payables on purchase of property, plant and equipment	-	-
Employee related liabilities	-	217
Provision for expense	-	229
Total	-	446

15. Provisions

Particulars	Non-current As at 31 March 2023	Current As at 31 March 2023
Provision for:		
Gratuity	221	65
Leave Encashment	15	3
Provision for CSR	-	-
Total	236	68

16. Other current & Non-current liabilities

Particulars	Non-current As at 31 March 2023	Current As at 31 March 2023
Statutory dues	-	111
Advance from customers	-	-
Rent Payables	-	-
Advance from employees	-	-
Other payables	-	-
Total	-	111

17. Trade payables
As at 31 March 2023

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 year	
MSME					
Others	8				8
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	8	-	-	-	8

Particulars	As at 31 March 2023
Trade payables	
(i) Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 35); and	-
(ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	8
Total	8

18. Current tax liabilities (net)

Particulars	Non-current As at 31 March 2023	Current As at 31 March 2023
- Provision for tax (Net of Advnace tax & TDS receivable)	-	218
Total	-	218

19. Contract Liability

Particulars	Non-current As at 31 March 2023	Current As at 31 March 2023
Unearned revenue	-	4
Total	-	4

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Notes to the Special Purpose Financial statements for the period January 1, 2023 to 31 March, 2023
All amounts are in ₹ lakhs, unless otherwise stated

20. Revenue from operations

Particulars	For the Period January 1, 2023 to 31 March 2023
Sale of products	
(i) Professional Charges	2,051
(ii) Professional Charges-Local	2
Total	2,053

21. Other income

Particulars	For the Period January 1, 2023 to 31 March 2023
(i) Interest income on	
(a) Bank Deposits	11
(b) Current Investments	-
(c) Others	4
(d) on loans and advances to employees (at amortized cost)	-
(ii) Net gain on disposal of investment property	-
(iii) Foreign Exchange gain (net)	(7)
(iv) Discount Received	-
(v) Profit on derecognition of Financial Assets	2
(vi) Miscellaneous Income	-
Total	10

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22. Employee benefits expense

Particulars	For the Period January 1, 2023 to 31 March 2023
Salaries, wages and bonus	1,396
Contribution to provident and other funds	27
Gratuity expense	7
Leave encashment	(4)
Staff welfare expenses	2
Unwinding of discount on employee advance	1
Total	1,429

23. Finance cost

Particulars	For the Period January 1, 2023 to 31 March 2023
Interest on borrowings	-
Bank charges	1
Interest on deposit	1
Total	1

24. Depreciation and amortization expense

Particulars	For the Period January 1, 2023 to 31 March 2023
Depreciation on property, plant and equipment	11
Amortization of intangible asset	6
Total	17

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Notes to the Special Purpose Financial statements for the period January 1, 2023 to 31 March, 2023
All amounts are in ₹ lakhs, unless otherwise stated

25. Other expenses

Particulars	For the Period January 1, 2023 to 31 March 2023
Rent	16
Advertisement and publicity	-
Freight and forwarding charges	7
-Others	8
Power and fuel	6
Legal and professional charges (Refer 28(i) - Payment to auditor)	7
Travelling and conveyance	6
Vehicle Maintenance	1
Rates and taxes	2
CSR Expenses	3
Provision for GST Input	-
Net loss on sale/disposal of PPE	1
Security charges	1
Membership & Subscription charges	6
Communication expenses	4
Postage and printing expenses	1
Commission & brokerage	-
Office Expenses	-
Donation Given	1
Insurance	12
Property, plant and equipment and Intangible asset written off	-
Miscellaneous expenses	-
Total	81

(i) Payment to auditor (net of GST)

Particulars	For the Period January 1, 2023 to 31 March 2023
As auditor:	
-Audit fees	-
-Tax audit fee	-
-Others	-
Total	-

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Notes to the Special Purpose Financial statements for the period January 1, 2023 to 31 March, 2023
All amounts are in ₹ lakhs, unless otherwise stated

(ii) Corporate Social Responsibility

Particulars	For the Period January 1, 2023 to 31 March 2023
Gross amount required to be spent during the year	3
Amount Spent during the year	
-Construction or acquisition of any assets	-
-On purposes other than above	3

Particulars	For the Period January 1, 2023 to 31 March 2023
Amount required to be spent by the company during the year	3
Amount of expenditure incurred	3
Shortfall at the end of the year*	-
Total of previous years shortfall	-
Reason for short fall	-
Nature of CSR Activities	Rural development, economic development, women empowerment, health care, education, environment sustainability, social, infrastructure, conservation of natural resources
Details of Related party transactions	-
Where a provisions is made with respect to a liability by entering into a contractual obligation, the movement in the provision	-
Total	-

Earnings per equity share (EPS)

Particulars	For the Period January 1, 2023 to 31 March 2023
Net profit after tax as per statement of profit and loss	404
Weighted average number of equity shares	10,000
Profit/(Loss) per share	4,045
Basic	4,045
Diluted (Refer Note (i) below)	4,045

Notes:
(i) For the purpose of calculating diluted earnings per share, the profit attributable to equity shareholders and

Particulars	For the Period January 1, 2023 to 31 March 2023
Net profit/(loss) after tax as per statement of profit and loss	404
Weighted average number of ordinary equity shares in issue	10,000
Effect of dilution due to share options	-
Adjusted weighted average number of ordinary equity shares	10,000
Diluted earnings per share	4,045

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26. Capital and other commitments

(a) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for as at 31 March 2023: NIL
(b) For commitments as at 31 March 2023: NIL

27. Contingent liabilities

Particulars	As at 31 March 2023
(a)Claims against the company not acknowledged as debt	-
(b) Guarantees;	
- Bank guarantee given as performance guarantee to a customer for unexecuted contract	-
(b) Other money for which the company is contingently liable	
- Letter of Credit	-
- Others	-
Total	-

28. Employee benefits
The Company provides various employee benefits in the form of defined contribution schemes towards employee provident and pension fund maintained with the Government, Provident Fund Commissioner as well as through employee state insurance scheme.

i. Defined Contribution plan

Particulars	For the period 1 Jan 2023 to 31 March 2023
During the year, the Company has recognized the following amounts in the statement of profit and loss	
Employers' contribution to provident and other funds	27

ii. Defined Benefit plans
The Company operates a defined benefit scheme for its employees towards gratuity benefit in accordance with the Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The plan is not funded by the Company.
The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the respective plans.

Statement of profit and loss
Net employee benefit expense recognized in the employee cost

Particulars	Gratuity 'As at 31 March 2023
Current service cost	7
Interest cost on benefit obligation	-
Past Service Cost	-
Expected return on plan assets	-
Amount recognised in profit or loss	7

Remeasurements

Amount recognised in OCI	30

Balance sheet

Benefit (asset)/ liability	286

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Particulars	Gratuity 'As at 31 March 2023
Present value of defined benefit obligation	412
Fair value of plan assets	(125)
Plan (liability)/ asset	**287**

Particulars	Gratuity 'As at 31 March 2023
Opening defined benefit obligation	96
Current service cost	30
Interest cost	6
Past Service Cost	
Benefits paid	(39)
Actuarial (gains) / losses on obligation	319
Closing defined benefit obligation	**412**

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	Gratuity 'As at 31 March 2023
Discount rate	7.41%
Attrition rate	10.00%
Salary increase	5.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Sensitivity Analysis :
The sesnsitivity analysis below have been determined based on reasonably possible change of respective assumptions occuring at the end of reporting period,while holding other assumptions constant

Assumption	Impact on net defined benefit obligation As at 31 March 2023
Discount rate	
Impact due to increaseof 1%	(24)
Impact due to decreaseof 1%	27
Salary Increase	
Impact due to increaseof 1%	25
Impact due to decreaseof 1%	(23)
Attrition rate	
Impact due to increaseof 1%	3
Impact due to decreaseof 1%	(4)

The sensitivity analysis presented above maynot be representative of actual change in the net defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of assumptions may be correlated. Furthermore,in presenting the above sensitivity analysis, the present value of net defined benifit obligation has been calculated using projected unit credit method as at the date of reporting period.

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Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

a) **Salary Increases**- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
b) **Investment Risk** - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
c) **Discount Rate** - Reduction in discount
d) **Mortality & disability** - Actual deaths
e) **Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Compensated Absences

Particulars	As at 31 March 2023
Long term	15
Short term	3

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29. Related party disclosures

Holding Company	Happiest Minds Technologies Limited
	1. Selvaganesh Paramasivanmariappa 2. Subramanian Balakrishnan
Relative of KMP	1. Mrs. S Shashikala 2. Mrs. B Dhanalakshmi
Shareholders	1. Selvaganesh Paramasivanmariappa 2. Subramanian Balakrishnan 3. P Manikandan

Entities in which Shareholders have significant influence as on 31st March 2023
i. Vinga Software Solutions Private Limited
ii. Techmango Technology Pvt Ltd
iii. Devden Creative Solutions Private Limited
iv. Tranquil Celeste Consumer Technology Private limited
v. Openshopee Technologies Pvt.Ltd
vi. Feastoo online Services Private Limited
vii. Vijay Global Solutions

(i) Related party transactions

Remuneration to key managerial personnel*

Particulars	For the Period January 1, 2023 to 31 March 2023
Salaries and Bonus	
Selvaganesh Paramasivanmariappa	19
Subramanian Balakrishnan	6
Total	25

Remuneration to relatives of key managerial personnel*

Particulars	For the Period January 1, 2023 to 31 March 2023
Salaries and Bonus	
Mrs. S Shashikala	-
Mrs. B Dhanalakshmi	-
Total	-

Interest Income

Particulars	For the Period January 1, 2023 to 31 March 2023
Happiest Minds Technologies Limited	4
Total	4

Advance given during the year

Particulars	For the Period January 1, 2023 to 31 March 2023
Selvaganesh	-
Balakrishnan	-
P Manikandan	-
Total	-

Advance repaid during the year

Particulars	For the Period January 1, 2023 to 31 March 2023
Selvaganesh	-
Balakrishnan	-
P Manikandan	-
Total	-

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Loans provided during the year

Particulars	For the Period January 1, 2023 to 31 March 2023
Techmango Technology Services Private Limited	-
Vinga Software Solutions Private Limited (Earlier names as-Ancy Technologies Private Limited)	40
Devden Creative Solutions Private Limited	-
Vijay Global Services	6
Openshopee Technologies Private Limited	1
Tranquil Celeste Consumer Technology Pvt Ltd	-
Happiest Minds Technologies Limited	900
Total	947

Loan repayment received during the year

Particulars	For the Period January 1, 2023 to 31 March 2023
Techmango Technology Services Private Limited	86
Vinga Software Solutions Private Limited (Earlier names as-Ancy Technologies Private Limited)	504
Devden Creative Solutions Private Limited	43
Vijay Global Services	280
Openshopee Technologies Private Limited	120
Tranquil Celeste Consumer Technology Pvt Ltd	52
Happiest Minds Technologies Limited	-
Total	1,085

Reimbursement provided during the year

Particulars	For the Period January 1, 2023 to 31 March 2023
Techmango Technology Services Private Limited	-
Vinga Software Solutions Private Limited (Earlier names as-Ancy Technologies Private Limited)	-
Devden Creative Solutions Private Limited	-
Vijay Global Services	-
Openshopee Technologies Private Limited	-
Tranquil Celeste Consumer Technology Pvt Ltd	15
Happiest Minds Technologies Limited	-
Total	15

Reimbursement received during the year

Particulars	For the Period January 1, 2023 to 31 March 2023
Techmango Technology Services Private Limited	-
Vinga Software Solutions Private Limited (Earlier names as-Ancy Technologies Private Limited)	-
Devden Creative Solutions Private Limited	-
Vijay Global Services	-
Openshopee Technologies Private Limited	-
Tranquil Celeste Consumer Technology Pvt Ltd	-
Happiest Minds Technologies Limited	-
Total	-

Loans received during the year

Particulars	For the Period January 1, 2023 to 31 March 2023
Loan from directors	-
Total	-

Loan repaid during the year

Particulars	For the Period January 1, 2023 to 31 March 2023
Selvaganesh	-
Total	-

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(ii) The balances receivable from and payable to related parties at year end
Balance Receivable from as at year end
Loan receivables:

Particulars	For the year ended 31 March 2023
Techmango Technology Services Private Limited	-
Vinga Software Solutions Private Limited (Earlier names as-Ancy Technologies Private Limited)	-
Devden Creative Solutions Private Limited	-
Vijay Global Services	-
Openshopee Technologies Private Limited	-
Tranquil Celeste Consumer Technology Pvt Ltd	-
Happiest Minds Technologies Limited	900
Total	900

Balance Payable to as at year end
Borrowings

Particulars	For the year ended 31 March 2023
Selvaganesh	-
Total	-

Notes:
(i) The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.
(ii) The above transactions are compiled from the date these parties became related.
(iii) No amounts in respect of related parties have been written off/ back or provided for during the year.

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30. Segment information
The Directors of the Company has been identified as the Chief Operating Decision Maker(CODM) as defined by Ind AS 108-Operating Segments. The CODM evaluates the Company performance and allocates resources based on "IT Services - Technology Solutions" performance which constitutes a single reporting segment. The Company does not have multiple reporting segments.

31. Unhedged foreign currency exposure
Particulars of unhedged foreign currency exposure as at the reporting date:

Particulars	31 March 2023	
	Amount in foreign currency	Amount (₹)
Trade payables - USD	-	-
Trade receivable - USD	16	1,301
Liabilities for capital goods - USD	-	-
Advances recoverable in cash or kind - USD	-	-

32. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006
The Company has amounts due to Micro and Small Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31 March 2023. The details in respect of such dues are as follows:

Particulars	As at 31 March 2023
a) the principal amount remaining unpaid to any supplier as at the end of accounting year;	-
b) interest due thereon remaining unpaid to any supplier as at the end of accounting year;	-
c) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-
d) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-
e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and*	-
f) 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	-

Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

33. Foreign exchange Earning and Outgo

Particulars	As at 31 March 2023
Foreign exchange Earning	8,870
Foreign exchange Outgo	-

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34. Income-tax expenses

(a) Amounts recognised in Statement of Profit and Loss

Particulars	For the Year Ended 31 March 2023
Current tax	391
Tax adjustment for earlier years	100
Deferred tax	
Attributable to origination and reversal of temporary	(57)
Tax expense for the year	434

(b) Amounts recognised in other comprehensive income

Particulars	For the Year Ended 31 March 2023
Items that will not be reclassified to statement of profit and	
Remeasurements of the defined benefit plans	81
Total	81

(c) Reconciliation of tax expense and tax based on accounting profit

Particulars	For the Year Ended 31 March 2023	
Profit before tax including interest on income tax		1,038
Interest on income tax		
Adjusted profit before tax		1,038
Tax using the Company's domestic tax rate:	25.17%	261
Tax effect of:		
Permanent difference		24
Adjustment of tax relating to earlier periods		100
Others		49
Total	25.17%	434

(d) Recognised deferred tax assets and liabilities
Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax (liabilities) / asset, net '31 March 2023
Property, plant and equipment & RoU	19
Employee benefits	77
Other items	77
Total	173

(e) Movement in temporary differences

Particulars	Property, plant and equipment & RoU	Employee benefits	Other items	Total
As at31 Dec 2022	10	70	96	176
Recognised in statement of profit and loss	9	(1)	(18)	(10)
Recognisedin OCI	-	8	-	8
Recogniseddirectly in equity	-	-	-	-
Others	-	-	-	-
As at31 March 2023	19	77	77	173

The following table provides the details of income tax assets and income tax liabilities as of 31 March 2023 is as follows-

Particulars	As at 31 March 2023
Income tax assets (net)	-
Current tax liabilities (net)	218
Net current income tax asset / (liability)	(218)

The gross movement in the current income tax asset / (liability) for the year ended 31 March 2023 is as follows-

Particulars	For the Year Ended 31 March 2023
Net income tax asset / (liability) at the beginning	79
Income tax paid	194
Current income tax expense	(391)
Tax adjustment for earlier years	(100)
Income tax on other comprehensive income and others	
Net income tax asset / (liability) at the end	(218)

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35. Fair value measurements

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, cash and cash equivalents, loans, other financial assets, trade payables, borrowings and other financial liabilities are considered to be the same as their fair values, due to their short-term nature. The fair values of security deposits is calculated based on cash flows discounted using the risk adjusted discount rate as appropriate for the category of

The management considers that the carrying amount of financial assets and financial liabilities recognised in these financial statements approximate their fair values.

Financial Instruments by Category

The carrying value and fair value of financial instruments by categories as of 31 March 2023 were as follows:

Particulars	Notes	31 March 2023	
		Fair value through profit or loss	Amortised Cost
Financial assets			
Trade receivables	7	-	1,303
Cash and cash equivalents	8	-	99
Other investment		-	-
Other bank balances	9	-	743
Loans	10		900
Other Financial Assets	4	-	70
Total financial assets		-	3,116
Financial liabilities			
Borrowings		-	-
Trade payables		-	8
Lease Liability		-	-
Other Financial Liabilities		-	446
Total financial liabilities		-	454

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Particulars	31 March 2023	Fair value measurement at end of the reporting period using		
		Level 1	Level 2	Level 3
Financial assets	-	-	-	-
Financial Liabilities	-	-	-	-

36. Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, the Management of the Company actively assesses and manages such risks. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of the same, if any, in the financial statements.

Exposure arising from		Risk	Measurement	Management
Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.		Credit Risk	Aging analysis Credit ratings	Credit limits. Prepaid services. Periodic review of deposits with Financial institutions.credit rating and collection period review for trade receivables.
Other liabilities		Liquidity Risk	Cash flow forecast	Availability of surplus cash and committed credit lines.
Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (Rs.)		Market Risk - Foreign exchange	Cash flow forecast, Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward foreign exchange contracts if deemed necessary.

The Company's risk management is carried out by the Board of directors who evaluate the various risks on an ongoing basis, especially policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, investment risk etc.

Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The company is exposed to credit risk from its operating activities (Primarily trade receivables, unbilled revenue and contract assets) and from its inventing activities (primarily deposits from banks and financial institutions)
Revenue from one customer comprises around 85 to 90% of total revenue of the Company. The remaining revenue of the Company is spread across wide range of customers.

(i) Trade receivables, unbilled revenue and contract assets.

Trade receivables, unbilled revenue and contract assets are typically unsecured and derived from revenue from contracts with customers. Customer credit risks is managed by the entity subject to Company's policy and procedures which involves continuously monitoring the credit worthiness of customers to which the Company grants credits in the normal course of business. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime expected credit losses at each reporting date, right from initial recognition. The company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience with customers. Ageing of trade receivables and the provision in books for trade receivables:

	Not due	1-180 days	181-365 days	1-2 years	2-3 years	Morethan 3 years	Total
As at March 31, 2023							-
Trade receivables	-	1,303					1,303
Unbilled receivables	-	-	-	-	-	-	-
Allowance for expected credit loss	-	-	-	-	-	-	
Net Trade receivables	-	1,303	-	-	-	-	1,303

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Reconciliation of loss allowance*	March 31, 2023
Opening balance as at April. 1	-
Allowance made during the year (net)	-
Utilised during the year	-
Closing balance as at	-

* Trade receivable as at reporting date falling lessthan one year and based on the past trends company expect to receive 100% of receivables and hence expected credit loss is not provided.

Other financial assets and cash deposit
Credit risk from balances with the banks, loans, investments in mutual funds and other financial assets are managed by the company based on the company policy and is managed by the Company's Treasury Team. Investment of surplus fund is made only with approved counterparties. The Company's maximum exposure to credit risk is the carrying amount of such assets as disclosed in note 36 above.

Liquidity risk
Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective it to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its position and maintains adequate source of financing.

The Company has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	March 31, 2023
Over draft facilities	-

Maturities of financial liabilities
The management analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

All non-derivative financial liabilities, for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amount disclosed in the financial statements are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31 March 2023

Contractual maturities of financial liabilities	Upto 1 Year	1-3 years	more than 3 years	Total
Borrowings	-	-	-	-
Trade Payables	8	-	-	8
Other financial liabilities	446	-	-	446
Total non - derivatives	**454**	-	-	**454**

Foreign currency risk exposure
The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's management meets on a periodic basis to formulate the strategy for foreign currency risk management.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

Particulars	Increase by 1% 31 March 2023	Decrease by 1% 31 March 2023
Sensitivity		
INR/USD	13	13

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

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