

No Guts

No Story

Subsidiaries

Integrated Annual Report
2021-22



A Larsen & Toubro
Group Company

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LARSEN & TOUBRO INFOTECH GMBH

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

Auditor's Report

as of March 31, 2022

Larsen & Toubro Infotech GmbH Hamburg

HUBERT JAHN KOLLEGEN WIRTSCHAFTSPRÜFUNGSGESELLSCHAFT

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A. Assignment

For Larsen & Toubro Infotech GmbH, Hamburg

The shareholder of

**Larsen & Toubro Infotech GmbH,
Hamburg**

- authorised signatory hereinafter referred to as "Larsen" as well as the "Company"-

appointed us by the shareholders resolution to audit the financial statements and the accounting records for the year ended March 31, 2022 and the management report for the period from 1 April 2021 to 31 March 2022.

The maintenance of the books and records and the preparation of the annual financial statements in accordance with the German Commercial Code (HGB) and the additional regulations of the articles of association are on the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements and the management report based on our audit.

We carried out our audit in accordance with the general conditions of assignment for Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften of the "Institut der Wirtschaftsprüfer" in Germany e.V. (IDW), dated January 01, 2017 (added in appendix 6). Our responsibility and our liability, especially to third parties, is based on these conditions of assignment.

We report about our audit in accordance with § 321 German Commercial Code (HGB) and in accordance with the reporting standards of IDW PS 450. Our report is directed to the audited Company and consists of a main part, which includes all essential statements summarized and four appendices, which are an essential part of our report.

We certify in accordance with § 321 par. 4 a German Commercial Code (HGB) that we have observed the Audit Independence Rules.

B. General Statements**B.I Situation of the Company****B.II Comments on the legal representatives' assessment of the company's position**

The management assessed the economic situation of the company in the management report and in the annual financial statements.

In accordance with § 321 (1) sentence 2 of the German Commercial Code (HGB), we as auditors comment in advance on the assessment of the situation by the managing directors with the subsequent remarks.

In doing so, we focus in particular on the assessment of the legal representatives on the continued existence of the company and future development, as expressed in the annual financial statements and the management report.

We give our opinion on the basis of our own assessment of the situation of the company, which we obtained in the context of the audit of the annual financial statements and the management report.

The management has prepared the annual financial statements under the assumption that the company will continue its activities.

Our audit did not reveal any evidence that the continued existence of the company would be jeopardized.

Of the financial statements and management report prepared by the board of management, we would like to point out the following statements that we believe are of particular importance for assessing the economic position of the company:

Economic situation and course of business

- In the financial year 2021/2022, the company achieved a net loss of TEUR 3,714 (Previous year: net income TEUR 514). Revenues increased from TEUR 15,747 to TEUR 19,056.
- Total assets decreased from TEUR 62,351 to TEUR 57,852 compared to the previous year.

Future development including substantial opportunities and risks

- Moderate sales growth for the financial year 2022/2023 and a corresponding increase in net income from operations is expected.

As auditors of the company, we believe that the presentation and assessment of the position of the company as well as the assessment of its future development including its substantial opportunities and risks as set forth in the financial statements and the management report as prepared by management are suitable.

C. Repetition of the independent Auditor's opinion

Based on the results of our audit of the financial statements as of March 31, 2022 and the management report for the period from 1 April 2021 to 31 March 2022 of Larsen & Toubro Infotech GmbH, München, we render the following report of the independent auditor.

The German version will apply in cases of doubt.

<p><u>Bestätigungsvermerk des unabhängigen Abschlussprüfers:</u></p> <p>An die Larsen & Toubro Infotech GmbH, Hamburg</p> <p><u>Prüfungsurteile</u></p> <p>Wir haben den Jahresabschluss der Larsen & Toubro Infotech GmbH, Hamburg, – bestehend aus der Bilanz zum 31.3.2022 und der Gewinn- und Verlustrechnung für das Geschäftsjahr vom 1.4.2021 bis zum 31.3.2022 sowie dem Anhang, einschließlich der Darstellung der Bilanzierungs- und Bewertungsmethoden – geprüft. Darüber hinaus haben wir den Lagebericht der Larsen & Toubro Infotech GmbH, Hamburg, für das Geschäftsjahr vom 1.4.2021 bis zum 31.3.2022 geprüft.</p> <p>Nach unserer Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse</p> <ul style="list-style-type: none"> ▪ entspricht der beigefügte Jahresabschluss in allen wesentlichen Belangen den deutschen, für Kapitalgesellschaften geltenden handels-rechtlichen Vorschriften und vermittelt unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens- und Finanzlage der Gesellschaft zum 31.3.2022 sowie ihrer Ertragslage für das Geschäftsjahr vom 1.4.2021 bis zum 31.3.2022. ▪ vermittelt der beigefügte Lagebericht insgesamt ein zutreffendes Bild von der Lage der Gesellschaft. In allen wesentlichen Belangen steht dieser Lagebericht in Einklang mit dem Jahresabschluss, entspricht den deutschen gesetzlichen Vorschriften und stellt die Chancen und Risiken der zukünftigen Entwicklung zutreffend dar. <p>Gemäß § 322 Abs. 3 Satz 1 HGB erklären wir, dass unsere Prüfung zu keinen Einwendungen gegen die Ordnungsmäßigkeit des Jahresabschlusses und des Lageberichts geführt hat.</p>	<p><u>Report of the independent auditor:</u></p> <p>For Larsen & Toubro Infotech GmbH, Hamburg</p> <p><u>Conclusions:</u></p> <p>We have examined the annual financial statement of Larsen & Toubro Infotech GmbH, Hamburg, comprising of the balance sheets dated March 31, 2022, the profit and loss calculations for the financial year April 1, 2021 to March 31, 2022 and also the appendices including a description of the accounting and valuation methods used. Furthermore, we have audited the management report of Larsen & Toubro Infotech GmbH, Hamburg, for the financial year from April 1, 2021 to March 31, 2022.</p> <p>After examining the relevant documents we are of the opinion that they:</p> <ul style="list-style-type: none"> • are in accordance with all significant issues included in the currently valid German regulations governing capital companies and are also in accordance with regulations and general good practice associated with German accountancy. The documents reflect an appropriate picture of the assets and financial situation of the company as of March 31, 2022 and also generated revenue for the financial year April 1, 2021 to March 31, 2022. • the management report provides a true picture of the company's position. The management report is consistent with the financial statements, in accordance with German principles and as a whole and suitably presents the opportunities and risks of future development. <p>In accordance with § 322 Abs. 3 Satz 1 HGB, we hereby declare that our examination of the annual financial accounts and the management report has given no grounds for objection and are compliant.</p> <p><u>Basis of Examination Conclusion</u></p> <p>We have conducted our examination of the annual financial accounts and the management report according to § 317 HGB, and according to the</p>
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<p><u>Grundlage für die Prüfungsurteile</u></p> <p>Wir haben unsere Prüfung des Jahresabschlusses und des Lageberichts in Übereinstimmung mit § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführt. Unsere Verantwortung nach diesen Vorschriften und Grundsätzen ist im Abschnitt „Verantwortung des Abschlussprüfers für die Prüfung des Jahresabschlusses und des Lageberichts“ unseres Bestätigungsvermerks weitergehend beschrieben. Wir sind von dem Unternehmen unabhängig in Übereinstimmung mit den deutschen handelsrechtlichen und berufsrechtlichen Vorschriften und haben unsere sonstigen deutschen Berufspflichten in Übereinstimmung mit diesen Anforderungen erfüllt. Wir sind der Auffassung, dass die von uns erlangten Prüfungsnachweise ausreichend und geeignet sind, um als Grundlage für unsere Prüfungsurteile zum Jahresabschluss und zum Lagebericht zu dienen.</p> <p><u>Verantwortung der gesetzlichen Vertreter für den Jahresabschluss und den Lagebericht.</u></p> <p>Die gesetzlichen Vertreter sind verantwortlich für die Aufstellung des Jahresabschlusses, der den deutschen, für Kapitalgesellschaften geltenden handelsrechtlichen Vorschriften in allen wesentlichen Belangen entspricht, und dafür, dass der Jahresabschluss unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt. Ferner sind die gesetzlichen Vertreter verantwortlich für die internen Kontrollen, die sie in Übereinstimmung mit den deutschen Grundsätzen ordnungsgemäßer Buchführung als notwendig bestimmt haben, um die Aufstellung eines Jahresabschlusses zu ermöglichen, der frei von wesentlichen - beabsichtigten oder unbeabsichtigten - falschen Darstellungen ist.</p> <p>Bei der Aufstellung des Jahresabschlusses sind die gesetzlichen Vertreter dafür verantwortlich, die Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit zu beurteilen. Des</p>	<p>principles and conventions as defined by the "Institute of Public Auditors". Our responsibility according to these rules and regulations is described in detail our auditor's report and is to be found in the section "Responsibility of auditors carrying out the audit of annual accounts and the management report". We are independent of the company being audited, as required by the German commercial and professional law, and have fulfilled our other various required obligations as detailed in these requirements. We are of the opinion that the information and proof necessary to form a judgement upon the annual financial accounts and the management report are sufficient and suitable.</p> <p><u>Responsibility of the legal representative for the annual financial accounts and the management report.</u></p> <p>The legal representatives are responsible for the compilation of the financial accounts in all significant points and in accordance with valid German commercial rules and regulation applicable to capital companies. The responsibility also ensures that the financial accounts are compiled according to the good practice principles of German accountancy and that they represent a true picture of the revenue, assets, and financial situation of the company. Additionally the legal representatives are responsible for the internal supervision of the observance of German accountancy good practice principles which are required to compile the annual financial accounts which are free of significant false representations, whether by design or accident.</p> <p>With the compilation of the annual financial accounts the legal representatives have the responsibility to enable the company to assess the ability of the company to continue with their business. Additionally they have the responsibility to declare pertinent circumstances relevant to the continuation of the business. The legal representatives are also responsible, based upon accounting standards, to consider the continuation of the business in the balance sheet as long as this does not conflict with actual or legal circumstances.</p> <p>Also, the legal representatives are responsible for the preparation of the management report which provides</p>
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<p>Weiteren haben sie die Verantwortung, Sachverhalte in Zusammenhang mit der Fortführung der Unternehmenstätigkeit, sofern einschlägig, anzugeben. Darüber hinaus sind sie dafür verantwortlich, auf der Grundlage des Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit zu bilanzieren, sofern dem nicht tatsächliche oder rechtliche Gegebenheiten entgegenstehen.</p> <p>Außerdem sind die gesetzlichen Vertreter verantwortlich für die Aufstellung des Lageberichts, der insgesamt ein zutreffendes Bild von der Lage der Gesellschaft vermittelt sowie in allen wesentlichen Belangen mit dem Jahresabschluss in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt. Ferner sind die gesetzlichen Vertreter verantwortlich für die Vorkehrungen und Maßnahmen (Systeme), die sie als notwendig erachtet haben, um die Aufstellung eines Lageberichts in Übereinstimmung mit den anzuwendenden deutschen gesetzlichen Vorschriften zu ermöglichen, und um ausreichende geeignete Nachweise für die Aussagen im Lagebericht erbringen zu können.</p>	<p>a true picture of the company's position and is consistent with the financial statements, in accordance with German principles and as a whole and suitably presents the opportunities and risks of future development. Moreover, the legal representatives are responsible for all measures and precautions (systems) they consider as necessary in order to enabling the preparation of the management report in accordance with German principles and to provide sufficient and appropriate evidence on the statements made in the financial statements.</p>
<p><u>Verantwortung des Abschlussprüfers für die Prüfung des Jahresabschlusses und des Lageberichts</u></p> <p>Unsere Zielsetzung ist, hinreichende Sicherheit darüber zu erlangen, ob der Jahresabschluss als Ganzes frei von wesentlichen – beabsichtigten oder unbeabsichtigten – falschen Darstellungen ist, und ob der Lagebericht insgesamt ein zutreffendes Bild von der Lage der Gesellschaft vermittelt sowie in allen wesentlichen Belangen mit dem Jahresabschluss sowie mit den bei der Prüfung gewonnenen Erkenntnissen in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt, sowie einen Bestätigungsvermerk zu erteilen, der unsere Prüfungsurteile zum</p>	<p><u>Responsibility of the auditors for the auditing of the annual financial accounts and the management report.</u></p> <p>It is our aim to achieve sufficient certainty to ensure that the annual financial accounts are, in their entirety, free of significant false representations, whether by design or accident and to present an audit report which contains our professional opinion to the annual financial accounts. "Sufficient Certainty" is a high standard of certainty however it is not a guarantee. An audit carried out according to the legislation § 317 HGB and to standards outlined by the "Institut der Wirtschaftsprüfer (Institute of Public Auditors, IDW) known as the German accountancy good practice principles cannot always uncover a significant false representation. False representations can be a result of a violation or an error and are considered significant when it can reasonably be expected that they, either singularly or together, would influence the commercial decisions of the reader of the annual financial accounts and the management report..</p> <p>During the audit we exercise a dutiful discretion under the maintenance of a critical attitude. In addition to this:</p> <ul style="list-style-type: none"> • we identify and judge the risks associated with significant deliberate or accidental false representations contained within the annual financial accounts. As a reaction to these risks, we will plan and carry out audit actions which are sufficient and suitable to act as a foundation for our professional opinion. The risk associated with significant false representations which have not been exposed is higher for violations than with errors. This is

<p>Jahresabschluss und zum Lagebericht beinhaltet</p> <p>Hinreichende Sicherheit ist ein hohes Maß an Sicherheit, aber keine Garantie dafür, dass eine in Übereinstimmung mit § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführte Prüfung eine wesentliche falsche Darstellung stets aufdeckt. Falsche Darstellungen können aus Verstößen oder Unrichtigkeiten resultieren und werden als wesentlich angesehen, wenn vernünftigerweise erwartet werden könnte, dass sie einzeln oder insgesamt die auf der Grundlage dieses Jahresabschlusses und Lageberichts getroffenen wirtschaftlichen Entscheidungen von Adressaten beeinflussen.</p> <p>Während der Prüfung üben wir pflichtgemäßes Ermessen aus und bewahren eine kritische Grundhaltung. Darüber hinaus</p> <ul style="list-style-type: none"> • identifizieren und beurteilen wir die Risiken wesentlicher - beabsichtigter und unbeabsichtigter - falscher Darstellungen im Jahresabschluss, planen und führen Prüfungshandlungen als Reaktion auf diese Risiken durch sowie erlangen Prüfungsnachweise, die ausreichend und geeignet sind, um als Grundlage für unsere Prüfungsurteile zu dienen. Das Risiko, dass wesentliche falsche Darstellungen nicht aufgedeckt werden, ist bei Verstößen höher als bei Unrichtigkeiten, da Verstöße betrügerisches Zusammenwirken, Fälschungen, beabsichtigte Unvollständigkeiten, irreführende Darstellungen bzw. das Außerkraftsetzen interner Kontrollen beinhalten können. • gewinnen wir ein Verständnis von dem für die Prüfung des Jahresabschlusses relevanten internen Kontrollsystem und den für den Lagebericht relevanten Vorkehrungen und Maßnahmen, um Prüfungshandlungen zu planen, die unter den gegebenen Umständen angemessen sind, jedoch nicht mit dem Ziel, ein Prüfungsurteil zur Wirksamkeit 	<p>because violations could imply fraudulent cooperation, falsifications, deliberate incompleteness, misleading presentation of information or the hindrance of internal supervision and monitoring.</p> <ul style="list-style-type: none"> • we achieve an understanding of the internal supervision and monitoring system relevant to the annual financial accounts and the management report. This is done in order to plan audit actions which are relevant to the given situation, however not with the intention of giving an appraisal as to the effectiveness of the companies systems. • we judge the suitability of the accounting methods used by the accountants (legal representatives) and also the tenability of estimated values and correlating declarations used by them. • we draw conclusions as to the suitability of the applied accountancy model used by the accountants to demonstrate the continuation of the company business and additionally, based upon knowledge obtained during the audit, whether a significant uncertainty exists, in connection with events or circumstances, which could give rise to a meaningful doubt as to the ability of the company to continue its business. Should we reach the conclusion that a significant uncertainty does exist, we are compelled to include this in the auditor's report quoting the relevant data in the annual financial accounts and the management report. Should these details not be appropriate then we will modify the respective audit opinion. We draw our conclusions based upon information and data received up until the date of our auditor's report. Future events or circumstances can however lead to the inability of the company to continue its business. • We assess the overall view, the structure and content of the annual financial account inclusive of general information, and additionally as to whether the annual financial accounts reflect the basic business transactions and events in a manner that the annual financial accounts, prepared according
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<p>dieser Systeme der Gesellschaft abzugeben.</p> <ul style="list-style-type: none"> • beurteilen wir die Angemessenheit der von den gesetzlichen Vertretern angewandten Rechnungslegungsmethoden sowie die Vertretbarkeit der von den gesetzlichen Vertretern dargestellten geschätzten Werte und damit zusammenhängenden Angaben. • ziehen wir Schlussfolgerungen über die Angemessenheit des von den gesetzlichen Vertretern angewandten Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit sowie, auf der Grundlage der erlangten Prüfungsnachweise, ob eine wesentliche Unsicherheit im Zusammenhang mit Ereignissen oder Gegebenheiten besteht, die bedeutsame an der Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit aufwerfen können. Falls wir zu dem Schluss kommen, dass eine wesentliche Unsicherheit besteht, sind wir verpflichtet, im Bestätigungsvermerk auf die dazugehörigen Angaben im Jahresabschluss und im Lagebericht aufmerksam zu machen oder, falls diese Angaben unangemessen sind, unser jeweiliges Prüfungsurteil zu modifizieren. Wir ziehen unsere Schlussfolgerungen auf der Grundlage der bis zum Datum unseres Bestätigungsvermerks erlangten Prüfungsnachweise. Zukünftige Ereignisse oder Gegebenheiten können jedoch dazu führen, dass die Gesellschaft ihre Unternehmenstätigkeit nicht mehr fortführen kann. • beurteilen wir die Gesamtdarstellung, den Aufbau und den Inhalt des Jahresabschlusses einschließlich der Angaben sowie ob der Jahresabschluss die zugrunde liegende Geschäftsvorfälle und Ereignisse so darstellt, dass der Jahresabschluss unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens- 	<p>to the German accountancy good practice principles, demonstrate the real state of affairs of the company relating to the assets, earnings and financial state.</p> <ul style="list-style-type: none"> • we assess as to whether the management report is in accordance with the financial statements, its law and its true and fair view of the financial position of the company. • we perform audit activities in accordance with the future-orientated information provided by the legal representatives in the management report. On the basis of sufficient and appropriate audit evidences we mainly follow the future-orientated information based on the legal representatives' momentous estimates and assess the appropriate derivation of the future-orientated information from these estimates. We do not provide an independent audit opinion on the future-orientated information and the underlying estimates. There may be a substantial inevitable risk that any future events significantly deviate from the future-orientated information. <p>We discuss with those responsible for the supervision amongst other things, the intended scope and scheduling of the audit as well as relevant discoveries including possible shortcomings in the internal monitoring system which we ascertain during the audit.</p>
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<p>Finanz- und Ertragslage der Gesellschaft vermittelt.</p> <ul style="list-style-type: none"> • beurteilen wir den Einklang des Lageberichts mit dem Jahresabschluss, seine Gesetzesentsprechung und das von ihm vermittelte Bild von der Lage der Gesellschaft. • führen wir Prüfungshandlungen zu den von den gesetzlichen Vertretern dargestellten zukunftsorientierten Angaben im Lagebericht durch. Auf Basis ausreichender geeigneter Prüfungsnachweise vollziehen wir dabei insbesondere die den zukunftsorientierten Angaben von den gesetzlichen Vertretern zugrunde gelegten bedeutsamen Annahmen nach und beurteilen die sachgerechte Ableitung der zukunftsorientierten Angaben aus diesen Annahmen. Ein eigenständiges Prüfungsurteil zu den zukunftsorientierten Angaben sowie zu den zugrunde liegenden Annahmen geben wir nicht ab. Es besteht ein erhebliches unvermeidbares Risiko, dass künftige Ereignisse wesentlich von den zukunftsorientierten Angaben abweichen <p>Wir erörtern mit den für die Überwachung Verantwortlichen unter anderem den geplanten Umfang und die Zeitplanung der Prüfung sowie bedeutsame Prüfungsfeststellungen, einschließlich etwaiger Mängel im internen Kontrollsystem, die wir während unserer Prüfung feststellen.</p>	
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München, 1. Juni 2022

Hubert Jahn Kollegen GmbH
Wirtschaftsprüfungsgesellschaft

Matthias Jahn
Wirtschaftsprüfer"

D. Subject, character and audit scope

We carried out our audit in April 2022 to June 2022 in our office premises in Munich. Our auditor's functions were essentially finished on 1 June 2022.

D.I Subject of the audit

The subject of our audit was the Company's accounting and the financial statements consisting of the balance sheet, the profit and loss account and the notes to the financial statement.

In addition, we have reviewed the company's management report for the year from 1 April 2021 to 31 March 2022.

We also refer to the section C. Repetition of the independent Auditor's opinion and there in particular to sections "Responsibility of the legal representative for the annual financial accounts and the management report" and "Responsibility of the auditors for the auditing of the annual financial accounts and the management report".

D.II Character and audit scope

With regard to the auditing principles applied, we refer to section C. Repetition of the independent Auditor's opinion and there in particular to sections "Basis of the examination Responsibility of the auditors for the auditing of the annual financial accounts".

The audit did neither extend according to § 317 (4a) German Commercial Code (HGB) to the audited company's future prospects nor to the effectiveness and the efficiency of the management.

The audit was carried out in accordance with § 317 German Commercial Code (HGB) and the auditing Standards promulgated in the statement of IDW PS 200 pf. by the German „Institut der Wirtschaftsprüfer" (IDW). We have audited, whether the regulations of the German Commercial Code and additional regulations of the articles of association of the Company and the regulations and standards of accounting were noticed. The audit covers other regulations only in so far as these regulations contain rules with which the financial statements have to comply. This audit does neither cover any specific information on criminal offences such as breach of public trust or embezzlements nor any offences committed beyond accounting.

The audit was performed by defining an audit strategy, taking a risk-orientated approach. Based on this approach, significant criteria for the determination of audit procedures is the risk of errors and violations of statutory provisions. Knowledge of the business activities and the economic and legal environment of the Company and evaluations of possible misstatements are taken into account in the determination of audit procedures.

On the basis of this determination we have planned our audit procedures.

The effectiveness of the internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements are examined primarily on a test basis within the framework of the audit. We focused on economic

importance of each part of the audit and the type of accounting principles. Because of this assurance of the proper business transactions the scope of the individual audit procedures could be cut down. The audit procedures included plausibility checks and the audit of evidence of individual business transactions.

Provided that materiality limits were not exceeded, no adjustments have been made.

Our audit was focused on:

- existence of investments
- Reconcile and evaluation of trade receivables and trade payables including affiliated companies
- valuation of accruals

We have requested confirmations of affiliated companies concerning trade receivables and trade payables. Amounts due from and to affiliated companies have been agreed upon with the companies concerned.

The cash in banks and liabilities due to banks are in accordance with confirmations and statement of accounts.

Details about the audit scope and methods are included in our working papers.

On 1 June 2022 we received the Letter of Representation by the managing directors. In the Letter of Representation the management promised that the bookkeeping contains all assets, liabilities and risks and that the information given to us is complete.

E. Statements and explanation to accounting**E.I Adequacy of the accounting****E.I.1 Accounting and other reviewed documents**

The accounting of the Company of the reporting year are performed outside by KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt, by the use of a data processing program called DATEV.

We have convinced ourselves of the adequacy and procedure of the accounting as a whole and its practical use. The vouchers are orderly and conclusive. Journal and ledger accounts are properly recorded. The accounting records documents handling is in accordance with the general accepted accounting principles. Assets and liabilities were properly proved. When we finished our audit, all accounts were closed.

In the course of our audit and due to the information given to us we did not find any indications that the safety of the data processed for the purposes of accounting is not guaranteed.

E.1.2 Financial statements

The balance sheet as of 31 March, 2022 and the profit and loss account for the period from 1 April 2021 to 31 March 2022 were correctly deduced from the accounting. The balance sheet format complies with the German Commercial Code. The assets were proven by balance files, confirmations, correspondences of the Company and other documents.

The financial statements of Larsen & Toubro Infotech GmbH, Hamburg, were prepared in accordance with §§ 242-256 German Commercial Code (HGB) and the complementing regulations of §§ 264-288 German Commercial Code (HGB). Furthermore the regulations in the German GmbH-Law were noticed.

The valuation of assets and liabilities applied to the German Commercial Code. The used accounting and valuation methods are presented in the notes to the financial statements (Appendix 3).

Valuation methods and classifications of the financial statements as of March 31, 2021 are applied. The standards of § 252 of German Commercial Code (HGB) were followed by the Company and the German Accounting Directive Implementation Act.

The notes to the financial statements are in accordance with the applicable law and regulations. The notes to the financial statements especially contain all necessary disclosures, representations, analysis, explanations and reasons with regard to recording methods of the accounting and valuation of the individual items in the balance sheet and profit and loss account as well as the other necessary disclosures. We examined the individual disclosures of the notes to the financial statements within our audit of the individual items in the balance sheet and profit and loss account.

In the preparation of the annual financial statements, no use was made of the size-based relief (for medium-sized companies) of the exemptions 276 (1) and 288 (2) of the German Commercial Code (HGB).

E.1.3 Management report

The Management report

- complies with the legal requirements in all essential respects
- provides a suitable view of the company's position
- is consistent with the annual financial statements
- suitably presents the material opportunities and risks of future development and the details disclosed in accordance with sec. 289 para. 2 and 4 HGB are complete and correct.

E.II Overall picture conveyed by the financial statements

E.II.1 Result of the financial statements

According to the result of our audit the financial statements, in compliance with generally accepted accounting principles, present an overall true and fair view of its net worth, financial position and results of operations.

E.II.2 Substantial valuation methods

We refer to the notes to the financial statements (Appendix 3)

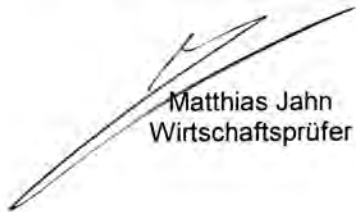
F. Signature of the audit report

We submit this auditor's report of the financial statements and the management report of Larsen & Toubro Infotech GmbH, Hamburg, for the period from 01 April 2021 to 31 March 2022 according to § 321 German Commercial Code (HGB) while considering the generally accepted audit standards (IDW PS 450).

The publication or transfer of the financial statements and the management report in a form different from the one we have audited is only permitted after our consent if in the course of doing so reference is made to our audit opinion or audit.

Munich, 1 June 2022

Hubert Jahn Kollegen GmbH
Wirtschaftsprüfungsgesellschaft



Matthias Jahn
Wirtschaftsprüfer



Appendices

Larsen & Toubro Infotech GmbH, HamburgHamburg

Balance sheet as of 31 March 2022

ASSETS	Financial Year EUR	Prior Year EUR
A. Noncurrent assets		
I. Tangible fixed assets		
1. Other equipment, operating and office equipment	5,920.00	6,277.00
II. Long term financial assets		
1. Other long-term equity investments	50,665,391.77	54,833,141.02
Total noncurrent asset	<u>50,671,311.77</u>	<u>54,839,418.02</u>
B. Current assets		
I. Inventories		
1. Work in progress	301,749.26	684,998.73
II. Receivables and other assets		
1. Trade receivables	6,439,925.04	3,686,121.05
2. Receivables from affiliated companies	107,985.36	315,696.39
3. Other assets	65,272.00	209,631.17
	<u>6,613,182.40</u>	<u>4,211,448.61</u>
III. Cash on hand, central bank balances, bank balances, and checks	259,505.87	2,511,797.08
Total current assets	<u>7,174,437.53</u>	<u>7,408,244.42</u>
C. Prepaid expenses	5,917.68	3,762.00
	<u><u>57,851,666.98</u></u>	<u><u>62,351,424.44</u></u>

TOTAL EQUITY AND LIABILITIES	Financial Year EUR	Prior Year EUR
A. Equity		
I. Subscribed capital	125,000.00	125,000.00
II. Capital reserves	42,900,000.00	42,900,000.00
III. Retained profits brought forward	1,803,154.65	1,288,694.35
IV. Net loss for the financial year	3,714,389.88	-514,460.30
Total equity	41,113,784.77	44,828,154.65
B. Provisions		
1. Provisions for taxes	15,002.00	6,737.21
2. Other provisions	6,729,714.52	9,975,540.65
	6,744,716.52	9,982,278.06
C. Liabilities		
1. Liabilities to financial institutions	1,182,476.66	0.00
- of which remaining term up to 1 year		
EUR 1,182,476.66 (EUR 0.00)		
2. Advance payments received on orders	171,878.00	4,210.10
- of which remaining term up to 1 year		
EUR 171,878.00 (EUR 4,210.10)		
3. Trade payables	9,700.06	106,718.17
- of which remaining term up to 1 year		
EUR 9,700.06 (EUR 106,718.17)		
4. Liabilities to affiliated companies	7,965,160.08	7,194,466.93
- of which remaining term up to 1 year		
EUR 7,965,160.08 (EUR 7,194,466.93)		
5. Other liabilities	663,950.89	235,596.53
- of which taxes EUR 618,567.84		
(EUR 214,783.17)		
- of which social security EUR 29,718.91		
(EUR 2,285.21)		
- of which remaining term up to 1 year		
EUR 663,950.89 (EUR 235,596.53)		
	9,993,165.69	7,540,991.73
	<u>67,851,666.98</u>	<u>62,351,424.44</u>

Larsen & Toubro Infotech GmbH, HamburgHamburg

Income statement for the period from 1 April 2021 to 31 March 2022

	Financial Year EUR	Prior Year EUR
1. Sales	19,056,127.52	15,747,023.15
2. Decrease in finished goods inventories and work in progress	-383,249.51	-19,997.92
3. Other operating income	866,076.83	428,896.79
- of which currency translation gains EUR 224,402.62 (EUR 143,556.39)		
4. Cost of materials		
a) Cost of raw materials, consumables and supplies, and of purchased merchandise	26.30	0.00
b) Expenses for purchased services	-15,165,292.15	-11,095,560.87
	-15,165,265.85	-11,095,560.87
5. Personnel expenses		
a) Wages and salaries	-3,502,503.97	-3,260,996.71
b) Social security costs and expenses related to pension plans and for support	-430,800.67	-372,112.12
	-3,933,404.64	-3,633,108.83
6. Depreciation and amortization		
a) Of noncurrent intangible assets and property, plant and equipment	-4,964.60	-17,567.74
7. Other operating expenses	-1,033,218.08	-911,837.16
- of which currency translation losses EUR 236,034.58 (EUR 396,173.97)		
8. Income from long-term equity investments	785,501.53	0.00
9. Other interest and similar income	3,665.06	123,933.25
- of which from affiliated companies EUR 1,093.55 (EUR 6,173.79)		
- of which interest income from discounting of provisions EUR 0.00 (EUR 117,759.46)		
Carried forward	191,268.26	621,782.67

Larsen & Toubro Infotech GmbH, HamburgHamburg

Income statement for the period from 1 April 2021 to 31 March 2022

	Financial Year EUR	Prior Year EUR
Brought forward	191,268.26	621,782.67
10. Depreciation and amortization of financial assets and marketable securities	-3,916,870.25	0.00
- of which extraordinary write-downs of long-term financial assets EUR 3,916,870.25 (EUR 0.00)		
11. Interest and similar expenses	-21,136.17	-98,762.23
- of which from affiliated companies EUR 0.00 (EUR 444.00)		
- of which interest expenses from the discounting of provisions EUR 6,781.44 (EUR 97,603.23)		
12. Taxes on income	32,368.28	-8,560.14
13. Net income/net loss after tax	<u>-3,714,369.88</u>	<u>614,460.30</u>
14. Net loss for the financial year	<u>-3,714,369.88</u>	<u>614,460.30</u>

Notes to the financial statements

General information on the financial statements

The Company, which has its registered office in Hamburg, is registered at the Hamburg Local Court under the registration number HRB 171371.

The annual financial statements of Larsen & Toubro Infotech GmbH, Hamburg, for the fiscal year from April 1, 2021 to March 31, 2022 have been prepared in accordance with the provisions of the German Commercial Code (HGB) and the German Limited Liability Companies Act (GmbH-Gesetz).

The annual financial statements have been prepared in accordance with the provisions of section 242 et seq. HGB, taking into account the supplementary provisions for medium-sized corporations.

The income statement has been prepared using the nature of expense method in accordance with Section 275 (2) of the German Commercial Code (HGB).

The financial statements are presented in euros.

Disclosures on accounting and valuation methods

Assets

Fixed assets are stated at acquisition cost and depreciable fixed assets are reduced by depreciation.

Depreciation was calculated on a straight-line basis over the expected useful lives of the assets.

Financial assets

Financial assets were valued at acquisition cost.

Where necessary, the lower value available on the balance sheet date was applied.

Inventories

Inventories are stated at acquisition cost. If the current values on the balance sheet date were lower, these were recognized. As part of long-term contract manufacturing, revenue according to the completed contract approach was presented only after the service performance had been carried out, i.e. upon the conclusion of the project. Expenses incurred for projects that had not yet been completed were capitalized as work in process during the reporting year. Work in process is to be capitalized at production cost pursuant to Section 255 (2) HGB. The cost of production includes direct costs as well as necessary material and manufacturing overheads and, in this case in particular, personnel expenses. Interest on borrowings is not included. If the expected sales revenue from a contract does not cover the capitalized amounts plus all further costs that are expected to be incurred, a corresponding write-down to the lower fair value takes place. A provision will only be recognized in the corresponding amount if an expected loss exceeds the capitalized costs.

Receivables and other assets

Receivables were measured taking into account all identifiable risks.

Receivables are stated at nominal value. Receivables in foreign currencies are translated into euros at the mean spot exchange rate on the balance sheet date.

Receivables risks are taken into account to an appropriate extent by means of specific valuation allowances.

Cash at banks

Cash at banks is stated at nominal value.

Prepaid expenses and deferred charges

Prepaid expenses include expenses that represent expenditures for a certain period after the balance sheet date.

Provisions

Other provisions were recognized at the settlement amounts required according to prudent business judgment (i.e., including future cost and price increases) and taking into account all identifiable risks and uncertain liabilities. Provisions with a remaining term of more than one year were discounted at the average market interest rate of the past seven financial years corresponding to their remaining term.

Liabilities

Liabilities were recognized at the settlement amount.

Liabilities in foreign currencies are translated into euros at the mean spot exchange rate on the balance sheet date.

Balance sheet disclosures

Fixed assets

The total acquisition costs, additions, disposals, transfers and depreciation for the financial year, as well as the accumulated depreciation for each individual fixed asset item, are shown in the statement of changes in fixed assets (appendix to the notes).

An impairment loss was recognized in the financial year for the investment in Ruletronics Limited (UK), as the company has filed for liquidation in the UK, which is expected to be implemented shortly after the balance sheet date. Apart from the already effected payment of the profit carried forward in the amount of GBP 701,961 (Euro: 785,501.53), no further payment is expected.

The change in the carrying amount of the investment in Nielsen + Partner is based on the fact that the acquisition costs are paid in several installments at certain points in time. These deferred payments are based on certain sales targets. Where the sales targets were not met and a lower payment was made, the acquisition costs of the investments were subsequently adjusted. The outstanding payments are included in other accruals at the maximum amounts expected.

Receivables from affiliated companies

Receivables from affiliated companies include trade receivables amounting to EUR 107,985.36 (previous year: EUR 315,696.39). The receivables do not include any receivables from the shareholder.

Other assets

Other assets mainly include receivables from deposits amounting to EUR 28,000.00 (previous year: EUR 43,205.71) and creditor accounts with a debit balance amounting to EUR 0.00 (previous year: EUR 40,815.4).

Other provisions

Other provisions include provisions for outstanding invoices in the amount of EUR 332,579.00 (previous year: EUR 112,172.27) and provisions for personnel costs in the amount of EUR 157,600.00 (previous year: EUR 150,029.25).

In addition, the provisions include amounts for outstanding payments (earn-out payments based on sales targets) of the acquired investments amounting to EUR 6,239,535.52 (previous year: EUR 9,713,339.33). These all have a remaining term of up to one year.

Liabilities against affiliated companies

Liabilities to affiliated companies include trade payables in the amount of EUR 7,965,160.08 (previous year: EUR 7,194,466.93). Trade payables include liabilities to the shareholder in the amount of EUR 6,503,824.28 (previous year: EUR 6,956,993.63).

Disclosures on the income statement

Breakdown of sales

Sales are broken down as follows in accordance with § 285 no. 4 German Commercial Code:

Sales to country	Sales financial year EUR	Category
Austria	3,628,989	Export
Switzerland	462,113	Export
Czech Republic	7,929	Export
Germany	14,702,857	Domestic
Spain	8,877	Export
US	245,362	Export
	19,056,127	

Other financial obligations not recognized in the balance sheet

There are other financial obligations amounting to EUR 12,000.00 (previous year: EUR 0.00) for payment obligations arising from rental agreements for office space. The rental agreement has an indefinite remaining term and can be terminated annually.

There are no other financial obligations with affiliated companies.

Other information

Average number of employees during the fiscal year

The following employee groups were employed by the company during the financial year:

Employee groups	Financial year	Previous year
Employees	41	36
Full-time employees	41	36
Half-time employees	0	0

Names of the members of the management

In fiscal year 2021/2022 and until the preparation of the annual financial statements, the following persons

- Nachiket Deshpande, Pune / India, businessman
- Sudhir Chaturvedi, Purley / United Kingdom, businessman

were appointed as managing directors with sole power of representation and exempted from the exempt from the restrictions of Section 181 of the German Civil Code (BGB).

Total fee for the auditors

In fiscal year 2021/2022, the following total fees were charged for the auditor of the financial statements within the meaning of § 285 No. 17 HGB, Hubert Jahn Kollegen GmbH Wirtschaftsprüfungsgesellschaft:
- Audit of financial statements (Section 285 No. 17 a) HGB): EUR 8,450.

Information on shareholdings in other companies of at least 20 percent of the shares

In accordance with Section 285 No. 11 HGB, the following companies are reported on:

Company name / registered office	Share amount	Annual result	Equity
Nielsen + Partner Unternehmensberater GmbH	100.00%	-159.754 EUR	1.522.223 EUR
Ruletronics Limited (UK)	100.00%	-36.987 GBP	200 GBP
Ruletronics Systems Inc (US)	100.00%	-80.124 USD	138.908 USD
Syncordis S.A.(Luxembourg)	62.80%	-226.326 EUR	55.392 EUR

Group affiliation

Larsen & Toubro Infotech GmbH is included in the consolidated financial statements of Larsen & Toubro Limited, Mumbai (India), which prepares the consolidated financial statements for the smallest group of companies. Larsen & Toubro Infotech Limited, Mumbai (India) prepares the consolidated financial statements for the largest group of companies. The consolidated financial statements are available at the address L&T House, Ballard Estate, Mumbai 400 001.

Proposal or resolution on the appropriation of earnings

The net loss for the year in the amount of EUR -3,714,369.88 will be carried forward.

Hamburg, 1 June, 2022

Larsen & Toubro Infotech GmbH,
Hamburg



Director

Mr. Sudhir Chaturvedi



Mr. Nachiket Deshpande

Larsen & Toubro Infotech GmbH, Hamburg
Anlagenpiegel zum 31.03.2022

	Anschaffungskosten				Kumulierte Abschreibungen				Bilanz				
	Stand am 1.1.2021 EUR	Zugänge EUR	Um- buchungen EUR	Abgänge EUR	Stand am 31.3.2022 EUR	Stand am 1.1.2021 EUR	Abschrei- bungen pro Geschäftsjahr EUR	Abgänge EUR	Umbuchungen EUR	Stand am 31.3.2022 EUR	Zu- schreibungen EUR	Stand am 31.3.2022 EUR	Stand am 31.3.2021 EUR
Immaterielle Vermögensgegenstände													
Briefe, gestiftete Gewerkschaftsrechte und ähnliche Rechte und Werte, an denen Ansprüche bestehen, gewerbliche Schutzrechte und ähnliche Rechte und Werte sowie Lizenzen an solchen Rechten und Werten	0,00	0,00	0,00	-0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Patente, Marken und Verlagsrechte	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Immaterielle Vermögensgegenstände	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Sachanlage													
Grundstücke	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Grundstücke, Gebäude, Maschinen, Anlagen, Fahrzeuge, etc.	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gesamtwert	117.901,32	5.128,76	0,00	0,00	32.961,23	111.664,70	4.964,80	89.601,49	0,00	27.647,23	0,00	5.128,76	1.277,00

Management report

Management Report for the Financial Year ending March 31, 2022

1. General information about the Company - Larsen & Toubro Infotech GmbH, hereinafter referred to as "LTI Germany", is a subsidiary of the Larsen & Toubro Infotech Limited. The parent company Larsen & Toubro Infotech Limited, is based in India and has numerous subsidiaries worldwide. LTI Germany is included in the consolidated financial statements of Larsen & Toubro Infotech Limited, Mumbai/India (LTI). LTI Germany is located at Grosser Burstah 45, 20457 Hamburg, Germany.

LTI Germany offers IT services mainly in consulting and implementation services for ERP systems and IT outsourcing. LTI Germany primarily delivers in Consumer Technology & Utilities and Manufacturing industry clients. At LTI Germany, process and IT experts work together closely. Their common objective to create value unites them in their daily project work on site at the customer's premises. Consistent customer orientation as well as the inspiration to "create value together with the customer" unites the both.

2. Economic report - The war in Ukraine, and the resulting EU sanctions against Russia and Belarus, substantially changed the outlook for the German economy in 2022. Although direct trade with Russia, Ukraine and Belarus is very limited, the consequences are strong due to disruptions in the supply chain and in energy imports. The main impact is caused by surging energy prices, with oil prices shooting up by 52% and natural gas prices by 55% between the beginning of 2022 and early April. Besides higher energy prices, further disruptions in the supply chain and higher food prices led to a record high increase of producer prices, which translated into a consumer price inflation rate of 7.3% in March 2022. Due to the high inflation dynamics, the purchasing power of households will decrease noticeably, although, at least at the beginning of the year, the high savings that bulked up during the last two years of pandemic will buffer some of it. Even including the new state support measures, expenditures should not increase much compared to the previous years, while tax receipts are expected to be higher in 2022. This will result in an improved public balance, but the deficit will remain for the third consecutive year. Thanks to low interest rates, the public debt ratio should remain stable. Due to new supply-chain challenges, export growth might decelerate, while nominal

imports could increase due to higher import prices. In addition, the services balance could slowly turn into a slight deficit again, after global travel restrictions progressively ease, while the balance of investment income (surplus) and the balance of current transfers (deficit) should see only cosmetic changes.

3. Business development and Revenue - In the financial year ending March 31, 2022, LTI Germany achieved 21 % growth in revenue. Revenue for year ended March 31, 2022 is EUR 19.0 Mn as compared to prior year EUR 15.7 Mn. We remain confident of our strong momentum. LTI Germany's many customers are in Hi-Tech, Media and Entertainment industry. High-tech industries have recovered from the pandemic during the financial year ending March 31, 2022 at different speeds based on varied exposure, demand for their products and reliance on sourcing networks. This has triggered companies to revisit their strategies to accelerate digitization, AI/ML techniques to improve predictions in supply chain along with better partner collaboration for seamless integration of processes. Companies are identifying new avenues for growth to help position themselves for a better future. They have made analytics, data management and customer data platforms a top technological priority. We are entering FY23 with strong tailwinds in terms of exit run rate, large deals closed and robust pipeline. All the pillars of our revenue growth strategy remain on a strong footing.

4. Assets and liabilities - As at March 31, 2022, the Shareholder's equity amounted to EUR 41.1 Mn (prior year: EUR 44.8 Mn) at a Balance Sheet total of EUR 57.9 Mn (prior year: EUR 62.3 Mn). Receivables from affiliated companies, were reduced by EUR 0.2 Mn, while trade receivables experienced an increase of EUR 2.8 Mn. As of March 31, 2022, the cash and cash equivalents declined by EUR 2.2 Mn. On the liabilities side, liabilities to affiliated companies increase by EUR 0.7 Mn while trade payables decreased by EUR 0.09 Mn.

5. Financial position - The main objective of the financial management is to ensure the Company's solvency in order to meet its payment obligations on time and to reduce financial risks. The Company's capital requirements are generally to be covered by the funds generated from operating activities. During the year ended March 31, 2022, Company had entered into a loan agreement with the fellow subsidiary Larsen & Toubro Infotech UK Limited in order to compensate for any liquidity fluctuations the Company might experience. Under this loan agreement, a credit line of a maximum of EUR 5 Mn has been granted to the Company. In the

reporting year ended March 31, 2022, EUR 3 Mn were drawn under this credit line and has been fully repaid. As at the reporting date, there is no outstanding balance of loan. As at the reporting date, cash and cash equivalents totalling EUR 0.3 Mn.

6. Earnings – In the current year, gross profit has slightly decreased to EUR 4.3 Mn from EUR 5.0 Mn in previous year.

Personnel expenses increased from EUR 3.6 Mn in previous year to EUR 3.9 Mn. During the current year, LTI Germany received dividend from one of its subsidiary for EUR 0.8 Mn. During the year LTI Germany has provided for diminution in value of investment in subsidiary for EUR 3.9 Mn.

Net loss amounted to EUR 3.7 Mn against net profit of EUR 0.5 Mn in previous year.

7. Summary of significant financial and non-financial indicators

The Summary of significant financial and non-financial indicators is as follows;

- Debtors Turnover Ratio – 2.9 (prior year 3.9)
- Financial Self-Sufficiency Ratio – 1.00 (prior year 1.03)

8. Events of particular significance after the close of the financial year

There are no relevant subsequent events after the year end.

9. Risks of future development and opportunities

Moving forward, we see an increasing trend on new innovation in this space with 5G and edge computing driving eco-system of connected devices and smart products, hardware firms moving to new business models and heightened focus on supply chain resilience. Major initiatives will be focused on enhancing online user experiences with an increased emphasis on hyper-personalization and data-driven ecosystems as well as remote distribution networks, augmented reality and IoT.

One of the key risk to LTI Germany's business is in retaining top talent and talent with niche skills, fulfilment demand with shorter lead time results into higher cost of resources impacting profitability. To address this risk, LTI Germany is evaluating Competitive Compensation Grid for Niche Skills and Multiple retention and fulfilment programs at organization and individual

Business Unit level.

Another potential risk is in Operating Model (i.e. Future of Work). Business dynamics are changing rapidly in context to flexible working model, remote working and change in workplace design. These drivers will require changes in our operating model balancing the needs of clients/employees. Various programs have been initiated to make the Organization ready to the changing business dynamics and work model.

1. Employee communication and training - Robust communication strategies are deployed for employee awareness on modified processes to enable work in changed environment
2. System, process, and policy readiness - Relevant policies are revised to suite the changing business and work model
3. Facility readiness - The facilities and administrations are redesigned in perspective of the flexible work model and employee health and safety
4. Laptop (LTI asset / client asset) & security tools enablement - Security enablement on LTI or Client laptops is being executed to make the data on the devices secured.

Cyber Security is also a risk being mitigated by Company. Lack of appropriate controls in Cyber Security may open vulnerabilities leading to Cyber threats and Cyber attacks, Non-Compliance to contractual obligations, Critical business Data loss. To mitigate this, LTI Germany

1. Ensures mandatory trainings that are completed within target dates,
2. Ensures data criticality, backup requirements, restoration testing plan that is defined in coordination with business owner,
3. Increases investment in licenses to cover wider spectrum of assets to implement all enterprise security controls and
4. Patches vulnerabilities and deploys security patches across enterprise systems within timelines.

Rapid Change in technology and Digital disruption – LTI Germany is evaluating working with geography SMEs to strengthen go-to-market strategy, building solutioning capability for end-to-end digital transformation, working on competency development in newer technologies and increasing revenue from newer technologies.

10. Outlook for the Company

Based on the visibility we have today, moderate annual revenue growth and a corresponding increase in net income from operations is forecast for financial year 2022-23. We expect the profit/revenue ratio to remain at the same level due to the nature of our business model.

Management has not identified any risks that cast significant doubt on the Company's ability to continue as a going concern.

11. Research and development

LTI Germany is not engaged in research and development activities.

<p><u>Bestätigungsvermerk des unabhängigen Abschlussprüfers:</u></p> <p>An die Larsen & Toubro Infotech GmbH, Hamburg</p> <p><u>Prüfungsurteile</u></p> <p>Wir haben den Jahresabschluss der Larsen & Toubro Infotech GmbH, Hamburg, – bestehend aus der Bilanz zum 31.3.2022 und der Gewinn- und Verlustrechnung für das Geschäftsjahr vom 1.4.2021 bis zum 31.3.2022 sowie dem Anhang, einschließlich der Darstellung der Bilanzierungs- und Bewertungsmethoden – geprüft. Darüber hinaus haben wir den Lagebericht der Larsen & Toubro Infotech GmbH, Hamburg, für das Geschäftsjahr vom 1.4.2021 bis zum 31.3.2022 geprüft.</p> <p>Nach unserer Beurteilung aufgrund der bei der Prüfung gewonnenen Erkenntnisse</p> <ul style="list-style-type: none"> ▪ entspricht der beigefügte Jahresabschluss in allen wesentlichen Belangen den deutschen, für Kapitalgesellschaften geltenden handels-rechtlichen Vorschriften und vermittelt unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens- und Finanzlage der Gesellschaft zum 31.3.2022 sowie ihrer Ertragslage für das Geschäftsjahr vom 1.4.2021 bis zum 31.3.2022. ▪ vermittelt der beigefügte Lagebericht insgesamt ein zutreffendes Bild von der Lage der Gesellschaft. In allen wesentlichen Belangen steht dieser Lagebericht in Einklang mit dem Jahresabschluss, entspricht den deutschen gesetzlichen Vorschriften und stellt die Chancen und Risiken der zukünftigen Entwicklung zutreffend dar. <p>Gemäß § 322 Abs. 3 Satz 1 HGB erklären wir, dass unsere Prüfung zu keinen Einwendungen gegen die Ordnungsmäßigkeit des Jahresabschlusses und des Lageberichts geführt hat.</p>	<p><u>Report of the independent auditor:</u></p> <p>For Larsen & Toubro Infotech GmbH, Hamburg</p> <p><u>Conclusions:</u></p> <p>We have examined the annual financial statement of Larsen & Toubro Infotech GmbH, Hamburg, comprising of the balance sheets dated March 31, 2022, the profit and loss calculations for the financial year April 1, 2021 to March 31, 2022 and also the appendices including a description of the accounting and valuation methods used. Furthermore, we have audited the management report of Larsen & Toubro Infotech GmbH, Hamburg, for the financial year from April 1, 2021 to March 31, 2022.</p> <p>After examining the relevant documents we are of the opinion that they:</p> <ul style="list-style-type: none"> • are in accordance with all significant issues included in the currently valid German regulations governing capital companies and are also in accordance with regulations and general good practice associated with German accountancy. The documents reflect an appropriate picture of the assets and financial situation of the company as of March 31, 2022 and also generated revenue for the financial year April 1, 2021 to March 31, 2022. • the management report provides a true picture of the company's position. The management report is consistent with the financial statements, in accordance with German principles and as a whole and suitably presents the opportunities and risks of future development. <p>In accordance with § 322 Abs. 3 Satz 1 HGB, we hereby declare that our examination of the annual financial accounts and the management report has given no grounds for objection and are compliant.</p> <p><u>Basis of Examination Conclusion</u></p> <p>We have conducted our examination of the annual financial accounts and the management report according to § 317 HGB, and according to the</p>
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Grundlage für die Prüfungsurteile

Wir haben unsere Prüfung des Jahresabschlusses und des Lageberichts in Übereinstimmung mit § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführt. Unsere Verantwortung nach diesen Vorschriften und Grundsätzen ist im Abschnitt „Verantwortung des Abschlussprüfers für die Prüfung des Jahresabschlusses und des Lageberichts“ unseres Bestätigungsvermerks weitergehend beschrieben. Wir sind von dem Unternehmen unabhängig in Übereinstimmung mit den deutschen handelsrechtlichen und berufsrechtlichen Vorschriften und haben unsere sonstigen deutschen Berufspflichten in Übereinstimmung mit diesen Anforderungen erfüllt. Wir sind der Auffassung, dass die von uns erlangten Prüfungsnachweise ausreichend und geeignet sind, um als Grundlage für unsere Prüfungsurteile zum Jahresabschluss und zum Lagebericht zu dienen.

Verantwortung der gesetzlichen Vertreter für den Jahresabschluss und den Lagebericht.

Die gesetzlichen Vertreter sind verantwortlich für die Aufstellung des Jahresabschlusses, der den deutschen, für Kapitalgesellschaften geltenden handelsrechtlichen Vorschriften in allen wesentlichen Belangen entspricht, und dafür, dass der Jahresabschluss unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft vermittelt. Ferner sind die gesetzlichen Vertreter verantwortlich für die internen Kontrollen, die sie in Übereinstimmung mit den deutschen Grundsätzen ordnungsgemäßer Buchführung als notwendig bestimmt haben, um die Aufstellung eines Jahresabschlusses zu ermöglichen, der frei von wesentlichen - beabsichtigten oder unbeabsichtigten - falschen Darstellungen ist.

Bei der Aufstellung des Jahresabschlusses sind die gesetzlichen Vertreter dafür verantwortlich, die Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit zu beurteilen. Des

principles and conventions as defined by the "Institute of Public Auditors". Our responsibility according to these rules and regulations is described in detail our auditor's report and is to be found in the section "Responsibility of auditors carrying out the audit of annual accounts and the management report". We are independent of the company being audited, as required by the German commercial and professional law, and have fulfilled our other various required obligations as detailed in these requirements. We are of the opinion that the information and proof necessary to form a judgement upon the annual financial accounts and the management report are sufficient and suitable.

Responsibility of the legal representative for the annual financial accounts and the management report.

The legal representatives are responsible for the compilation of the financial accounts in all significant points and in accordance with valid German commercial rules and regulation applicable to capital companies. The responsibility also ensures that the financial accounts are compiled according to the good practice principles of German accountancy and that they represent a true picture of the revenue, assets, and financial situation of the company. Additionally the legal representatives are responsible for the internal supervision of the observance of German accountancy good practice principles which are required to compile the annual financial accounts which are free of significant false representations, whether by design or accident.

With the compilation of the annual financial accounts the legal representatives have the responsibility to enable the company to assess the ability of the company to continue with their business. Additionally they have the responsibility to declare pertinent circumstances relevant to the continuation of the business. The legal representatives are also responsible, based upon accounting standards, to consider the continuation of the business in the balance sheet as long as this does not conflict with actual or legal circumstances.

Also, the legal representatives are responsible for the preparation of the management report which provides

Weiteren haben sie die Verantwortung, Sachverhalte in Zusammenhang mit der Fortführung der Unternehmenstätigkeit, sofern einschlägig, anzugeben. Darüber hinaus sind sie dafür verantwortlich, auf der Grundlage des Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit zu bilanzieren, sofern dem nicht tatsächliche oder rechtliche Gegebenheiten entgegenstehen.

Außerdem sind die gesetzlichen Vertreter verantwortlich für die Aufstellung des Lageberichts, der insgesamt ein zutreffendes Bild von der Lage der Gesellschaft vermittelt sowie in allen wesentlichen Belangen mit dem Jahresabschluss in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt. Ferner sind die gesetzlichen Vertreter verantwortlich für die Vorkehrungen und Maßnahmen (Systeme), die sie als notwendig erachtet haben, um die Aufstellung eines Lageberichts in Übereinstimmung mit den anzuwendenden deutschen gesetzlichen Vorschriften zu ermöglichen, und um ausreichende geeignete Nachweise für die Aussagen im Lagebericht erbringen zu können.

Verantwortung des Abschlussprüfers für die Prüfung des Jahresabschlusses und des Lageberichts

Unsere Zielsetzung ist, hinreichende Sicherheit darüber zu erlangen, ob der Jahresabschluss als Ganzes frei von wesentlichen – beabsichtigten oder unbeabsichtigten – falschen Darstellungen ist, und ob der Lagebericht insgesamt ein zutreffendes Bild von der Lage der Gesellschaft vermittelt sowie in allen wesentlichen Belangen mit dem Jahresabschluss sowie mit den bei der Prüfung gewonnenen Erkenntnissen in Einklang steht, den deutschen gesetzlichen Vorschriften entspricht und die Chancen und Risiken der zukünftigen Entwicklung zutreffend darstellt, sowie einen Bestätigungsvermerk zu erteilen, der unsere Prüfungsurteile zum

a true picture of the company's position and is consistent with the financial statements, in accordance with German principles and as a whole and suitably presents the opportunities and risks of future development. Moreover, the legal representatives are responsible for all measures and precautions (systems) they consider as necessary in order to enabling the preparation of the management report in accordance with German principles and to provide sufficient and appropriate evidence on the statements made in the financial statements.

Responsibility of the auditors for the auditing of the annual financial accounts and the management report.

It is our aim to achieve sufficient certainty to ensure that the annual financial accounts are, in their entirety, free of significant false representations, whether by design or accident and to present an audit report which contains our professional opinion to the annual financial accounts.

"Sufficient Certainty" is a high standard of certainty however it is not a guarantee. An audit carried out according to the legislation § 317 HGB and to standards outlined by the "Institut der Wirtschaftsprüfer (Institute of Public Auditors, IDW) known as the German accountancy good practice principles cannot always uncover a significant false representation. False representations can be a result of a violation or an error and are considered significant when it can reasonably be expected that they, either singularly or together, would influence the commercial decisions of the reader of the annual financial accounts and the management report..

During the audit we exercise a dutiful discretion under the maintenance of a critical attitude. In addition to this:

- we identify and judge the risks associated with significant deliberate or accidental false representations contained within the annual financial accounts. As a reaction to these risks, we will plan and carry out audit actions which are sufficient and suitable to act as a foundation for our professional opinion. The risk associated with significant false representations which have not been exposed is higher for violations than with errors. This is

Jahresabschluss und zum Lagebericht beinhaltet

Hinreichende Sicherheit ist ein hohes Maß an Sicherheit, aber keine Garantie dafür, dass eine in Übereinstimmung mit § 317 HGB unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze ordnungsmäßiger Abschlussprüfung durchgeführte Prüfung eine wesentliche falsche Darstellung stets aufdeckt. Falsche Darstellungen können aus Verstößen oder Unrichtigkeiten resultieren und werden als wesentlich angesehen, wenn vernünftigerweise erwartet werden könnte, dass sie einzeln oder insgesamt die auf der Grundlage dieses Jahresabschlusses und Lageberichts getroffenen wirtschaftlichen Entscheidungen von Adressaten beeinflussen.

Während der Prüfung üben wir pflichtgemäßes Ermessen aus und bewahren eine kritische Grundhaltung. Darüber hinaus

- identifizieren und beurteilen wir die Risiken wesentlicher - beabsichtigter und unbeabsichtigter - falscher Darstellungen im Jahresabschluss, planen und führen Prüfungshandlungen als Reaktion auf diese Risiken durch sowie erlangen Prüfungsnachweise, die ausreichend und geeignet sind, um als Grundlage für unsere Prüfungsurteile zu dienen. Das Risiko, dass wesentliche falsche Darstellungen nicht aufgedeckt werden, ist bei Verstößen höher als bei Unrichtigkeiten, da Verstöße betrügerisches Zusammenwirken, Fälschungen, beabsichtigte Unvollständigkeiten, irreführende Darstellungen bzw. das Außerkraftsetzen interner Kontrollen beinhalten können.
- gewinnen wir ein Verständnis von dem für die Prüfung des Jahresabschlusses relevanten internen Kontrollsystem und den für den Lagebericht relevanten Vorkehrungen und Maßnahmen, um Prüfungshandlungen zu planen, die unter den gegebenen Umständen angemessen sind, jedoch nicht mit dem Ziel, ein Prüfungsurteil zur Wirksamkeit

because violations could imply fraudulent cooperation, falsifications, deliberate incompleteness, misleading presentation of information or the hindrance of internal supervision and monitoring.

- we achieve an understanding of the internal supervision and monitoring system relevant to the annual financial accounts and the management report. This is done in order to plan audit actions which are relevant to the given situation, however not with the intention of giving an appraisal as to the effectiveness of the companies systems.
- we judge the suitability of the accounting methods used by the accountants (legal representatives) and also the tenability of estimated values and correlating declarations used by them.
- we draw conclusions as to the suitability of the applied accountancy model used by the accountants to demonstrate the continuation of the company business and additionally, based upon knowledge obtained during the audit, whether a significant uncertainty exists, in connection with events or circumstances, which could give rise to a meaningful doubt as to the ability of the company to continue its business. Should we reach the conclusion that a significant uncertainty does exist, we are compelled to include this in the auditor's report quoting the relevant data in the annual financial accounts and the management report. Should these details not be appropriate then we will modify the respective audit opinion. We draw our conclusions based upon information and data received up until the date of our auditor's report. Future events or circumstances can however lead to the inability of the company to continue its business.
- We assess the overall view, the structure and content of the annual financial account inclusive of general information, and additionally as to whether the annual financial accounts reflect the basic business transactions and events in a manner that the annual financial accounts, prepared according

<p>dieser Systeme der Gesellschaft abzugeben.</p> <ul style="list-style-type: none">• beurteilen wir die Angemessenheit der von den gesetzlichen Vertretern angewandten Rechnungslegungsmethoden sowie die Vertretbarkeit der von den gesetzlichen Vertretern dargestellten geschätzten Werte und damit zusammenhängenden Angaben.• ziehen wir Schlussfolgerungen über die Angemessenheit des von den gesetzlichen Vertretern angewandten Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit sowie, auf der Grundlage der erlangten Prüfungsnachweise, ob eine wesentliche Unsicherheit im Zusammenhang mit Ereignissen oder Gegebenheiten besteht, die bedeutsame an der Fähigkeit der Gesellschaft zur Fortführung der Unternehmenstätigkeit aufwerfen können. Falls wir zu dem Schluss kommen, dass eine wesentliche Unsicherheit besteht, sind wir verpflichtet, im Bestätigungsvermerk auf die dazugehörigen Angaben im Jahresabschluss und im Lagebericht aufmerksam zu machen oder, falls diese Angaben unangemessen sind, unser jeweiliges Prüfungsurteil zu modifizieren. Wir ziehen unsere Schlussfolgerungen auf der Grundlage der bis zum Datum unseres Bestätigungsvermerks erlangten Prüfungsnachweise. Zukünftige Ereignisse oder Gegebenheiten können jedoch dazu führen, dass die Gesellschaft ihre Unternehmenstätigkeit nicht mehr fortführen kann.• beurteilen wir die Gesamtdarstellung, den Aufbau und den Inhalt des Jahresabschlusses einschließlich der Angaben sowie ob der Jahresabschluss die zugrunde liegende Geschäftsvorfälle und Ereignisse so darstellt, dass der Jahresabschluss unter Beachtung der deutschen Grundsätze ordnungsmäßiger Buchführung ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens-	<p>to the German accountancy good practice principles, demonstrate the real state of affairs of the company relating to the assets, earnings and financial state.</p> <ul style="list-style-type: none">• we assess as to whether the management report is in accordance with the financial statements, its law and its true and fair view of the financial position of the company.• we perform audit activities in accordance with the future-orientated information provided by the legal representatives in the management report. On the basis of sufficient and appropriate audit evidences we mainly follow the future-orientated information based on the legal representatives' momentous estimates and assess the appropriate derivation of the future-orientated information from these estimates. We do not provide an independent audit opinion on the future-orientated information and the underlying estimates. There may be a substantial inevitable risk that any future events significantly deviate from the future-orientated information. <p>We discuss with those responsible for the supervision amongst other things, the intended scope and scheduling of the audit as well as relevant discoveries including possible shortcomings in the internal monitoring system which we ascertain during the audit.</p>
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<p>Finanz- und Ertragslage der Gesellschaft vermittelt.</p> <ul style="list-style-type: none">• beurteilen wir den Einklang des Lageberichts mit dem Jahresabschluss, seine Gesetzesentsprechung und das von ihm vermittelte Bild von der Lage der Gesellschaft.• führen wir Prüfungshandlungen zu den von den gesetzlichen Vertretern dargestellten zukunftsorientierten Angaben im Lagebericht durch. Auf Basis ausreichender geeigneter Prüfungsnachweise vollziehen wir dabei insbesondere die den zukunftsorientierten Angaben von den gesetzlichen Vertretern zugrunde gelegten bedeutsamen Annahmen nach und beurteilen die sachgerechte Ableitung der zukunftsorientierten Angaben aus diesen Annahmen. Ein eigenständiges Prüfungsurteil zu den zukunftsorientierten Angaben sowie zu den zugrunde liegenden Annahmen geben wir nicht ab. Es besteht ein erhebliches unvermeidbares Risiko, dass künftige Ereignisse wesentlich von den zukunftsorientierten Angaben abweichen <p>Wir erörtern mit den für die Überwachung Verantwortlichen unter anderem den geplanten Umfang und die Zeitplanung der Prüfung sowie bedeutsame Prüfungsfeststellungen, einschließlich etwaiger Mängel im internen Kontrollsystem, die wir während unserer Prüfung feststellen.</p>	
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München, 1. Juni 2022

Hubert Jahn Kollegen GmbH
Wirtschaftsprüfungsgesellschaft

Matthias Jahn
Wirtschaftsprüfer



Allgemeine Auftragsbedingungen

für

Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften

vom 1. Januar 2017

1. Geltungsbereich

(1) Die Auftragsbedingungen gelten für Verträge zwischen Wirtschaftsprüfern oder Wirtschaftsprüfungsgesellschaften (im Nachstehenden zusammenfassend „Wirtschaftsprüfer“ genannt) und ihren Auftraggebern über Prüfungen, Steuerberatung, Beratungen in wirtschaftlichen Angelegenheiten und sonstige Aufträge, soweit nicht etwas anderes ausdrücklich schriftlich vereinbart oder gesetzlich zwingend vorgeschrieben ist.

(2) Dritte können nur dann Ansprüche aus dem Vertrag zwischen Wirtschaftsprüfer und Auftraggeber herleiten, wenn dies ausdrücklich vereinbart ist oder sich aus zwingenden gesetzlichen Regelungen ergibt. Im Hinblick auf solche Ansprüche gelten diese Auftragsbedingungen auch diesen Dritten gegenüber.

2. Umfang und Ausführung des Auftrags

(1) Gegenstand des Auftrags ist die vereinbarte Leistung, nicht ein bestimmter wirtschaftlicher Erfolg. Der Auftrag wird nach den Grundsätzen ordnungsmäßiger Berufsausübung ausgeführt. Der Wirtschaftsprüfer übernimmt im Zusammenhang mit seinen Leistungen keine Aufgaben der Geschäftsführung. Der Wirtschaftsprüfer ist für die Nutzung oder Umsetzung der Ergebnisse seiner Leistungen nicht verantwortlich. Der Wirtschaftsprüfer ist berechtigt, sich zur Durchführung des Auftrags sachverständiger Personen zu bedienen.

(2) Die Berücksichtigung ausländischen Rechts bedarf – außer bei betriebswirtschaftlichen Prüfungen – der ausdrücklichen schriftlichen Vereinbarung.

(3) Ändert sich die Sach- oder Rechtslage nach Abgabe der abschließenden beruflichen Äußerung, so ist der Wirtschaftsprüfer nicht verpflichtet, den Auftraggeber auf Änderungen oder sich daraus ergebende Folgerungen hinzuweisen.

3. Mitwirkungspflichten des Auftraggebers

(1) Der Auftraggeber hat dafür zu sorgen, dass dem Wirtschaftsprüfer alle für die Ausführung des Auftrags notwendigen Unterlagen und weiteren Informationen rechtzeitig übermittelt werden und ihm von allen Vorgängen und Umständen Kenntnis gegeben wird, die für die Ausführung des Auftrags von Bedeutung sein können. Dies gilt auch für die Unterlagen und weiteren Informationen, Vorgänge und Umstände, die erst während der Tätigkeit des Wirtschaftsprüfers bekannt werden. Der Auftraggeber wird dem Wirtschaftsprüfer geeignete Auskunftspersonen benennen.

(2) Auf Verlangen des Wirtschaftsprüfers hat der Auftraggeber die Vollständigkeit der vorgelegten Unterlagen und der weiteren Informationen sowie der gegebenen Auskünfte und Erklärungen in einer vom Wirtschaftsprüfer formulierten schriftlichen Erklärung zu bestätigen.

4. Sicherung der Unabhängigkeit

(1) Der Auftraggeber hat alles zu unterlassen, was die Unabhängigkeit der Mitarbeiter des Wirtschaftsprüfers gefährdet. Dies gilt für die Dauer des Auftragsverhältnisses insbesondere für Angebote auf Anstellung oder Übernahme von Organfunktionen und für Angebote, Aufträge auf eigene Rechnung zu übernehmen.

(2) Sollte die Durchführung des Auftrags die Unabhängigkeit des Wirtschaftsprüfers, die der mit ihm verbundenen Unternehmen, seiner Netzwerkunternehmen oder solcher mit ihm assoziierten Unternehmen, auf die die Unabhängigkeitsvorschriften in gleicher Weise Anwendung finden wie auf den Wirtschaftsprüfer, in anderen Auftragsverhältnissen beeinträchtigen, ist der Wirtschaftsprüfer zur außerordentlichen Kündigung des Auftrags berechtigt.

5. Berichterstattung und mündliche Auskünfte

Soweit der Wirtschaftsprüfer Ergebnisse im Rahmen der Bearbeitung des Auftrags schriftlich darzustellen hat, ist alleine diese schriftliche Darstellung maßgebend. Entwürfe schriftlicher Darstellungen sind unverbindlich. Sofern nicht anders vereinbart, sind mündliche Erklärungen und Auskünfte des Wirtschaftsprüfers nur dann verbindlich, wenn sie schriftlich bestätigt werden. Erklärungen und Auskünfte des Wirtschaftsprüfers außerhalb des erteilten Auftrags sind stets unverbindlich.

6. Weitergabe einer beruflichen Äußerung des Wirtschaftsprüfers

(1) Die Weitergabe beruflicher Äußerungen des Wirtschaftsprüfers (Arbeitsergebnisse oder Auszüge von Arbeitsergebnissen – sei es im Entwurf oder in der Endfassung) oder die Information über das Tätigwerden des Wirtschaftsprüfers für den Auftraggeber an einen Dritten bedarf der schriftlichen Zustimmung des Wirtschaftsprüfers, es sei denn, der Auftraggeber ist zur Weitergabe oder Information aufgrund eines Gesetzes oder einer behördlichen Anordnung verpflichtet.

(2) Die Verwendung beruflicher Äußerungen des Wirtschaftsprüfers und die Information über das Tätigwerden des Wirtschaftsprüfers für den Auftraggeber zu Werbezwecken durch den Auftraggeber sind unzulässig.

7. Mängelbeseitigung

(1) Bei etwaigen Mängeln hat der Auftraggeber Anspruch auf Nacherfüllung durch den Wirtschaftsprüfer. Nur bei Fehlschlägen, Unterlassen bzw. unberechtigter Verweigerung, Unzumutbarkeit oder Unmöglichkeit der Nacherfüllung kann er die Vergütung mindern oder vom Vertrag zurücktreten; ist der Auftrag nicht von einem Verbraucher erteilt worden, so kann der Auftraggeber wegen eines Mangels nur dann vom Vertrag zurücktreten, wenn die erbrachte Leistung wegen Fehlschlagens, Unterlassung, Unzumutbarkeit oder Unmöglichkeit der Nacherfüllung für ihn ohne Interesse ist. Soweit darüber hinaus Schadensersatzansprüche bestehen, gilt Nr. 9.

(2) Der Anspruch auf Beseitigung von Mängeln muss vom Auftraggeber unverzüglich in Textform geltend gemacht werden. Ansprüche nach Abs. 1, die nicht auf einer vorsätzlichen Handlung beruhen, verjähren nach Ablauf eines Jahres ab dem gesetzlichen Verjährungsbeginn.

(3) Offenbare Unrichtigkeiten, wie z.B. Schreibfehler, Rechenfehler und formelle Mängel, die in einer beruflichen Äußerung (Bericht, Gutachten und dgl.) des Wirtschaftsprüfers enthalten sind, können jederzeit vom Wirtschaftsprüfer auch Dritten gegenüber berichtigt werden. Unrichtigkeiten, die geeignet sind, in der beruflichen Äußerung des Wirtschaftsprüfers enthaltene Ergebnisse infrage zu stellen, berechtigen diesen, die Äußerung auch Dritten gegenüber zurückzunehmen. In den vorgenannten Fällen ist der Auftraggeber vom Wirtschaftsprüfer (un)terstützt vorher zu hören.

8. Schweigepflicht gegenüber Dritten, Datenschutz

(1) Der Wirtschaftsprüfer ist nach Maßgabe der Gesetze (§ 323 Abs. 1 HGB, § 43 WPO, § 203 StGB) verpflichtet, über Tatsachen und Umstände, die ihm bei seiner Berufstätigkeit anvertraut oder bekannt werden, Stillschweigen zu bewahren, es sei denn, dass der Auftraggeber ihn von dieser Schweigepflicht entbindet.

(2) Der Wirtschaftsprüfer wird bei der Verarbeitung von personenbezogenen Daten die nationalen und europarechtlichen Regelungen zum Datenschutz beachten.

9. Haftung

(1) Für gesetzlich vorgeschriebene Leistungen des Wirtschaftsprüfers, insbesondere Prüfungen gelten die jeweils anzuwendenden gesetzlichen Haftungsbeschränkungen, insbesondere die Haftungsbeschränkung des § 323 Abs. 2 HGB.

(2) Sofern weder eine gesetzliche Haftungsbeschränkung Anwendung findet noch eine einzelvertragliche Haftungsbeschränkung besteht, ist die Haftung des Wirtschaftsprüfers für Schadensersatzansprüche jeder Art, mit Ausnahme von Schäden aus der Verletzung von Leben, Körper und Gesundheit, sowie von Schäden, die eine Ersatzpflicht des Herstellers nach § 1 ProdHaftG begründen, bei einem fahrlässig verursachten einzelnen Schadensfall gemäß § 54a Abs. 1 Nr. 2 WPO auf 4 Mio. € beschränkt.

(3) Einreden und Einwendungen aus dem Vertragsverhältnis mit dem Auftraggeber stehen dem Wirtschaftsprüfer auch gegenüber Dritten zu.

(4) Leiten mehrere Anspruchsteller aus dem mit dem Wirtschaftsprüfer bestehenden Vertragsverhältnis Ansprüche aus einer fahrlässigen Pflichtverletzung des Wirtschaftsprüfers her, gilt der in Abs. 2 genannte Höchstbetrag für die betreffenden Ansprüche aller Anspruchsteller insgesamt.

(5) Ein einzelner Schadensfall im Sinne von Abs. 2 ist auch bezüglich eines aus mehreren Pflichtverletzungen stammenden einheitlichen Schadens gegeben. Der einzelne Schadensfall umfasst sämtliche Folgen einer Pflichtverletzung ohne Rücksicht darauf, ob Schäden in einem oder in mehreren aufeinanderfolgenden Jahren entstanden sind. Dabei gilt mehrfaches auf gleicher oder gleichartiger Fehlerquelle beruhendes Tun oder Unterlassen als einheitliche Pflichtverletzung, wenn die betreffenden Angelegenheiten miteinander in rechtlichem oder wirtschaftlichem Zusammenhang stehen. In diesem Fall kann der Wirtschaftsprüfer nur bis zur Höhe von 5 Mio. € in Anspruch genommen werden. Die Begrenzung auf das Fünffache der Mindestversicherungssumme gilt nicht bei gesetzlich vorgeschriebenen Pflichtprüfungen.

(6) Ein Schadensersatzanspruch erlischt, wenn nicht innerhalb von sechs Monaten nach der schriftlichen Ablehnung der Ersatzleistung Klage erhoben wird und der Auftraggeber auf diese Folge hingewiesen wurde. Dies gilt nicht für Schadensersatzansprüche, die auf vorsätzliches Verhalten zurückzuführen sind, sowie bei einer schuldhaften Verletzung von Leben, Körper oder Gesundheit sowie bei Schäden, die eine Ersatzpflicht des Herstellers nach § 1 ProdHaftG begründen. Das Recht, die Einrede der Verjährung geltend zu machen, bleibt unberührt.

10. Ergänzende Bestimmungen für Prüfungsaufträge

(1) Ändert der Auftraggeber nachträglich den durch den Wirtschaftsprüfer geprüften und mit einem Bestätigungsvermerk versehenen Abschluss oder Lagebericht, darf er diesen Bestätigungsvermerk nicht weiterverwenden.

Hat der Wirtschaftsprüfer einen Bestätigungsvermerk nicht erteilt, so ist ein Hinweis auf die durch den Wirtschaftsprüfer durchgeführte Prüfung im Lagebericht oder an anderer für die Öffentlichkeit bestimmter Stelle nur mit schriftlicher Einwilligung des Wirtschaftsprüfers und mit dem von ihm genehmigten Wortlaut zulässig.

(2) Widerruft der Wirtschaftsprüfer den Bestätigungsvermerk, so darf der Bestätigungsvermerk nicht weiterverwendet werden. Hat der Auftraggeber den Bestätigungsvermerk bereits verwendet, so hat er auf Verlangen des Wirtschaftsprüfers den Widerruf bekanntzugeben.

(3) Der Auftraggeber hat Anspruch auf fünf Berichtsausfertigungen. Weitere Ausfertigungen werden besonders in Rechnung gestellt.

11. Ergänzende Bestimmungen für Hilfeleistung in Steuersachen

(1) Der Wirtschaftsprüfer ist berechtigt, sowohl bei der Beratung in steuerlichen Einzelfragen als auch im Falle der Dauerberatung die vom Auftraggeber genannten Tatsachen, insbesondere Zahlenangaben, als richtig und vollständig zugrunde zu legen, dies gilt auch für Buchführungsaufträge. Er hat jedoch den Auftraggeber auf von ihm festgestellte Unrichtigkeiten hinzuweisen.

(2) Der Steuerberatungsauftrag umfasst nicht die zur Wahrung von Fristen erforderlichen Handlungen, es sei denn, dass der Wirtschaftsprüfer hierzu ausdrücklich den Auftrag übernommen hat. In diesem Fall hat der Auftraggeber dem Wirtschaftsprüfer alle für die Wahrung von Fristen wesentlichen Unterlagen, insbesondere Steuerbescheide, so rechtzeitig vorzulegen, dass dem Wirtschaftsprüfer eine angemessene Bearbeitungszeit zur Verfügung steht.

(3) Mangels einer anderweitigen schriftlichen Vereinbarung umfasst die laufende Steuerberatung folgende, in die Vertragsdauer fallenden Tätigkeiten:

- a) Ausarbeitung der Jahressteuererklärungen für die Einkommensteuer, Körperschaftsteuer und Gewerbesteuer sowie der Vermögenssteuererklärungen, und zwar auf Grund der vom Auftraggeber vorzulegenden Jahresabschlüsse und sonstiger für die Besteuerung erforderlicher Aufstellungen und Nachweise
- b) Nachprüfung von Steuerbescheiden zu den unter a) genannten Steuern
- c) Verhandlungen mit den Finanzbehörden im Zusammenhang mit den unter a) und b) genannten Erklärungen und Bescheiden
- d) Mitwirkung bei Betriebsprüfungen und Auswertung der Ergebnisse von Betriebsprüfungen hinsichtlich der unter a) genannten Steuern
- e) Mitwirkung in Einspruchs- und Beschwerdeverfahren hinsichtlich der unter a) genannten Steuern.

Der Wirtschaftsprüfer berücksichtigt bei den vorgenannten Aufgaben die wesentliche veröffentlichte Rechtsprechung und Verwaltungsauffassung.

(4) Erhält der Wirtschaftsprüfer für die laufende Steuerberatung ein Pauschalhonorar, so sind mangels anderweitiger schriftlicher Vereinbarungen die unter Abs. 3 Buchst. d) und e) genannten Tätigkeiten gesondert zu honorieren.

(5) Sofern der Wirtschaftsprüfer auch Steuerberater ist und die Steuerberatervergütungsverordnung für die Bemessung der Vergütung anzuwenden ist, kann eine höhere oder niedrigere als die gesetzliche Vergütung in Textform vereinbart werden.

(6) Die Bearbeitung besonderer Einzelfragen der Einkommensteuer, Körperschaftsteuer, Gewerbesteuer, Einheitsbewertung und Vermögensteuer sowie aller Fragen der Umsatzsteuer, Lohnsteuer, sonstigen Steuern und Abgaben erfolgt auf Grund eines besonderen Auftrags. Dies gilt auch für

- a) die Bearbeitung einmalig anfallender Steuerangelegenheiten, z.B. auf dem Gebiet der Erbschaftsteuer, Kapitalverkehrssteuer, Grunderwerbsteuer,
- b) die Mitwirkung und Vertretung in Verfahren vor den Gerichten der Finanz- und der Verwaltungsgerichtsbarkeit sowie in Steuerstrafsachen,
- c) die beratende und gutachtliche Tätigkeit im Zusammenhang mit Umwandlungen, Kapitalerhöhung und -herabsetzung, Sanierung, Eintritt und Ausscheiden eines Gesellschafters, Betriebsveräußerung, Liquidation und dergleichen und
- d) die Unterstützung bei der Erfüllung von Anzeige- und Dokumentationspflichten

(7) Soweit auch die Ausarbeitung der Umsatzsteuerjahreserklärung als zusätzliche Tätigkeit übernommen wird, gehört dazu nicht die Überprüfung etwaiger besonderer buchmäßiger Voraussetzungen sowie die Frage, ob alle in Betracht kommenden umsatzsteuerrechtlichen Vergünstigungen wahrgenommen worden sind. Eine Gewähr für die vollständige Erfassung der Unterlagen zur Geltendmachung des Vorsteuerabzugs wird nicht übernommen.

12. Elektronische Kommunikation

Die Kommunikation zwischen dem Wirtschaftsprüfer und dem Auftraggeber kann auch per E-Mail erfolgen. Soweit der Auftraggeber eine Kommunikation per E-Mail nicht wünscht oder besondere Sicherheitsanforderungen stellt, wie etwa die Verschlüsselung von E-Mails, wird der Auftraggeber den Wirtschaftsprüfer entsprechend in Textform informieren.

13. Vergütung

(1) Der Wirtschaftsprüfer hat neben seiner Gebühren- oder Honorarforderung Anspruch auf Erstattung seiner Auslagen; die Umsatzsteuer wird zusätzlich berechnet. Er kann angemessene Vorschüsse auf Vergütung und Auslagensersatz verlangen und die Auslieferung seiner Leistung von der vollen Befriedigung seiner Ansprüche abhängig machen. Mehrere Auftraggeber haften als Gesamtschuldner.

(2) Ist der Auftraggeber kein Verbraucher, so ist eine Aufrechnung gegen Forderungen des Wirtschaftsprüfers auf Vergütung und Auslagensersatz nur mit unbestrittenen oder rechtskräftig festgestellten Forderungen zulässig.

14. Streitlichlichtungen

Der Wirtschaftsprüfer ist nicht bereit, an Streitbelegungsverfahren vor einer Verbraucherschlichtungsstelle im Sinne des § 2 des Verbraucherschlichtungsgesetzes teilzunehmen.

15. Anzuwendendes Recht

Für den Auftrag, seine Durchführung und die sich hieraus ergebenden Ansprüche gilt nur deutsches Recht.

**LARSEN & TOUBRO INFOTECH
CANADA LIMITED**

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

Larsen & Toubro Infotech Canada Limited

DIRECTORS' REPORT

Dear Member,

The Directors have pleasure in presenting the report and Audited Accounts for the year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS:

Particulars	2021-22	2020-21
	CAD	CAD
Total Income	59,118,591	43,952,695
Total Expenditure	56,370,080	41,775,426
Operating Profit / (Loss)	2,748,511	2,177,269
Add: Interest Income	19,784	12,720
Less: Finance Costs	-	(14,659)
Profit / (Loss) before Tax	2,768,295	2,175,330
Less: Tax	739,075	578,278
Net Profit / (Loss) after Tax	2,029,220	1,597,052
Add: Balance b/f from previous year	6,220,861	4,623,809
Balance available for disposal which directors appropriate as follows:		
Dividend	-	-
Transfer to Reserves	-	-
Balance to be carried forward	8,250,081	6,220,861

2. Capital Expenditure:

As at March 31, 2022, the gross fixed and intangible assets including leased Assets, stood at CAD 335,877 and the net fixed and intangible assets, including leased assets, at CAD 229,854. Capital Expenditure during the year amounted to CAD 220,450.

3. State of Company Affairs:

The gross sales and other income for the financial year under review were CAD 59.14 Mn. as against CAD 43.97 Mn for the previous financial year registering an increase of 34.50%. The profit before tax from continuing operations including extraordinary and exceptional items was CAD 2.77 Mn. and the profit after tax from continuing operations including extraordinary and exceptional items of CAD 2.03 Mn. for the financial year under review as against CAD 2.18 Mn. and CAD 1.60 Mn. respectively for the previous financial year, registering an increase of 27.06% and 26.88% respectively.

4. Dividend:

In order to conserve the resources for future business growth, the Directors do not recommend any final dividend for the ended March 31, 2022.

5. Reporting of Frauds:

The Auditors of the Company have not reported any fraud committed against the Company by its officers or employees.

6. Details of Directors and Key Managerial Personnel appointed/resigned during the year:

No change in the Board of Directors & Key Managerial Personnel happened during the FY 2021-22.

7. Financial Statements:

The Auditors report to the shareholders does not contain any qualification, observation or adverse comment.

8. Directors Responsibility Statement:

The Board of Directors of the Company confirms:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the local statutes for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the Annual Accounts on a going concern basis.
- e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

9. **Acknowledgement**

Your directors acknowledge the invaluable support extended by the government authorities in Canada and take this opportunity to thank them as well as the customers, supply chain partners, employees, financial institutions, banks and all the various stakeholders for their continued co-operation and support to the Company.

**For and on behalf of the Board
Larsen & Toubro Infotech Canada Limited**

**Harsh Naidu
Director
(Edison)**

**Tina Allan
Director
(Mississauga)**

Date: April 14, 2022

LARSEN & TOUBRO INFOTECH CANADA LTD / INFOTECH LARSEN & TOUBRO CANADA LTEE

Financial Statements

March 31, 2022, and March 31, 2021

KNAV Professional Corporation

Chartered Professional Accountants
55 York Street, Suite 401, Toronto Ontario M5J 1R7

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Independent Auditor's Report

To the Shareholder of Larsen & Toubro Infotech Canada Ltd / Infotech Larsen & Toubro Canada LTEE

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Larsen & Toubro Infotech Canada Ltd / Infotech Larsen & Toubro Canada LTEE ("the Company") which comprise the balance sheets as at March 31, 2022 and March 31, 2021 and the related statements of income and retained earnings, and cash flows for the years then ended and the related notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Larsen & Toubro Infotech Canada Ltd / Infotech Larsen & Toubro Canada LTEE as at March 31, 2022 and March 31, 2021 and its financial performance and its cash flows for the years then ended in accordance with Canadian accounting standards for private enterprises.

Basis of Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in

accordance with Canadian generally accepted auditing standards 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 financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

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

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

KNAV Professional Corporation

KNAV Professional Corporation

Chartered Professional Accountants

Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

55 York Street, Suite 401,

Toronto Ontario M5J 1R7

Date: April 14, 2022

Larsen & Toubro Infotech Canada Ltd / Infotech Larsen & Toubro Canada LTEE
Financial Statements
March 31, 2022, and March 31, 2021

Financial statements

Larsen & Toubro Infotech Canada Ltd / Infotech Larsen & Toubro Canada LTEE

Financial Statements


March 31, 2022, and March 31, 2021

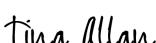
Balance sheets

(All amounts in Canadian Dollars, unless otherwise stated)

	Notes	As at	
		March 31, 2022	March 31, 2021
ASSETS			
Current assets			
Cash and cash equivalents	6	73,365	1,767,800
Accounts receivable, net	7	13,386,487	7,045,462
Advance taxes (net of provisions)		6,927	216,241
Other current assets	9	150,659	106,871
Unbilled revenue		2,177,088	446,940
Total current assets		\$ 15,794,526	9,583,314
Computer equipment, other equipment, leasehold improvement and electrical installation	10	229,854	73,873
Total assets		\$ 16,024,380	9,657,187
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	11	5,367,829	1,705,333
Other current liabilities	12	2,360,351	1,691,252
Deferred revenue		-	27,515
Total current liabilities		\$ 7,728,180	3,424,100
Future tax liabilities	15	46,019	12,126
Total liabilities		\$ 7,774,199	3,436,226
Shareholder's equity			
Share capital	13	100	100
Retained earnings		8,250,081	6,220,861
Total shareholder's equity		\$ 8,250,181	6,220,961
Total liabilities and shareholder's equity		\$ 16,024,380	9,657,187

*(The accompanying notes are an integral part of these financial statements)***APPROVED ON BEHALF OF THE BOARD:**

DocuSigned by:

 Chief Financial Officer: Alekh Gupta

DocuSigned by:

 Director : Tina Allan

DocuSigned by:

 Director : Harsh Naidu

Larsen & Toubro Infotech Canada Ltd / Infotech Larsen & Toubro Canada LTEE
 Financial Statements
 March 31, 2022, and March 31, 2021


Statements of income and retained earnings.


(All amounts in Canadian Dollars, unless otherwise stated)

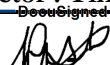
	Notes	For the year ended	
		March 31, 2022	March 31, 2021
Revenue	14	59,107,650	43,928,902
Other income		30,725	36,513
Total revenue		\$ 59,138,375	43,965,415
Employee cost		31,813,929	18,938,733
Subcontracting expenses		21,895,379	20,297,189
Total direct expense		\$ 53,709,308	39,235,922
Sales and administration expenses		864,870	811,902
Rent		289,320	333,324
Professional charges		1,196,886	603,724
Travelling and conveyance		247,475	87,780
Telephone charges		33,173	33,333
Auditor's remuneration		10,163	10,000
Foreign exchange (gain)loss		(72,165)	621,525
Finance cost		-	14,659
Miscellaneous expenses		26,581	13,231
Total indirect costs		\$ 2,596,303	2,529,478
Depreciation	10	64,469	24,685
Income before tax		\$ 2,768,295	2,175,330
Provision for income taxes		705,183	566,751
Future income tax expenses		33,892	11,527
Income taxes	15	739,075	578,278
Net income after taxes		\$ 2,029,220	1,597,052
Retained earnings, beginning of the year		6,220,861	4,623,809
Retained earnings, end of the year		\$ 8,250,081	6,220,861

(The accompanying notes are an integral part of these financial statements)

APPROVED ON BEHALF OF THE BOARD:

DocuSigned by:

 Chief Financial Officer: Alekh Gupta

DocuSigned by:

 Director: Tina Allan

DocuSigned by:

 Director: Harsh Naidu

Larsen & Toubro Infotech Canada Ltd / Infotech Larsen & Toubro Canada LTEE
 Financial Statements
 March 31, 2022, and March 31, 2021

Statements of cash flows

(All amounts are in Canadian Dollars, unless otherwise stated)

For the year ended
March 31, 2022 **March 31, 2021**

Cash flows from operating activities

Net income after tax	2,029,220	1,597,052
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Adjustments for non-cash items

Depreciation	64,469	24,481
Provision for doubtful accounts receivable	-	(17,478)
Future income tax expenses	33,892	11,527
Unrealized foreign exchange loss	86,896	164,283
Asset written off	-	204

Net change in non-cash operating working capital

Accounts receivable	(6,046,502)	99,221
Other current assets	(43,788)	64,701
Unbilled revenue	(1,733,352)	(199,176)
Accounts payable and accrued liabilities	3,662,495	136,557
Deferred revenue	(27,515)	(67,070)
Other current liabilities	669,228	(34,475)
Advance taxes (net)	209,314	(216,241)

Cash (used in) provided by operating activities	\$ (1,095,643)	1,563,586
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Cash flows from investing activities

Purchase of computer equipment	(220,450)	(52,359)
Loan given to related party	(3,000,000)	(14,012,700)
Loan repayment by related party	3,000,000	14,012,700

Cash used in investing activities	\$ (220,450)	(52,359)
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Cash flows from financing activities

Loan taken from related party	-	14,500,000
Loan repaid to related party	-	(14,500,000)

Cash used in financing activities	\$ -	-
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Net foreign exchange difference on cash and cash equivalents	(378,342)	(169,492)
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Net (decrease) increase in cash and cash equivalents	(1,694,435)	1,341,735
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Cash and cash equivalents, at beginning of the year	1,767,800	426,065
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Cash and cash equivalents, at end of the year	\$ 73,365	1,767,800
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APPROVED ON BEHALF OF THE BOARD:

DocuSigned by:
Alekh Gupta

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 Chief Financial Officer: Alekh Gupta

DocuSigned by:

Tina Allan

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 Director : Tina Allan

DocuSigned by:

Harsh Naidu

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 Director : Harsh Naidu

Larsen & Toubro Infotech Canada Ltd / Infotech Larsen & Toubro Canada LTEE
Financial Statements
March 31, 2022, and March 31, 2021

Notes to financial statements.

(Amounts are in Canadian Dollars, unless otherwise stated)

1. Description of business

Larsen & Toubro Infotech Canada Ltd. / Infotech Larsen & Toubro Canada LTEE (the "Company") is incorporated under the Business Corporations Act (Ontario). The Company is a wholly owned subsidiary of Larsen & Toubro Infotech Ltd., an Indian registered company ("Parent"). The Company is engaged in software consulting and development services.

2. Basis of presentation

The financial statements of the Company have been prepared by the management in accordance with Canadian accounting standards for private enterprises ("GAAP" or "ASPE"). The financial statements are presented for the year April 01, 2021, to March 31, 2022, and for the year April 01, 2020 to March 31, 2021. All amounts are in Canadian dollars, unless otherwise stated.

3. Basis for measurement

The financial statements have been prepared on going concern and historical cost basis.

4. Functional and presentation currency

The Company's functional and presentation currency is the Canadian dollar.

5. Significant accounting policies

a) *Use of estimates*

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management bases the estimates on several factors, including historical experience, current events and actions that the Company may undertake in the future and other assumptions that the Company believes are reasonable under the circumstances. Estimates are used in accounting for items and matters such as revenues, provision for doubtful accounts, useful lives of non-current assets, legal and tax contingencies, employee compensation plans, income taxes and investment tax credit.

The estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

- i. **Income taxes:** Management uses estimates when determining current and future income taxes. These estimates are used to determine the recoverability of tax loss carry forward amounts, research and development expenditures and investment tax credits.

b) *Foreign currency transactions*

Transactions denominated in foreign currencies are translated into the Canadian dollar at the rate of exchange in effect at the time of the transaction. Monetary assets and liabilities are translated into Canadian dollars at the year-

Larsen & Toubro Infotech Canada Ltd / Infotech Larsen & Toubro Canada LTEE

Financial Statements

March 31, 2022, and March 31, 2021

end exchange rate. Non-monetary items are translated at historical rates. All exchange gains and losses are included in net income.

c) *Revenue recognition*

The Company recognizes revenues across all the revenue streams when they are earned, specifically when all the following conditions are met:

- a) Services are provided to customers.
- b) There is clear evidence that an arrangement exists.
- c) Amounts are fixed or can be determined; and
- d) The ability to collect is reasonably assured.

The Company recognizes revenue for different revenue streams as follows:

- Time and material services: Revenue with respect to time-and-material contracts is recognized as related services are performed applying the contracted rates.
- Fixed price contracts: Revenue from fixed price contracts is recognized over the life of contract based on a percentage completion method. Percentage completion is measured based upon the efforts incurred to date in relation to the total estimated efforts to complete the contract. The Company monitors estimates of total contract revenue and cost on a routine basis through the delivery period. The cumulative impact of any change in estimates of the contract revenue or costs is reflected in the period in which the changes become known. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss.

Deferred revenue represents amounts collected or billed prior to satisfying the above revenue recognition criteria. Unbilled revenue represents amounts not billed to the customers but accrued because of satisfying the above revenue recognition criteria.

d) *Provision for doubtful accounts*

The Company follows specific identification method for providing for doubtful accounts. Management analyses accounts receivable and the composition of the accounts receivable ageing, historical bad debts, when evaluating the adequacy of the provision for doubtful accounts.

e) *Financial instruments*

Financial instruments are measured at fair value on initial recognition. After initial recognition, financial instruments are measured at their fair values, except for loans and receivables and other financial liabilities, which are measured at amortized cost using the effective interest rate method.

The Company has made the following classifications:

- Cash and cash equivalents are classified as assets held for trading and are measured at fair value. Gains and losses resulting from the periodic revaluation are recorded in net income.
- Accounts receivables are classified as loans and receivables and are initially recorded at fair value and subsequent measurements are recorded at amortized cost using the effective interest rate method; and
- Accounts payable and accrued liabilities are classified as other financial liabilities and are initially measured at their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method.

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The carrying value of cash and cash equivalent, accounts receivable and accounts payable equals or approximates the fair value.

f) *Income taxes*

The Company follows asset and liability method of accounting for income taxes. Under this method, future income taxes are recognized for the future income tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis [temporary differences]. Future income tax assets and liabilities are measured using substantively enacted income tax rates expected to apply to taxable income in the years during which temporary differences are expected to be realized or settled. The effect on future income tax assets and liabilities of a change in tax rates is included in income in the period that includes the enactment date. A valuation allowance is provided to the extent that it is more likely than not; that future income tax asset will not be realized.

g) *Dividend*

Dividends are recognized as a liability in the period in which they are declared. The income tax consequences of dividends are recognized when a liability to pay the dividend is recognized.

h) *Cash and cash equivalents*

Cash and cash equivalents, including cash on account, demand deposits and short-term investments with original maturities of three months or less, are recorded at cost, which approximates market value.

i) *Computers equipment, other equipment, leasehold improvement and electrical installation*

Computers, furniture and office equipment are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Particulars	Useful lives in years
Equipment	Up to 5 years
Electric Installation	Up to 10 years
Computer equipment	Up to 6 years
Furniture and fixtures	Up to 10 years
Leasehold Improvement	Over lease period

The Company regularly reviews its capital assets to eliminate obsolete items.

j) *Impairment of long-lived assets*

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted cash flows expected to result from its use and eventual disposition. This assessment is based on the carrying amount of the asset at the date it is tested for recoverability, whether it is in use or under development. In cases where the undiscounted expected future cash flows are less than the carrying amount, an impairment loss shall be recognized when the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. An impairment loss shall be measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value. If an impairment loss is recognized, the adjusted carrying amount becomes the new cost basis. An impairment loss shall not be reversed if the fair value subsequently increases.

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6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of:

	As at	
	March 31, 2022	March 31, 2021
Cash at bank	73,365	1,767,800
Total	\$ 73,365	1,767,800

7. ACCOUNTS RECEIVABLE, NET

Accounts receivable comprise of:

	As at	
	March 31, 2022	March 31, 2021
Related party accounts receivable	9,274,394	5,300,137
Trade accounts receivable	4,119,614	1,752,846
Less: Provision for doubtful accounts	(7,521)	(7,521)
Total accounts receivable	\$ 13,386,487	7,045,462

The terms and conditions with related party accounts receivable are the same common terms provided to non-related parties. The provision for doubtful accounts as on March 31, 2022, is \$ 7,521 and \$ 7,521 as on March 31, 2021.

The activities in provision for doubtful debts account for year ended March 31, 2022, and March 31, 2021, are as given below-

	Year ended	
	March 31, 2022	March 31, 2021
Balance at beginning of the year	7,521	24,999
Add: Provision during the year	-	-
Less: Write off/ reversal during the year	-	(17,478)
Balance at end of the year	\$ 7,521	7,521

8. RELATED PARTY LOAN

The Company has entered into an agreement on January 20, 2022, with Larsen & Toubro Infotech GmbH, (LTGE) for providing loan facility. The loan is repayable within 1 years from the date of first withdrawal of the loan facility. Maximum principal outstanding as on any date can be \$ 5,000,000 as per the agreement. Accordingly, the Company had advanced \$ 3,000,000 to LTGE & LTGE has repaid the same in full during the year ended March 31, 2022.

The Company has entered into an agreement on January 1, 2021, with LTI Middle East FZ-LLC, (LTDL) for providing loan facility. The loan is repayable within 1 years from the date of first withdrawal of the loan facility. Maximum principal outstanding as on any date can be \$ 15,000,000 as per the agreement. Accordingly, the Company had advanced \$ 14,012,700 to LTDL & LTDL has repaid the same in full during the year ended March 31, 2021.

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	As at	
	March 31, 2022	March 31, 2021
Opening principal outstanding	-	-
Loan advanced to LTDL	-	(14,012,700)
Repayment by LTDL during the year	-	14,012,700
Loan taken from LTIFST	-	14,500,000
Loan repaid to LTIFST during the year	-	(14,500,000)
Loan advanced to LTGE	(3,000,000)	-
Repayment by LTGE during the year	3,000,000	-
Total	-	-

Interest income on loan advanced to related party for the year ended March 31, 2022, amounted to \$ 19,784 (March 2021: \$ 12,720) and interest outstanding as on March 31, 2022, amounted is NIL (March 31, 2021: Nil). Rate of interest as of March 31, 2022, was 4.15% p.a. (March 31, 2021: 4.10%)

Interest expenses on loan taken from related party for the year ended March 31, 2022, amounted to \$ NIL (March 31, 2021: \$ 14,659). Rate of interest as of March 31, 2021, was 4.10% p.a.

9. OTHER CURRENT ASSETS

Other current assets comprise of:

	As at	
	March 31, 2022	March 31, 2021
Advance to employees	119,811	100,271
Prepaid expenses	30,848	6,600
Total	\$ 150,659	106,871

10. COMPUTER EQUIPMENT, OTHER EQUIPMENT, LEASEHOLD IMPROVEMENT AND ELECTRICAL INSTALLATION

	Computer equipment	Equipment	Furniture & fixtures	Leasehold Improvement	Electrical Installation	Total
As at March 31, 2022						
Gross block as at April 1, 2021	86,344	2,315	1,543	21,750	3,475	115,427
Add: Additions	220,450	-	-	-	-	220,450
Less: Deductions	-	-	-	-	-	-
Less: Accumulated depreciation	(84,645)	(2,042)	(1,543)	(16,768)	(1,026)	(106,023)
Net block as at March 31, 2022	222,149	273	-	4,982	2,449	229,854

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	Computer equipment	Equipment	Furniture & fixtures	Leasehold Improvement	Electrical Installation	Total
As at March 31, 2021						
Gross block as at April 1, 2020	32,862	3,437	1,543	21,750	3,475	63,067
Add: Additions	53,482					53,482
Less: Deductions		(1,122)				(1,122)
Less: Accumulated depreciation	(26,443)	(1,802)	(1,543)	(11,088)	(678)	(41,554)
Net block as at March 31, 2021	59,901	513	-	10,662	2,797	73,873

Depreciation expense for the year ended March 31, 2022, amounted to \$ 64,469 (March 31, 2021: \$ 24,685).

During the year ended March 31, 2021, the Company has written off office equipment with net book value of \$ 204 (Gross block of \$ 1,122; accumulated depreciation of \$ 918)

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities comprise of:

	As at	
	March 31, 2022	March 31, 2021
Related party accounts payable	3,920,899	1,226,024
Other accounts payable	192,193	19,700
Accrued liabilities	1,254,737	459,609
Total	\$ 5,367,829	1,705,333

12. OTHER CURRENT LIABILITIES

Other current liabilities comprise of:

	As at	
	March 31, 2022	March 31, 2021
Payable to government agencies	416,779	157,231
Accrued vacation pay	1,505,662	1,218,108
Others	437,910	315,913
Total	\$ 2,360,351	1,691,252

13. SHARE CAPITAL

Share capital comprise of:

	As at	
	March 31, 2022	March 31, 2021
Authorized:		
Unlimited common shares	-	-
Issued:		
100 common shares	100	100
Total	\$ 100	100

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14. REVENUE

Major source of revenue includes:

	For the year ended	
	March 31, 2022	March 31, 2021
Software development and consulting service revenue	59,107,650	43,928,902
Total	59,107,650	43,928,902

15. INCOME TAX

A reconciliation of income taxes at Canadian statutory rates with the reported income taxes is as follows:

	For the year ended	
	March 31, 2022	March 31, 2021
Statutory federal and provincial income tax rates	26.50%	26.50%
Expected taxes on income	733,598	576,462
<i>Increase (decrease) in income taxes resulting from:</i>		
Permanent differences	5,720	2,297
Others	(243)	(481)
Income tax expenses	739,075	578,278

	As at	
	March 31, 2021	March 31, 2021
Future income tax liabilities:		
Capital assets	(46,019)	(12,126)
Total	(46,019)	(12,126)

16. EMPLOYEE FUTURE BENEFITS

The Company sponsors pension arrangements for substantially all its employees through defined contribution plans. The Company makes regular contributions to the employees' individual accounts, which are administered by a plan trustee, in accordance with the plan documents. The cost of this plan, which is expensed as incurred, amounted \$ 1,030,421 for the year ended March 31, 2022 [March 31, 2021: \$354,081].

17. RELATED PARTY TRANSACTIONS

A. Related parties:

- a. Larsen & Toubro Ltd., India - Ultimate parent company
- b. Larsen & Toubro Infotech Ltd., USA – branch of Larsen & Toubro Infotech Ltd., India
- c. L&T Infotech Financial Services Technologies Inc. - fellow subsidiary
- d. L&T Technology Services Ltd. - fellow subsidiary
- e. Larsen & Toubro Infotech Ltd., France – branch of Larsen & Toubro Infotech Ltd., India
- f. Larsen & Toubro Infotech GmbH – fellow subsidiary
- g. Larsen & Toubro Infotech UK Limited - fellow subsidiary
- h. Larsen & Toubro Infotech Middle East FZ-LLC - fellow subsidiary

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B. Summary of transactions with related parties are as follows:

		For the year ended	
		March 31, 2022	March 31, 2021
Overheads charged by:			
Larsen & Toubro Infotech Ltd., USA	\$	(624,166)	(227,567)
L&T Infotech Financial Services Technologies Inc.	\$	(649,821)	(555,235)
Larsen & Toubro Infotech Ltd., India	\$	(219,277)	(111,947)
Larsen & Toubro Infotech Ltd., France	\$	(126,039)	(8,360)
Procurement of services recorded as expenses:			
Larsen & Toubro Infotech Ltd., India	\$	(17,816,579)	(18,205,658)
L&T Technology Services Ltd.	\$	(6,978)	-
Sale of services:			
Larsen & Toubro Infotech Ltd., USA	\$	33,855,565	25,073,594
L&T Infotech Financial Services Technologies Inc.	\$	488,208	645,152
Larsen & Toubro Infotech Ltd., India	\$	411,623	864,967
Overheads charged to:			
Larsen & Toubro Infotech Ltd., USA	\$	-	133,849
L&T Infotech Financial Services Technologies Inc.	\$	96,083	72,177
L&T Technology Services Ltd.	\$	4,647	4,647
Larsen & Toubro Infotech Ltd., Australia	\$	-	21,844
Larsen & Toubro Infotech Ltd., UK	\$	17,572	-
Sale of goods:			
L&T Infotech Financial Services Technologies Inc.	\$	-	814
Related party loan taken			
L&T Infotech Financial Services Technologies Inc.	\$	-	14,500,000
Related party loan repayment			
L&T Infotech Financial Services Technologies Inc.	\$	-	(14,500,000)
LTI Middle East FZ-LLC	\$	-	14,012,700
Larsen & Toubro Infotech GmbH	\$	3,000,000	-
Related party loan advanced			
LTI Middle East FZ-LLC	\$	-	(14,012,700)
Larsen & Toubro Infotech GmbH	\$	(3,000,000)	-
Interest charged by:			
L&T Infotech Financial Services Technologies Inc.	\$	-	(14,659)

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		For the year ended	
		March 31, 2022	March 31, 2021
Interest charged from:			
LTI Middle East FZ-LLC	\$	-	12,720
Larsen & Toubro Infotech GmbH	\$	19,784	-

These transactions are under normal credit terms and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The following balances are due from (due to) related parties and are non-interest bearing:

		As at	
		March 31, 2022	March 31, 2021
<u>Due from related parties</u>			
Larsen & Toubro Infotech Ltd., USA		9,257,020	5,299,750
Larsen & Toubro Infotech UK Limited		17,374	(60,340)
<u>Due to related parties</u>			
L&T Technology Services Ltd		(1,478)	387
Larsen & Toubro Infotech Ltd, India		(3,779,348)	(1,161,771)
L&T Infotech Financial Services Technologies Inc.		(45,159)	-
Larsen & Toubro Infotech Ltd, France		(94,914)	(3,913)
<u>Accrued revenue</u>			
L&T Infotech Financial Services Technologies Inc.		25,069	-
	\$	5,378,564	4,074,113

In the normal course of business, the Company is exposed to financial risks that may potentially impact its operating results. The Company employs risk management strategies with a view to mitigating these risks on a cost-effective basis.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash equivalents and accounts receivable. The carrying amount of assets included on the balance sheet represents the maximum credit exposure.

The Company has deposited the cash equivalents with a reputable financial institution, from which management believes the risk of loss to be remote.

As at March 31, 2022, three customers accounted for 79% [March 31, 2021 - three customers accounted for 91%] of the accounts receivable.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Company's 62% revenues are denominated in U.S. dollars [March 31, 2021: 64%]. As at March 31, 2022, the accounts receivable denominated in U.S. dollars amounted to USD 7,805,907 [March 31, 2021 – USD 4,267,405]. The Company's cash and cash & cash equivalents denominated in U.S dollars amounted to USD 14,950 [March 31, 2021 – USD 107,865]

Larsen & Toubro Infotech Canada Ltd / Infotech Larsen & Toubro Canada LTEE

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March 31, 2022, and March 31, 2021

Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulties in meeting obligations associated with financial liabilities. Accounts payable are primarily due within 90 days and will be satisfied from current working capital.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company manages other price risk through asset allocation and/or maintaining a portfolio that is well diversified on both a geographic and industry sector basis.

18. ECONOMIC DEPENDENCE

During the year ended March 31, 2022, one of the Company's major customers provided 58% of total revenues (March 31, 2021: 57%).

19. RISKS AND UNCERTAINTIES:

The extent of the impact of coronavirus (COVID 19) outbreak on operations of the Company will depend on future developments, including the duration and spread of the outbreak, related advisories and restrictions, government actions, the impact on financial markets and the overall economy, all of which are highly uncertain and cannot be predicted.

20. SUBSEQUENT EVENTS

The Company evaluated all events and transactions that occurred after March 31, 2022, through April 14, 2022 the date the financial statements are available to be issued. Based on the evaluation, the Company is not aware of any subsequent events or transactions, that would require recognition or disclosure in the financial statements.

LARSEN & TOUBRO INFOTECH LLC

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

Larsen & Toubro Infotech LLC

BOARD'S REPORT

Dear Member,

It's a pleasure in presenting the report and Audited Accounts for the year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS:

Particulars	2021-22	2020-21
	USD	USD
Total Income	2,993,320	3,096,740
Total Expenditure	2,963,133	2,783,731
Operating Profit / (Loss)	30,187	313,009
Add: Interest Income	3,325	917
Less: Finance Costs	-	-
Net Income	33,541	313,926

2. State of Company Affairs:

The total income for the financial year under review were USD 2,993,320 against USD 3,096,740 for the previous financial year registering a decrease of 3.34%. The net income was USD 33,541 for the financial year under review as against USD 313,926 for the previous financial year, registering a decrease of 89.32%.

3. Dividend:

In order to conserve the resources for future growth, no dividend is proposed for the FY 2021-22.

4. Reporting of Frauds:

The Auditors of the Company have not reported any fraud committed against the Company by its officers or employees.

5. Details of Directors and Key Managerial Personnel appointed/resigned during the year:

There was no change in the Composition of the Board & Key Managerial Personnel during the FY 2021-22.

6. Financial Statements:

The Auditors report to the shareholders does not contain any qualification, observation or adverse comment.

7. Board's Responsibility Statement:

The Sole Director of the Company confirms:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) The Director has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- c) The Director has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the local statutes for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Director has prepared the Annual Accounts on a going concern basis.
- e) The Director has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

8. Acknowledgement

Your director acknowledges the invaluable support extended by the Government authorities in USA and take this opportunity to thank them as well as the customers, supply chain partners, employees, financial institutions, banks and all the various stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

Place: USA

Date: April 14, 2022

**Harsh Naidu
Director**

LARSEN & TOUBRO INFOTECH LLC
FINANCIAL STATEMENTS
MARCH 31, 2022, AND 2021



LARSEN & TOUBRO INFOTECH LLC
FINANCIAL STATEMENTS
MARCH 31, 2022, AND 2021

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Independent Auditor’s Report

To Larsen & Toubro Infotech LLC

Gentlemen:

Opinion

We have audited the accompanying financial statements of Larsen & Toubro Infotech LLC (a New Jersey limited liability company), which comprise the balance sheets as of March 31, 2022, and 2021, and the related statements of income, comprehensive income, changes in members’ equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Larsen & Toubro Infotech LLC as of March 31, 2022, and 2021, and the results of its operations and its cash flows for the years then ended in accordance with the International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Larsen & Toubro Infotech LLC and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Larsen & Toubro Infotech LLC’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Larsen & Toubro Infotech LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Larsen & Toubro Infotech LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Independent Auditor's Report (Continued)

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

sgc & associates llp

Great Neck NY

April 14, 2022

LARSEN & TOUBRO INFOTECH LLC

BALANCE SHEETS

AS AT MARCH 31, 2022, AND 2021

ASSETS

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Current assets		
Cash and cash equivalents	\$ 445,932	\$ 284,923
Accounts receivable, net	1,339,393	1,337,233
Prepaid expenses and other current assets	<u>10,471</u>	<u>34,026</u>
Total current assets	<u>1,795,796</u>	<u>1,656,182</u>
Total assets	<u>\$ 1,795,796</u>	<u>\$ 1,656,182</u>

LIABILITIES AND EQUITY

Current liabilities		
Accounts payable	\$ 58,310	\$ 97,890
Due to related parties	578,961	417,036
Accrued expenses and other current liabilities	<u>284,101</u>	<u>300,373</u>
Total current liabilities	<u>921,372</u>	<u>815,299</u>
Total liabilities	<u>\$ 921,372</u>	<u>\$ 815,299</u>
Equity		
Members' equity	<u>874,424</u>	<u>840,883</u>
Total equity	<u>874,424</u>	<u>840,883</u>
Total liabilities and equity	<u>\$ 1,795,796</u>	<u>\$ 1,656,182</u>

See Notes to Financial Statements

LARSEN & TOUBRO INFOTECH LLC

**STATEMENTS OF INCOME, COMPREHENSIVE INCOME, AND CHANGES IN
MEMBERS' EQUITY**

YEARS ENDED MARCH 31, 2022, AND 2021

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Sales		
Net Sales	\$ 2,993,320	\$ 3,096,740
Total operating revenue	<u>2,993,320</u>	<u>3,096,740</u>
Operating expenses	<u>2,963,133</u>	<u>2,783,731</u>
Total operating expenses	<u>2,963,133</u>	<u>2,783,731</u>
Operating income	<u>30,187</u>	<u>313,009</u>
Interest income	3,325	917
Other income (expenses)	<u>29</u>	<u>-</u>
Net income	<u>33,541</u>	<u>313,926</u>
Comprehensive income	<u>33,541</u>	<u>313,926</u>
Members' equity, beginning of year	<u>840,883</u>	<u>526,957</u>
Members' equity, end of year	<u>\$ 874,424</u>	<u>\$ 840,883</u>

See Notes to Financial Statements

LARSEN & TOUBRO INFOTECH LLC
STATEMENTS OF CASH FLOWS
YEARS ENDED MARCH 31, 2022, AND 2021

	March 31, 2022	March 31, 2021
Cash flows from operating activities		
Net income	\$ 33,541	\$ 313,926
Adjustments to reconcile change in net assets to net cash used by operating activities		
Interest income	(3,325)	(917)
Allowance for doubtful debts	(15,337)	27,972
Decrease (increase) in assets		
Accounts receivable	13,177	(1,365,205)
Prepaid expenses and other current assets	23,555	(31,071)
Increase (decrease) in liabilities		
Accounts payable	(39,580)	97,890
Due to related parties	161,925	481,026
Accrued expenses and other current liabilities	(16,272)	222,649
Net cash from operating activities	157,684	(253,730)
Cash flows from investing activities		
Interest received	3,325	917
	3,325	917
Cash flows from financing activities	-	-
Net change in cash and cash equivalents	161,009	(252,813)
Cash and cash equivalents - beginning of year	284,923	537,736
Cash and cash equivalents - end of year	\$ 445,932	\$ 284,923

See Notes to Financial Statements

LARSEN & TOUBRO INFOTECH LLC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2022, AND 2021

NOTE 1 – BUSINESS DESCRIPTION

Larsen & Toubro Infotech LLC (“the Company” or “LTLL”) is a limited liability company organized in the State of Delaware, United States of America. The Company is a wholly owned subsidiary of Larsen & Toubro Infotech Limited, a public limited company incorporated, domiciled, and having its registered office in Mumbai, India. The Company was formed to take over the work and absorb the staff from a large client of its parent, Larsen & Toubro Infotech Limited. The client closed its information technology operations and transferred them to the Company. Historically, the Company had always provided services solely to Larsen & Toubro Infotech Limited, U.S. branch. However, from the year ended March 31, 2021, the Company has started providing services to external clients. The Company’s headquarters are in Edison, New Jersey in the United States of America.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation – The accompanying financial statements of Larsen & Toubro Infotech LLC are prepared on the accrual basis of accounting in accordance with the International Financial Reporting Standards and International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRS). These financial statements were authorized for issue by the Company’s Management on April 14, 2022. Revenue is recorded when earned and expenses are recorded when incurred. All amounts are stated in United States Dollars.

Use of Estimates – The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. The important estimates made by LTLL in preparing these financial statements include allowance for doubtful accounts, revenue recognition, accrued revenue, accrued liabilities, provisions for compensated absences, provisions for employee benefit obligations, and other contingencies. The estimates are made using historical information and other relevant factors available to management. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Cash and Cash Equivalents – LTLL considers all cash which is used for current operations with a maturity of three months or less to be cash and cash equivalents. The Company believes it is not exposed to any significant risk on cash and cash equivalents.

LARSEN & TOUBRO INFOTECH LLC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2022, AND 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable & Allowance for Doubtful Accounts – Accounts receivable are recorded at the invoiced amount and do not bear interest. LTLL maintains an allowance for doubtful accounts for estimated losses inherent in its accounts receivable. In establishing the required allowance, management considers historical losses that are adjusted considering current market conditions and the customers’ financial condition, the amounts of receivables in dispute, and the current receivables ageing and current payment patterns. LTLL reviews its allowance for doubtful accounts periodically. Past due balances over 180 days and over a specified amount are reviewed individually for collectability. Bad debt expense is included in operating expenses in the statement of income, comprehensive income, and changes in equity. LTLL charges off uncollectable amounts against the allowance for doubtful accounts in the period in which it determines they are uncollectable.

Retirement Benefits – Contributions to defined contribution plans are recognized as an expense in the statement of income, comprehensive income, and changes in members’ equity in the period during which services are rendered by the employees.

Compensated Absences – Compensated absences are recognized in the period in which the employee renders the related service. The provision for compensated absences totaled \$43,740 and \$53,827 at March 31, 2022, and 2021, respectively. Such amount is included in “accrued expenses and other current liabilities” in the accompanying balance sheets at March 31, 2022, and 2021.

Revenue Recognition – Revenue is recognized only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability of the resulting receivables is reasonably assured. Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated rebates and other similar allowances.

Revenue from contracts priced on time and material basis is recognized when services are rendered, and related costs are incurred.

Revenue from services performed on fixed-price basis is recognized over the life of contract using the proportionate completion method.

Revenue from sale of products and licenses is recognized upon delivery when all risks and rewards are transferred.

Other Income – Interest income is recognized using the effective interest method.

Other items of income are accounted as and when the right to receive arises.

LARSEN & TOUBRO INFOTECH LLC

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED MARCH 31, 2022, AND 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Commitments and Contingencies – Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Income Taxes – LTLL operates as a Limited Liability Company (LLC) under statutes of the Limited Liability Company Act of the State of Delaware. Under those statutes, the Company's taxable income or loss is distributed to its members, who report their proportionate share of income or loss on their respective income tax returns.

LTLL is a single member LLC and Larsen & Toubro Infotech Limited is its sole member. A single member LLC is treated as a disregarded entity for income tax purposes, and all income and expenses of a single member LLC are reflected on the income tax returns of the sole member of the single member LLC. Therefore, all income and expenses of LTLL are reflected on the income tax returns of Larsen & Toubro Infotech Limited. Therefore, no provision for income taxes has been provided in the accompanying financial statements of LTLL.

Fair Value of Financial Instruments – At March 31, 2022, and 2021, the carrying value of cash, accounts receivable, accrued revenue, due from affiliates, prepaid expenses and other current assets, accounts payable, due to affiliates, accrued expenses and other current liabilities approximates fair value because of the short maturity of these items.

Events Occurring After the Report Date – LTLL has evaluated all events or transactions that occurred after the balance sheet date of March 31, 2022, through April 14, 2022, the date these financial statements were available to be issued. As of April 14, 2022, there were no adjusting or non-adjusting events that were required to be accrued or disclosed in the financial statements.

NOTE 3 – ACCOUNTS RECEIVABLE, NET

Accounts receivable as at March 31, 2022, and 2021 represent dues from customers, related parties, and accrued revenue of \$1,352,028 and \$1,365,205, net of allowance of doubtful accounts and expected credit losses of \$12,635 and \$27,972. The accounts receivable at March 31, 2022, includes an amount of \$815,789 due from Larsen & Toubro Infotech Limited, India, a related party (see Note 8). LTLL maintains an allowance for doubtful accounts on all accounts receivable, based on present and prospective financial condition of the customer and aging of accounts receivable after considering historical experience and the current economic environment.

LARSEN & TOUBRO INFOTECH LLC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2022, AND 2021

NOTE 4 – INTEREST INCOME

	March 31, 2022	March 31, 2021
Interest income:		
Bank interest	\$ <u>3,325</u>	\$ <u>917</u>
	\$ <u><u>3,325</u></u>	\$ <u><u>917</u></u>

NOTE 5 – EMPLOYEE BENEFIT PLAN

LTLL has a 401(k)-retirement plan (the “Plan”) for the benefit of its employees. As allowed under Section 401(k) of the Internal Revenue Code, the Plan provides for tax-deferred salary contributions for eligible employees. The Plan allows employees to contribute a percentage of their annual compensation to the Plan on a pre-tax basis. Employee contributions are limited to a maximum annual amount as set periodically by the Internal Revenue Code. At its discretion, the Company may match pre-tax employee contributions up to percentage of eligible earnings that are contributed by employees. During the years ended March 31, 2022, and 2021, the Company contributed \$0 and \$0 towards the Plan.

NOTE 6 – CONCENTRATIONS

LTLL had three customers that accounted for 61%, 27%, 12% and of its sales for the year ended March 31, 2022, and one customer that accounted for 92% of its sales for the year ended March 31, 2021. LTLL had two customers that accounted for 61% and 33% of its accounts receivable at March 31, 2022, and one customer that accounted for 100% of its accounts receivable at March 31, 2021.

LTLL had three vendors that accounted for 35%, 33%, and 25% of its purchases for the year ended March 31, 2022, and no vendors that accounted for more than 10% of the purchases for the year ended March 31, 2021. LTLL had one vendor that accounted for 91% of its accounts payable at March 31, 2022, and two vendors that accounted for 83% and 17% of its accounts payable at March 31, 2021.

From time to time, LTLL has cash on deposit with financial institutions in excess of Federal (“FDIC”) limits.

LARSEN & TOUBRO INFOTECH LLC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2022, AND 2021

NOTE 7 – EMPLOYEE BENEFITS

Employee benefits comprise:

	March 31, 2022	March 31, 2021
Salaries	\$ 1,607,465	\$ 1,183,690
Payroll taxes	118,471	97,155
	\$ 1,725,936	\$ 1,280,845

NOTE 8 – RELATED PARTY TRANSACTIONS

LTLL had transactions and balances in the ordinary course of business with the following related parties during the year ended and as of March 31, 2022, and 2021:

No.	Name of the related party	Nature of relationship
1	Larsen & Toubro Infotech Limited, India	Parent
2	Larsen & Toubro Infotech Limited, U.S. Branch	U.S. Branch of the Parent

LTLL's balances with the related parties amounted to the following at March 31, 2022, and 2021:

Particulars	March 31, 2022	March 31, 2021
Trade Receivables:		
Larsen & Toubro Infotech Limited, India	\$815,789	
Other Payables:		
Larsen & Toubro Infotech Limited, India		(\$5,825)
Larsen & Toubro Infotech Limited, U.S. Branch	(\$578,961)	(\$411,211)

LARSEN & TOUBRO INFOTECH LLC
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED MARCH 31, 2022, AND 2021

NOTE 8 – RELATED PARTY TRANSACTIONS (CONTINUED)

LTLL’s transactions with related parties in the ordinary course of business amounted to the following for the years ended March 31, 2022, and 2021:

Particulars	March 31, 2022	March 31, 2021
Sale of Services:		
Larsen & Toubro Infotech Limited, India	\$815,789	
Larsen & Toubro Infotech Limited, U.S. Branch		\$246,821
Purchase of Services:		
Larsen & Toubro Infotech Limited, India		\$5,825
Larsen & Toubro Infotech Limited, U.S. Branch	\$341,754	\$84,856

NOTE 9 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through April 14, 2022, the date these financial statements were available for issue. All subsequent events, requiring recognition or disclosure through this date, have been incorporated into these financial statements.

SUPPLEMENTARY INFORMATION

LARSEN & TOUBRO INFOTECH LLC

**SCHEDULE TO THE STATEMENTS OF INCOME, COMPREHENSIVE INCOME,
AND CHANGES IN MEMBERS' EQUITY**

YEARS ENDED MARCH 31, 2022, AND 2021

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Operating expenses		
Salaries	\$ 1,607,465	\$ 1,183,690
Subcontracting	1,192,166	1,197,526
Purchase of trading goods	34,858	248,292
Payroll taxes	118,471	97,155
Employee recruitment expenses	8,000	24,000
Stationery and office expenses	5,000	-
Travel	4,830	482
Allowance for doubtful debts	(15,337)	27,972
Professional fees	3,481	2,968
Other taxes	-	1,002
Selling expenses	4,151	504
Bank charges	48	-
Telephone expenses	-	140
	<u> </u>	<u> </u>
Total operating expenses	<u>\$ 2,963,133</u>	<u>\$ 2,783,731</u>
Other income (expenses)		
Interest income	\$ 3,325	\$ 917
Foreign exchange gain (loss)	36	-
Other expenses	(7)	-
	<u> </u>	<u> </u>
Total other income (expenses)	<u>\$ 3,354</u>	<u>\$ 917</u>

**L&T INFOTECH FINANCIAL SERVICES
TECHNOLOGIES INC**

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

L&T Infotech Financial Services Technologies Inc.

BOARD'S REPORT

Dear Members,

The Directors have pleasure in presenting the report and Audited Accounts for the year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS:

Particulars	2021-22	2020-21
	CAD	CAD
Total Income	60,261,238	54,320,131
Total Expenditure	35,551,453	32,986,562
Operating Profit / (Loss)	24,709,785	21,333,569
Add: Interest Income	451,216	166,673
Less: Finance Costs	-	-
Profit / (Loss) before Tax	25,161,001	21,500,242
Less: Tax	6,646,056	6,118,076
Net Profit / (Loss) after Tax	18,514,945	15,382,166
Add: Balance b/f from previous year	25,229,787	9,847,621
Balance available for disposal which directors appropriate as follows:		
Dividend	-	-
Transfer to Reserves	-	-
Premium on buyback of shares	(16,300,000)	-
Balance to be carried forward	27,444,732	25,229,787

2. Capital & Finance:

On May 4, 2021, the Board of Directors approved buy-back proposal for repurchase of 33.33% of total equity capital representing 200,000 shares having par value of CAD 62.5 each from the sole shareholder of the Company (Larsen & Toubro Infotech Ltd., India) for aggregate amount not exceeding CAD 28,800,000. The Company bought back 200,000 common shares at a valuation of CAD 144 per share and paid CAD 28,800,000 in cash. Pursuant to buy back, share capital of the Company reduced by CAD 12,500,000 and retained earnings by CAD 16,300,000. The Company has deducted and deposited to the government, the applicable withholding taxes on shares repurchased amounting to CAD 2,445,000.

3. Capital Expenditure:

As at March 31, 2022, the gross fixed assets, intangible assets and Goodwill including leased Assets, stood at CAD 98,753,566 and the net fixed and intangible assets and goodwill including leased assets, at CAD 18,953,587. Capital Expenditure during the year amounted to CAD 4,987,238.

4. State of Company Affairs / Business Prospects:

The gross sales and other income for the financial year under review were CAD 60.71 Mn. as against CAD 54.49 Mn for the previous financial year registering an increase of 11.43%. The profit before tax from continuing operations including extraordinary and exceptional items was CAD 25.16 Mn. and the profit after tax from continuing operations including extraordinary and exceptional items of CAD 18.51 Mn. for the financial year under review as against CAD 21.50 Mn. and CAD 15.38 Mn. respectively for the previous financial year, registering an increase of 17.03% and 20.37% respectively.

5. Dividend:

In order to conserve the resources for future business growth, the Directors do not recommend any final dividend for the year ended March 31, 2022.

6. Reporting of Frauds:

The Auditors of the Company have not reported any fraud committed against the Company by its officers or employees.

7. Details of Directors and Key Managerial Personnel appointed/resigned during the year:

No change in the Board of Directors & Key Managerial Personnel happened during the FY 2021-22.

8. Financial Statements:

The Auditors report to the shareholders does not contain any qualification, observation, or adverse comment.

9. Directors Responsibility Statement:

The Board of Directors of the Company confirms:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the local statutes for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the Annual Accounts on a going concern basis.
- e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

10. Acknowledgement

Your directors acknowledge the invaluable support extended by the Government authorities in Canada and take this opportunity to thank them as well as the customers, supply chain partners, employees, financial institutions, banks and all the various stakeholders for their continued co-operation and support to the Company.

**For and on behalf of the Board
L&T Infotech Financial Services Technologies Inc.**

**Harsh Naidu
(Director)
(Edison)**

**Tina Allan
(Director)
(Mississauga)**

Date: 14-04-2022

L&T Infotech Financial Services Technologies Inc.

Financial Statements

March 31, 2022, and March 31, 2021

KNAV Professional Corporation

Chartered Professional Accountants
55 York Street, Suite 401, Toronto Ontario M5J 1R7

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Independent Auditor's Report

To the Shareholder of L&T Infotech Financial Services Technologies Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of L&T Infotech Financial Services Technologies Inc. ("the Company") which comprise the balance sheets as at March 31, 2022 and March 31, 2021, the related statements of income and retained earnings, and the related cash flows for the years then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of L&T Infotech Financial Services Technologies Inc. as at March 31, 2022 and March 31, 2021 and its financial performance and its cash flows for the years then ended in accordance with Canadian accounting standards for private enterprises.

Basis of Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards 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 financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

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

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

KNAV Professional Corporation

KNAV Professional Corporation

Chartered Professional Accountants

Authorized to practice public accounting by the Chartered Professional Accountants of Ontario

55 York Street, Suite 401,

Toronto Ontario M5J 1R7

Date: April 14, 2022

L&T Infotech Financial Services Technologies Inc.

Financial statements

March 31, 2022, and March 31, 2021

Financial statements

L&T Infotech Financial Services Technologies Inc.

Financial statements

March 31, 2022, and March 31, 2021

Balance sheets*(All amounts in Canadian Dollars, unless otherwise stated)*

	Notes	As at	
		March 31, 2022	March 31, 2021
ASSETS			
Current assets			
Cash and cash equivalents	6	3,948,188	23,313,796
Demand deposits with bank	7	-	12,500,000
Accounts receivable, net	9	9,576,776	7,223,116
Unbilled revenue		185,770	-
Prepaid expenses	10	2,195,029	1,733,572
Other current assets	11	816,801	840,900
Total current assets		\$ 16,722,564	45,611,384
Restricted deposits	8	1,000,123	1,000,000
Loan to related party	12	18,000,000	-
Other non-current assets	13	2,863,952	3,331,884
Computers	14	2,174,129	2,455,445
Furniture and office equipment	15	18,211	46,342
Software	16	9,916,139	7,197,815
Leasehold improvement	17	22,137	44,273
Customer relationship intangibles	18	-	-
Goodwill		6,822,971	6,822,971
Total assets		\$ 57,540,226	66,510,114
LIABILITIES			
Current liabilities			
Accounts payable	19	1,594,402	1,383,589
Other current liabilities	20	2,215,409	1,900,545
Total current liabilities		\$ 3,809,811	3,284,134
Future tax liabilities	29	1,285,683	267,216
Other non-current liabilities	21	-	228,977
Total liabilities		\$ 5,095,494	3,780,327
SHAREHOLDER'S EQUITY			
Share capital	22	25,000,000	37,500,000
Retained earnings	23	27,444,732	25,229,787
Total shareholder's equity		\$ 52,444,732	62,729,787
Total liabilities and shareholder's equity		\$ 57,540,226	66,510,114

*(The accompanying notes are an integral part of these financial statements)***APPROVED ON BEHALF OF THE BOARD:**

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CFO: Alekh Gupta	Director: Tina Allan
	DocuSigned by: Harsh Naidu 0CE3A6D0421D430...
	Director: Harsh Naidu

L&T Infotech Financial Services Technologies Inc.

Financial statements

March 31, 2022, and March 31, 2021

Statements of income and retained earnings*(All amounts in Canadian Dollars, unless otherwise stated)*

	Notes	For the year ended	
		March 31, 2022	March 31, 2021
Revenue	25	60,024,891	54,320,131
Other income	26	687,563	166,673
Total revenue		\$ 60,712,454	54,486,804
Employee cost		16,092,876	12,271,787
Subcontracting expenses		8,566,117	6,110,333
Data centre lease rent		722,271	706,068
Software purchase annual license fee		2,233,178	1,920,623
Hardware purchase annual maintenance fee		627,235	460,442
Other direct cost		181,897	173,051
Total direct expenses		\$ 28,423,574	21,642,304
Sales and administration expenses		3,252,459	3,389,769
Premises rent		690,940	843,382
Professional charges		305,386	449,199
General repairs and maintenance		32,049	24,253
Telephone expenses		110,454	108,314
Auditor's remuneration		59,000	55,500
Foreign exchange loss		44,469	10,728
Miscellaneous expenses		94,704	103,140
Total indirect costs		\$ 4,589,461	4,984,285
Depreciation and amortization		2,538,418	6,359,973
Income before tax		\$ 25,161,001	21,500,242
Current income tax	29	5,627,588	5,798,866
Future income tax expense	29	1,018,468	319,210
Net income after taxes		18,514,945	15,382,166
Retained earnings, beginning of the period		25,229,787	9,847,621
Premium on buy-back of shares		(16,300,000)	-
Retained earnings, end of the period		\$ 27,444,732	25,229,787

*(The accompanying notes are an integral part of these financial statements)***APPROVED ON BEHALF OF THE BOARD:**

DocuSigned by: Alekh Gupta	DocuSigned by: Tina Allan	
CFO: Alekh Gupta	Director: Tina Allan	
	DocuSigned by: Harsh Naidu	Director: Harsh Naidu

L&T Infotech Financial Services Technologies Inc.

Financial statements

March 31, 2022, and March 31, 2021

Statements of cash flows*(All amounts in Canadian Dollars, unless otherwise stated)*

	For the year ended	
	March 31, 2022	March 31, 2021
Cash flow from operating activities		
Net income after tax	18,514,945	15,382,166
Adjustments for non-cash items		
Depreciation and amortization	2,538,418	6,359,973
Future income taxes	1,018,468	319,210
Unrealised exchange loss	41,058	8,075
Net change in non-cash operating working capital		
Accounts receivable, net	(2,354,139)	3,623,062
Unbilled revenue	(185,770)	633,240
Prepaid expenses	(461,457)	(388,020)
Other current assets	24,100	(164,561)
Restricted deposits	(122)	200,000
Other non-current assets	467,930	(508,801)
Accounts payable	204,721	(200,432)
Other current liabilities	299,787	(86,007)
Non-current liabilities	(228,977)	(207,109)
Net cash provided by operating activities	\$ 19,878,962	24,970,796
Cash flow from investing activities		
Related party loan advanced	(18,000,000)	(14,500,000)
Repayment of related party loan advanced	-	15,190,000
Purchases of computers	(714,553)	(554,754)
Purchases of furniture and office equipment	(215)	(2,083)
Capitalization of software	(4,210,390)	(4,049,737)
Maturity (Placement) of demand deposits with bank	12,500,000	(9,000,000)
Net cash used in investing activities	\$ (10,425,158)	(12,916,574)
Cash flow from financing activities		
Buy-back of shares	(28,800,000)	-
Net cash used in financing activities	\$ (28,800,000)	-
Net foreign exchange difference on cash and cash equivalents	(19,412)	(10,037)
Net (decrease) increase in cash and cash equivalents	(19,365,608)	12,044,185
Cash and cash equivalents, at beginning of the year	23,313,796	11,269,611
Cash and cash equivalents, at end of the year	\$ 3,948,188	23,313,796

APPROVED ON BEHALF OF THE BOARD:

<small>DocuSigned by:</small> Alekh Gupta	<small>DocuSigned by:</small> Tina Allan
<small>F8C7A9837EFC49B...</small> CFO: Alekh Gupta	<small>0EFADF08540249E...</small> Director: Tina Allan
	<small>DocuSigned by:</small> Harsh Naidu
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Notes to financial statements

(All amounts in Canadian Dollars, unless otherwise stated)

1. Description of business

L&T Infotech Financial Services Technologies Inc. (the "Company" or "LTIFST") is incorporated under the Canada Business Corporations Act. The Company is a wholly owned subsidiary of Larsen & Toubro Infotech Ltd., an India company ("Parent"). The Company commenced operations on January 1, 2011, with the acquisition of the information technology operations business of Citigroup Fund Services Canada Inc. ("Citi" or "CFSC") by the Company's Parent. LTIFST is a technology service provider and owns and develops variety of products and services used by the financial services marketplace in Canada.

2. Basis of presentation

The financial statements of the Company have been prepared by the management in accordance with Canadian accounting standards for private enterprises ("GAAP"). The financial statements are presented for the year April 01, 2021, to March 31, 2022, and for the year April 01, 2020, to March 31, 2021. All amounts are in Canadian dollars, unless otherwise stated.

3. Basis for measurement

The financial statements have been prepared on historical cost basis.

4. Functional and presentation currency

The Company's functional and presentation currency is the Canadian dollar.

5. Significant accounting policies

Use of estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Management bases the estimates on a number of factors, including historical experience, current events, and actions that the Company may undertake in the future and other assumptions that the Company believes are reasonable under the circumstances. Estimates are used in accounting for items and matters such as revenues, allowance for doubtful accounts, useful lives of property, equipment and intangible assets, legal and tax contingencies, employee compensation plans, income taxes and investment tax credit.

The estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below

- i. Estimated useful lives and valuation of intangible assets: Management estimates the useful lives of intangible assets based on the period during which the assets are expected to be available for use and also estimates their recoverability to assess if there has been an impairment. The amounts and timing of recorded expenses for amortization and impairments of intangible assets for any period are affected by these estimates. The estimates are reviewed at least annually and are updated if expectations change as a result of technical or commercial obsolescence, threats and legal or other limits to use. It is possible that changes in these factors may cause significant changes in the estimated useful lives of the Company's intangible assets in the future.

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- ii. Income taxes: Management uses estimates when determining current and future income taxes. These estimates are used to determine the recoverability of tax loss carry forward amounts, research and development expenditure and investment tax credits.

Foreign currency transactions

Transactions denominated in foreign currencies are translated into the Canadian dollar at the rate of exchange in effect at the time of the transaction. Monetary assets and liabilities are translated into Canadian dollars at the period-end exchange rate. Non-monetary items are translated at historical rates. All exchange gains and losses are included in net income.

Dividend

Dividends are recognized as a liability in the period in which they are declared. The income tax consequences of dividends are recognized when a liability to pay the dividend is recognized.

Revenue recognition

The Company recognizes revenues across all the revenue streams when they are earned, specifically when all the following conditions are met:

- a) Services are provided to customers.
- b) There is clear evidence that an arrangement exists.
- c) Amounts are fixed or can be determined; and
- d) The ability to collect is reasonably assured.

The Company recognizes revenues for different revenue streams as follows:

- Application Service Provider (“ASP”) Service: Revenue is recognized by applying the contracted rates on the total number of active and inactive fund accounts across all client customer environments.
- Time and Material Service: Revenue with respect to time-and-material contracts is recognized as related services are performed applying the contracted rates.
- Development Service: Revenue from development service is recognised using percentage of completion method. It is measured based upon the time and material efforts incurred to date. The Company monitors estimates of total contract revenue and cost on a routine basis through the delivery period. The cumulative impact of any change in estimates of the contract revenue or costs is reflected in the period in which the changes become known. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Revenue recognised under this method is included in unbilled revenue if it is not invoiced by the year end.
- License Service: Revenue from sale of license is recognized rateably over the term of arrangement.
- Others: This includes ASP revenue from non-transfer agency modules for which revenue is recognised as mentioned for ASP service above, and fixed monthly billing for which revenue is recognised based on time elapsed.

Unbilled revenue on the accompanying balance sheet represents amounts not billed to the customers but accrued because of satisfying the above revenue recognition criteria.

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Provision for doubtful debts

The Company follows specific identification method for providing for doubtful debts. Management analyses accounts receivable and the composition of the accounts receivable ageing, historical bad debts, when evaluating the adequacy of the allowance for doubtful debts.

Deferred contract costs

Deferred contract costs are costs to fulfil a contract which are recognised as assets and amortized over the term of the contract.

Financial instruments

- Measurement of financial instruments

The Company initially measures its financial assets (such as accounts receivables) and financial liabilities (such as accounts payable and accrued liabilities) at fair value, except for certain instruments originated or acquired in related party transactions. The Company subsequently measures all its financial assets and financial liabilities at amortized cost, except for equity investments quoted in active markets and derivative financial instruments, which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable and loans receivable. Financial liabilities measured at amortized cost include trade payables and other current liabilities.

Transaction costs on financial assets and liabilities measured at amortized cost are adjusted against the carrying value of the related asset or liability and then recognized over the expected life of the instrument using the straight-line method. Transaction costs on equity investments quoted in active markets are recognized immediately in the statement of income.

- Impairment

At the end of each reporting period, the Company assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. If there are indicators of impairment, and the Company determines there has been a significant adverse change in the expected amount or timing of future cash flows, the carrying amount of the asset is reduced to the higher of the expected cash flows expected to be generated by holding the asset, discounted using a current market rate of interest, and the amount that could be realized by selling the asset at the balance sheet date.

Leases

Lease payments under operating lease are recognized as an expense on a straight-line basis over the lease term in the statement of income and retained earnings. Certain operating lease agreements provide for scheduled rent increases over the lease term. Rent expense for such leases is recognized on a straight-line basis over the lease term.

Income taxes

The Company follows asset and liability method of accounting for income taxes. Under this method, future income taxes are recognized for the future income tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis [temporary differences]. Future income tax assets and liabilities are measured using substantively enacted income tax rates expected to apply to taxable income in the years during which temporary differences are expected to be realized or settled. The effect on future income tax assets and liabilities of a change in tax rates is included in income in the period that includes the enactment date. A

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valuation allowance is provided to the extent that it is more likely than not; that future income tax asset will not be realized.

Investment tax credit

The Company is entitled to investment tax credits, which are earned as a percentage of eligible research and development expenditures incurred in each taxation year. Income tax investment tax credits related to expensed research and development costs are recorded as a reduction of the total expenditure. Income tax investment tax credits related to property and equipment are accounted for as a reduction in the cost of the related asset.

Cash and cash equivalents

Cash and cash equivalents, including cash on account, demand deposits and short-term investments with original maturities of three months or less, are recorded at cost, which approximates market value. Restricted cash deposits do not form part of cash and equivalents.

Computers, software, furniture, office equipment and leasehold improvements

Computers, software, furniture, leasehold improvements, and office equipment form part of capital assets and are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated on the straight-line method over the following estimated useful lives:

Class of asset	Useful life
Computers	3 to 5 years
Acquired software	10 years
Internally developed software	1 to 5 years
Furniture	5 years
Office equipment	5 years
Leasehold improvements	Over the period of lease term

Leasehold improvements are amortized in a similar manner to other property and equipment. The Company amortizes leasehold improvements over the remaining term of the lease.

Any gain or loss on disposal of an item of property and equipment is recognized in statement of income and retained earnings. Certain costs are capitalized for the development or enhancement of computer software used internally to process customer transactions. Routine software maintenance and customer support costs are expensed when incurred.

Customer relationship intangibles

Customer relationship intangibles, which are comprised of customer contracts and relationships acquired, are stated net of amortization. Customer relationship intangibles are amortized on a straight-line basis over their estimated useful lives of ten years.

Impairment of long-lived assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted cash flows expected to result from its use and eventual disposition. This assessment is based on the carrying amount of the asset at the date it is tested for recoverability, whether it is in use or under development. In cases where the undiscounted expected future cash flows are less than the carrying amount, an impairment loss shall be recognized when the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. An impairment loss shall be measured as the amount by which the carrying amount of a

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long-lived asset exceeds its fair value. If an impairment loss is recognized, the adjusted carrying amount becomes the new cost basis. An impairment loss shall not be reversed if the fair value subsequently increases.

Goodwill

Goodwill represents the cost of acquired businesses in excess of the fair value of net identifiable assets acquired. Goodwill is not amortized but is instead tested for impairment if events or changes in circumstances indicate that an impairment loss may have occurred. In the impairment test, the carrying amount of the reporting unit, including goodwill, is compared with its fair value. When the carrying amount of the reporting unit exceeds its fair value, a goodwill impairment loss is recognized, up to a maximum amount of the recorded goodwill related to the reporting unit. Goodwill impairment losses are not reversed.

Investments

The Company has elected to account for its investment of 1% in L&T Infotech S De RL DE CV (“LTIL Mexico”) using the cost method. Accordingly, investment is recorded at original cost unless there is a permanent impairment in value, in which case the investment will be written down to fair value. Investment in LTIL Mexico amounting to CAD 2 has been presented under ‘other non-current assets’ in the balance sheets.

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	As at	
	March 31, 2022	March 31, 2021
Balances with bank		
In current account	448,188	813,796
In deposit account	3,500,000	22,500,000
Total	3,948,188	23,313,796

7. DEMAND DEPOSIT WITH BANK

Demand deposits with bank comprise following:

	As at	
	March 31, 2022	March 31, 2021
<u>Demand deposits with bank</u>		
Current	-	12,500,000
Total	-	12,500,000

Current demand deposits are demand deposits with the bank maturing within twelve months. The carrying amount of the demand deposits represent fair value as on March 31, 2022, and March 31, 2021.

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8. RESTRICTED DEPOSIT

The Company's restricted deposits include the following:

	As at	
	March 31, 2022	March 31, 2021
Fixed deposit with an escrow deposit account	1,000,123	1,000,000
Total	1,000,123	1,000,000

This long-term deposit has been created as a part of an agreement with a customer along with an escrow agent. As per the services agreement with the customer, the deposit may be withdrawn to satisfy any shortfall in the Company's obligation to pay damages in accordance with the provisions of the agreement. This fund can only be drawn upon mutual agreement and subject to terms and conditions of the escrow agreement. As on March 31, 2022 and March 31, 2021, the funds were not invested and lying as cash in an interest-bearing deposit account.

9. ACCOUNTS RECEIVABLE

	As at	
	March 31, 2022	March 31, 2021
Trade receivables		
Due from related parties	20,569	-
Due from others	9,556,207	7,223,116
Total	9,576,776	7,223,116

The provision for doubtful accounts was \$Nil as at March 31, 2022 and March 31, 2021.

10. PREPAID EXPENSES

	As at	
	March 31, 2022	March 31, 2021
Prepaid expenses, current	2,195,029	1,733,572
Total	2,195,029	1,733,572

The Company pays hardware maintenance fees and software license fees in advance for which services are availed over a period of 2-5 years based on the contracts. These expenses are amortized on a straight-line basis over the life of the contracts. Prepaid expenses for which maintenance services will be availed after March 31, 2023 till end of the contract are treated as non-current assets.

11. OTHER CURRENT ASSETS

	As at	
	March 31, 2022	March 31, 2021
Deposits	8,940	14,120
Interest accrued on bank deposits	422	13,706
Deferred contract costs	492,431	296,258
Advance tax, net of provision for tax	269,165	455,594
Dues from related parties	45,843	61,024
Other assets	-	198
Total	816,801	840,900

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12. RELATED PARTY LOAN

The Company has entered into an agreement on July 1, 2021, with LTI Middle East FZ-LLC (“LTDL”) for providing loan facility. The terms of the agreement state that, principal outstanding as on any date during the term of the loan cannot be more than \$ 30,000,000. The interest on loan will be charged per the rates prescribed by the Canada Revenue Agency (“CRA”) at the end of each quarter. The average rate of interest for the year ended March 31, 2022, was 4.14% p.a. During the year ended March 31, 2022, the Company has advanced loan amounting to \$ 18,000,000 and anticipates receiving the outstanding balance beyond a period of twelve months period and therefore has classified this as a long-term loan.

During the previous year, the Company had advanced loan to LTIL Mexico and Larsen and Toubro Infotech Canada Ltd (“LTCA”). The said loans were fully repaid during the year ended March 31, 2021.

	As at	
	March 31, 2022	March 31, 2021
Opening principal outstanding	-	690,000
Loan advanced	18,000,000	14,500,000
Repayment during the year	-	(15,190,000)
Total	18,000,000	-

Interest income for the year ended March 31, 2022, on loan advanced to LTDL, amounted to \$414,993 and interest outstanding as on March 31, 2022, amounted to \$Nil.

Interest income for the year ended March 31, 2021, on loan advanced to LTIL Mexico, amounted to \$30,735 and interest outstanding as on March 31, 2021, amounted to \$Nil. Rate of interest as of March 31, 2021, was 5.00% p.a.

Interest income for the year ended March 31, 2021, on loan advanced to LTCA, amounted to \$14,659 and interest outstanding as on March 31, 2021 amounted to \$Nil. Rate of interest as of March 31, 2021 was 4.10% p.a.

13. OTHER NON-CURRENT ASSETS

	As at	
	March 31, 2022	March 31, 2021
Prepaid expenses	974,039	1,545,034
Deposits, others	26,760	26,760
Deferred contract costs	1,696,702	1,760,088
Other advances recoverable	166,449	-
Investment in LTIL Mexico	2	2
Total	2,863,952	3,331,884

The Company invested an amount of \$ 2 (representing 1 % of total share capital) in LTIL Mexico on July 20, 2017.

Other advances recoverable represents amount paid to Canadian Revenue Agency (“CRA”) against the notice of assessment received for Canadian Pension Plan (“CPP”) assessment. The Company has filed an appeal against the notice of assessment.

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14. COMPUTERS

	As at	
	March 31, 2022	March 31, 2021
Cost	10,758,256	10,043,703
Less: Accumulated depreciation	(8,584,127)	(7,588,258)
Total	2,174,129	2,455,445

Depreciation for the year ended March 31, 2022, amounted to \$ 995,869 (March 31, 2021 - \$933,892). During the year, the Company had capitalised depreciation amounted to \$ 50,107 (March 31, 2021 - \$12,349) under intangible assets under development and expensed \$ 945,762 (March 31, 2021 - \$921,543) to statement of income and retained earnings.

15. FURNITURE AND OFFICE EQUIPMENT

	As at	
	March 31, 2022	March 31, 2021
Cost	966,836	966,621
Less: Accumulated depreciation	(948,625)	(920,279)
Total	18,211	46,342

Depreciation expense for the year ended March 31, 2022, amounted to \$ 28,346 (March 31, 2021 - \$ 34,022).

16. SOFTWARE

	As at	
	March 31, 2022	March 31, 2021
Cost	80,120,721	75,848,251
Less: Accumulated amortization	(70,204,582)	(68,650,436)
Total	9,916,139	7,197,815

Amortization expense for the year ended March 31, 2022, amounted to \$ 1,554,146 (March 31, 2021 - \$ 3,839,320). During the year, the Company had capitalised amortisation amounted to \$ 11,973 (March 31, 2021 - \$10,299) under intangible assets under development and expensed \$ 1,542,173 (\$3,829,021) to statement of income and retained earnings. Out of the total cost mentioned above, \$ 4,346,787 (March 31, 2021 - \$ 4,026,351) pertains to intangible assets under development.

17. LEASEHOLD IMPROVEMENT

	As at	
	March 31, 2022	March 31, 2021
Cost	84,782	84,782
Less: Accumulated depreciation	(62,645)	(40,509)
Total	22,137	44,273

Depreciation expense for the year ended March 31, 2022, amounted to \$ 22,137 (March 31, 2021 - \$22,137).

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18. CUSTOMER RELATIONSHIP INTANGIBLES

	As at	
	March 31, 2022	March 31, 2021
Cost	20,710,000	20,710,000
Less: Accumulated amortization	(20,710,000)	(20,710,000)
Total	-	-

Amortization expense for the year ended March 31, 2022, amounted to \$Nil (March 31, 2021 - \$1,553,250).

19. ACCOUNTS PAYABLE

	As at	
	March 31, 2022	March 31, 2021
Accounts payable		
Due to related parties	795,443	539,606
Other payables	798,959	843,983
Total	1,594,402	1,383,589

20. OTHER CURRENT LIABILITIES

	As at	
	March 31, 2022	March 31, 2021
Indirect tax payable	654,594	588,259
Provision for employee benefits	1,317,244	1,111,202
Other liabilities	243,571	201,084
Total	2,215,409	1,900,545

21. OTHER NON-CURRENT LIABILITIES

	As at	
	March 31, 2022	March 31, 2021
Lease equalisation reserve	-	228,977
Total	-	228,977

22. SHARE CAPITAL

	As at	
	March 31, 2022	March 31, 2021
Authorization		
Unlimited common shares		
Issued: 600,000 common shares issued at CAD 62.5	37,500,000	37,500,000
Less: 200,000 common shares of CAD 62.5 extinguished pursuant to buy-back of shares	(12,500,000)	-
Total	25,000,000	37,500,000

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On May 4, 2021, the Board of Directors approved buy-back proposal for repurchase of 33.33% of total equity capital representing 200,000 shares having par value of CAD 62.5 each from the sole shareholder of the Company (Larsen & Toubro Infotech Ltd.) for aggregate amount not exceeding CAD 28,800,000 in accordance with the provision 34(2) of Canada Business Corporations Act and By-Law No.1-A of the Corporation. The Company bought back 200,000 common shares at a valuation of CAD 144 per share and paid \$ 28,800,000 in cash. These shares were cancelled post buy-back and were not included in treasury stock. Pursuant to buy-back, share capital of the Company is reduced by \$ 12,500,000 and retained earnings by \$ 16,300,000. The Company has deducted and deposited to the government, the applicable withholding taxes on shares repurchased amounting to \$ 2,445,000.

23. RETAINED EARNINGS

	As at	
	March 31, 2022	March 31, 2021
Retained earnings, beginning of the year	25,229,787	9,847,621
Add: Net income earned during the year	18,514,945	15,382,166
Less: Premium on buy-back of shares (refer note 22)	(16,300,000)	-
Total	27,444,732	25,229,787

24. FINANCIAL INSTRUMENTS

In the normal course of business, the Company is exposed to financial risks that may potentially impact its operating results. The Company employs risk management strategies with a view to mitigating these risks on a cost-effective basis.

Credit risk

Financial instruments that potentially subject the Company to credit risk consist of cash equivalents and accounts receivable. The carrying amount of assets included on the balance sheet represents the maximum credit exposure.

Cash equivalents consist mainly of short-term investments, such as bank deposits. No asset-backed commercial paper products were held. The Company has deposited the cash equivalents with a reputable financial institution, from which management believes the risk of loss to be remote.

The Company's accounts receivable is from customers engaged in the fund management sector. As at March 31, 2022 and March 31, 2021, top five customers accounted for 75% and 81% of the total accounts receivable, respectively.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Certain of the Company's purchases are denominated in U.S. Dollars (USD) and Great Britain Pounds (GBP). As of March 31, 2022, the accounts payable and accrued liabilities denominated in U.S. Dollars amounted to USD 390,483; and in Great Britain Pound amounted to GBP 2,015 [March 31, 2021 – USD 53,270, GBP 24,209].

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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.

Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulties in meeting obligations associated with financial liabilities. Accounts payable are primarily due within 90 days and will be satisfied from current working capital.

25. REVENUE FROM OPERATIONS

Revenue stream	Year ended	
	March 31, 2022	March 31, 2021
Application Service Provider service – Transfer agency	40,647,902	36,308,322
Development service	13,690,131	9,205,096
License service	-	2,740,489
Time and material service	1,204,068	1,127,494
Other services	4,482,790	4,938,730
Total	60,024,891	54,320,131

26. OTHER INCOME

	Year ended	
	March 31, 2022	March 31, 2021
Interest income from bank deposits	34,220	119,309
Interest income from related party loan advanced	414,993	45,394
Interest income from others	2,003	1,970
Canada Employment Wage Subsidy (CEWS)*	236,347	-
Total	687,563	166,673

*CEWS included in Other Income represents benefits received from CRA in FY 2021-22 towards expenses incurred in previous financial year.

27. EMPLOYEE FUTURE BENEFITS

The Company sponsors pension arrangements for substantially all its employees through defined contribution plans. The Company makes regular contributions to the employees' individual accounts, which are administered by a plan trustee, in accordance with the plan documents. The cost of this plan, which is expensed as incurred, amounted \$ 609,594 for the year ended March 31, 2022. [March 31, 2021: \$438,567.]

28. GOVERNMENT ASSISTANCE

In response to the negative economic impact of COVID-19, the Government of Canada announced the Canada Emergency Wage Subsidy program in April 2020 (“CEWS”). CEWS provides a wage subsidy on eligible remuneration to eligible employers based on certain criteria. During the year ended March 31, 2022, the Company assessed its eligibility related to CEWS and determined that it qualified for this subsidy. Accordingly, the Company applied for and received \$ 470,710 for the year ended March 31, 2022 (March 31, 2021: \$ 2,401,178) out of which \$236,347 is pertaining to expenditure incurred in previous year and accordingly it is included in other income in the

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current year. Subsidy received during the current year pertaining to expenditure incurred in the current year has been recorded as a reduction to the eligible remuneration expense incurred by the Company.

In response to the negative economic impact of COVID-19, the Government of Canada announced the Canada Emergency Rent Subsidy (“CERS”), a subsidy for Companies to cover part of their commercial rent or property expenses. This subsidy provides payments directly to qualifying renters and property owners. During the year ended March 31, 2022, the Company assessed its eligibility related to CERS and determined that it qualified for this subsidy and applied for and received the same. The Company has recorded subsidy of \$ 128,458 as a reduction to the rent expense incurred by the Company during this period.

29. INCOME TAX

A reconciliation of income taxes at Canadian statutory rates with the reported income taxes is as follows:

	Year ended	
	March 31, 2022	March 31, 2021
Statutory federal and provincial income tax rates	26.5%	26.5%
Income before tax	25,161,001	21,500,242
Expected taxes on income	6,667,665	5,697,564
<u>Increase (decrease) in income taxes resulting from</u>		
Non-deductible items	1,285	1,509
True-up of prior year future tax asset	(48,776)	269,117
True-up of tax provision	42,333	46,984
Others	(16,451)	102,902
Provision for income taxes	6,646,056	6,118,076

The income tax effects of temporary differences that gave rise to significant portions of the future income tax assets and future income tax liabilities were as follows:

	As at	
	March 31, 2022	March 31, 2021
Future income tax assets		
Deferred rent	60,671	115,547
Customer relationship intangible	1,411,567	1,619,883
Total	1,472,238	1,735,430
Future income tax liabilities		
Computers and software	2,757,921	2,002,646
Total	2,757,921	2,002,646
Net future tax liabilities	1,285,683	267,216

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30. COMMITMENTS AND CONTINGENCIES

The Company has operating leases for its office premises. The annual minimum payments under the operating leases are as follows:

	<u>Amount (\$)</u>
March 31, 2023	1,330,161

31. RELATED PARTY TRANSACTIONS**A. Related parties:**

- a. Larsen & Toubro Infotech Limited, India - parent company
- b. Larsen & Toubro Infotech Limited., UK – branch of Larsen & Toubro Infotech Limited., India
- c. Larsen & Toubro Infotech Limited., USA – branch of Larsen & Toubro Infotech Limited., India
- d. Larsen & Toubro Infotech Canada Limited – fellow subsidiary
- e. L&T Technology Services Limited - fellow subsidiary
- f. L&T Infotech S De RL DE CV (“LTIL Mexico”) – affiliate company
- g. Larsen & Toubro Infotech Limited., Poland – branch of Larsen & Toubro Infotech Limited., India
- h. Larsen & Toubro Infotech Ltd, UK Ltd. – fellow subsidiary
- i. LTI Middle East FZ-LLC – fellow subsidiary

B. Summary of transactions with related parties are as follows:

	Year ended	
	March 31, 2022	March 31, 2021
Expenses reimbursed by:		
Larsen & Toubro Infotech Canada Limited	\$ 586,867	555,235
L&T Technology Services Limited	\$ 7,260	8,208
Larsen & Toubro Infotech Limited., USA	\$ 933	
Expenses reimbursed to:		
Larsen & Toubro Infotech Canada Limited.	\$ 85,716	72,177
Larsen & Toubro Infotech Limited., India	\$ 93,851	133,556
Larsen & Toubro Infotech Limited., USA	\$ 87,313	101,475
Larsen & Toubro Infotech Limited., UK	\$ -	38,896
Larsen & Toubro Infotech Ltd, UK Ltd.	\$ 37,559	-
Procurement of goods and services		
Larsen & Toubro Infotech Canada Limited	\$ 456,424	645,963
Larsen & Toubro Infotech Limited., India	\$ 8,013,998	6,008,622
Larsen & Toubro Infotech Limited., USA	\$ 483,714	488,498
Larsen & Toubro Infotech Limited., Poland	24,278	
Sale of services		
Larsen & Toubro Infotech Limited., USA	\$ 103,290	-

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Related party loan advanced

Larsen & Toubro Infotech Canada Limited	\$	-	14,500,000
LTI Middle East FZ-LLC	\$	18,000,000	-

Related party loan repaid

LTIL Mexico	\$	-	690,000
Larsen & Toubro Infotech Canada Limited	\$	-	14,500,000

Interest income

LTIL Mexico	\$	-	30,735
Larsen & Toubro Infotech Canada Limited	\$	-	14,659
LTI Middle East FZ-LLC	\$	414,993	-

These transactions are under normal credit terms and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The following balances are due to (due from) related parties and are non-interest bearing:

	As at	
	March 31, 2022	March 31, 2021
Accounts receivable		
Larsen & Toubro Infotech Limited, USA	(20,569)	-
	(20,569)	-
Other assets		
LTIL Mexico	-	(198)
	-	(198)
Dues from related parties <i>(included in other current assets)</i>		
Larsen & Toubro Infotech Canada Limited	(45,159)	(60,340)
L&T Technology Services Limited	(684)	(684)
	45,843	61,024
Due to related parties		
Larsen & Toubro Infotech Limited, USA	250,497	29,258
Larsen & Toubro Infotech Limited, India	492,286	502,437
Larsen & Toubro Infotech Canada Limited	25,069	-
Larsen & Toubro Infotech Limited, UK	-	7,911
Larsen & Toubro Infotech Ltd, UK Ltd.	3,313	-
Larsen & Toubro Infotech Limited., Poland	24,278	-
	795,443	539,606

Parent guarantee: Larsen & Toubro Infotech Ltd., India had provided guarantee to one of the customers of the Company till January 01, 2021. The obligation of Larsen & Toubro Infotech Limited, India was limited in aggregate to the amount of \$ 70,000,000. As of March 31, 2022, the guarantee has expired.

L&T Infotech Financial Services Technologies Inc.

Financial statements

March 31, 2022, and March 31, 2021

32. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation adopted in the current period. The reclassification has no impact on the previously reported net income and retained earnings.

33. RISKS AND UNCERTAINTIES

The extent of the impact of coronavirus (COVID-19) outbreak on operations of the Company will depend on future developments, including the duration and spread of the outbreak, related advisories and restrictions, government actions, the impact on financial markets and the overall economy, all of which are highly uncertain and cannot be predicted.

34. SUBSEQUENT EVENTS

The Company evaluated all events and transactions that occurred after March 31, 2022, through April 14, 2022; the date the financial statements are issued. Based on the evaluation, the Company is not aware of any events or transactions, that would require recognition or disclosure in the financial statements.

**LARSEN AND TOUBRO INFOTECH
SOUTH AFRICA (PTY) LIMITED**

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD
(Registration number 2011/007226/07)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

Issued: 26 April 2022

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Providing IT & outsourcing support & all other related IT services to the customers in South Africa.
Directors	Mr. Ravindra Pravin Desai Ms Geeta Desai Mr. Pule Moiloa Mr. Sudhir Chaturvedi
Registered office	First Floor Rosebank Towers 15 Biermann Avenue Rosebank Johannesburg Gauteng 2196
External auditors	Levitt Kirson Chartered Accountants (SA) Registered Auditors
Business address	4th Floor, Aloe Grove Houghton Estate Office Park 2 Osborn Road Houghton 2198
Postal address	PO Box 225 Highlands North 2037
Registration number	2011/007226/07
Bankers	ABSA

Compliance statement by the corporate secretary

The Secretarial Agent, Kilgetty Statutory Services (Pty) Ltd certifies that, according to company records, the Company has lodged with the Registrar of Companies all such returns as are required of a company in terms of the Companies Act 2008 and that all such returns are true, correct and up to date in respect of the reporting period ended 31 March 2022.

Financial Statements

The financial statements were externally prepared by Levitt Kirson Business Services (Pty) Ltd.

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Index

The reports and statements set out below comprise the annual financial statements presented to the shareholders:

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The following supplementary information does not form part of the annual financial statements:

Detailed Income Statement	20
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INDEPENDENT AUDITOR'S REPORT

To the shareholders of LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Opinion

We have audited the annual financial statements of LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD set out on pages 8 to 20, which comprise the statement of financial position as at 31 March 2022, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the annual financial statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of annual financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa, which we obtained prior to the date of this report. Other information does not include the annual financial statements and our auditor's report thereon.

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

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

Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 International Standards on Auditing 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 annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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 have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors* issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Levitt Kirson

Levitt Kirson
Per AS Lewis
Chartered Accountant (SA)
Registered Auditor
Johannesburg
26 April 2022

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The directors are required in terms of the Companies Act of South Africa, 2008 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of Larsen & Toubro Infotech South Africa (Pty) Ltd as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and places considerable importance on maintaining a strong control

To enable these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year ended 31 March 2023 and, in the light of this review and the current financial position, they are satisfied that the company has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 3 to 4.

The annual financial statements set out on pages 8-20, which have been prepared on the going concern basis, were approved by the directors on 26 April 2022 and were signed on its behalf by:



Sudhir Chaturvedi

Director
26/04/2022

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Directors Report

The directors submit their report for the period ended 31 March 2022.

1. Incorporation

The company was incorporated on 5th April 2011 and obtained its certificate to commence business on the same day. 2012 was the first year of operation for the company, with operations beginning on 1st December 2012.

2. Review of activities

The company is engaged in providing IT & outsourcing support & all other related IT services to the customers in South Africa.

3. Events after the reporting period

There were no significant events that occurred in the Company since the end of the financial year to the date of this report.

4. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that the company will continue to receive the support of its related companies and that the realisation of assets and settlement of liabilities will occur in the ordinary course of business.

5. Authorised and issued share capital

During the year under review, the company had a total share issued capital of 366 125 (2021: 366 125 shares). There are 6 275 unissued authorised shares.

6. Dividends

In order to conserve the resources for future growth, no dividends is recommended for the FY22.

7. Directors

The following persons served as directors during the period under review and to the date of issue of the financial statements:

Mr. Ravindra Pravin Desai	Appointed on the 20th of March 2013
Mr. Sudhir Chaturvedi	Appointed on the 14th of September 2016
Mr. Pule Moiloa	Appointed on the 14th of August 2019
Ms. Geeta Desai	Appointed on the 1st of October 2020

8. External auditor

Levitt Kirson Chartered Accountants (SA) will continue in office in accordance with section 90 of the Companies Act 71 of 2008.

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Employment Equity Report

This disclosure enables employers to comply with Section 27 (1) of the Employment Equity Act 55 of 1998 as amended.

WORKFORCE PROFILE AND TOTAL REMUNERATION

Occupational levels		Male				Female				FOREIGN NATIONALS	
		A	C	I	W	A	C	I	W	Male	Female
Top Management	Number of employees	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	0	0	0	0	0	0	0	0	0	0
Senior Management	Number of employees	0	0	1	0	1	0	0	0	0	0
	Total Remuneration	0	0	1 470 541	0	1 320 000	0	0	0	0	0
Professional	Number of employees	0	0	0	0	1	0	0	0	0	0
	Total Remuneration	0	0	0	0	784 529	0	0	0	0	0
Skilled	Number of employees	2	0	0	0	1	0	1	0	0	0
	Total Remuneration	683 657	0	0	0	404 839	0	288 690	0	0	0
Semi-skilled	Number of employees	11	0	0	0	12	0	0	0	1	0
	Total Remuneration	1 972 000	0	0	0	1 127 034	0	0	0	396 000	0
Unskilled	Number of employees	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	0	0	0	0	0	0	0	0	0	0
Total Permanent	Number of employees	13	0	1	0	15	0	1	0	1	0
	Total Remuneration	2 655 657	0	1 470 541	0	3 636 402	0	288 690	0	396 000	0
Temporary Employees	Number of employees	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	0	0	0	0	0	0	0	0	0	0
TOTAL	Number of employees	13	0	1	0	15	0	1	0	1	0
	Total Remuneration	2 655 657	0	1 470 541	0	3 636 402	0	288 690	0	396 000	0

FIXED / GUARANTEED AND VARIABLE REMUNERATION

Occupational levels		Male				Female				FOREIGN NATIONALS	
		A	C	I	W	A	C	I	W	Male	Female
Top Management	Fixed/Guaranteed	0	0	0	0	0	0	0	0	0	0
	Variable	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	0	0	0	0	0	0	0	0	0	0
Senior Management	Fixed/Guaranteed	0	0	1 470 541	0	1 200 000	0	0	0	0	0
	Variable	0	0	0	0	120 000	0	0	0	0	0
	Total Remuneration	0	0	1 470 541	0	1 320 000	0	0	0	0	0
Professional	Fixed/Guaranteed	0	0	0	0	784 529	0	0	0	0	0
	Variable	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	0	0	0	0	784 529	0	0	0	0	0
Skilled	Fixed/Guaranteed	438 409	0	0	0	404 839	0	288 690	0	0	0
	Variable	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	438 409	0	0	0	404 839	0	288 690	0	0	0
Semi-skilled	Fixed/Guaranteed	396 000	0	0	0	221 364	0	0	0	396 000	0
	Variable	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	396 000	0	0	0	221 364	0	0	0	396 000	0
Unskilled	Fixed/Guaranteed	0	0	0	0	0	0	0	0	0	0
	Variable	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	0	0	0	0	0	0	0	0	0	0

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Statement of Financial Position

At 31 March 2022

		<u>2022</u>	<u>2021</u>
		R	R
Assets	Notes		
Non-Current Assets			
Right of use assets	2	16 475 362	-
Deposits		1 776 770	-
Deferred taxation	3	<u>288 345</u>	<u>394 671</u>
		18 540 478	394 671
Current Assets			
Cash and cash equivalents	4	21 137 265	13 883 756
Trade and other receivables	5	18 923 880	16 757 197
Current tax receivable		-	194 514
		<u>40 061 144</u>	<u>30 835 468</u>
Total Assets		<u>58 601 622</u>	<u>31 230 139</u>
Equity and Liabilities			
Equity			
Stated capital	6	366 125	366 125
Accumulated profit		33 594 129	22 262 652
Total Equity		<u>33 960 254</u>	<u>22 628 777</u>
Liabilities			
Non-Current Liabilities			
Finance Lease Liability	7	<u>9 596 793</u>	-
		9 596 793	-
Current Liabilities			
Trade and other payables	8	8 294 617	8 601 363
Finance Lease Liability	7	6 681 232	-
Current tax payable		68 725	-
		<u>15 044 575</u>	<u>8 601 363</u>
Total Liabilities		<u>24 641 367</u>	<u>8 601 363</u>
Total Equity and Liabilities		<u>58 601 622</u>	<u>31 230 139</u>

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Statement of Comprehensive Income

		<u>2022</u>	<u>2021</u>
		R	R
	Notes		
Revenue	9	77 561 656	65 332 510
Cost of sales		<u>(58 006 856)</u>	<u>(42 175 653)</u>
Gross profit		19 554 800	23 156 858
Other income		59 201	227 782
Interest received	10	793 654	869 795
Operating expenses		<u>(4 325 087)</u>	<u>(2 918 964)</u>
Operating profit		16 082 568	21 335 471
Finance costs	11	<u>117 965</u>	<u>-</u>
Profit before taxation		15 964 602	21 335 471
Taxation	12	<u>(4 633 125)</u>	<u>(6 214 830)</u>
Profit for the year		11 331 478	15 120 641

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Statement of changes in equity

	Accumulated profit R	Stated capital capital R	Total equity R
Balance at 31 March 2020	9 302 395	443 725	9 746 120
Share buy back during the year	(2 160 384)	(77 600)	(2 237 984)
Profit for the year	15 120 641	-	15 120 641
Balance at 31 March 2021	22 262 652	366 125	22 628 777
Profit for the year	11 331 478	-	11 331 478
Balance at 31 March 2022	33 594 129	366 125	33 960 254
Note		6	

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Statement of Cash Flows

		<u>2022</u>	<u>2021</u>
		R	R
	Notes		
Cash flows (utilised in) generated from operating activities			
Cash used in operations	13	10 841 379	5 587 519
Interest received	10	793 654	869 795
Finance costs		(117 965)	
Income taxes paid	11	<u>(4 263 559)</u>	<u>(6 203 234)</u>
Net cash from operating activities		<u>7 253 508</u>	<u>254 079</u>
Cash flows utilised in financing activities			
Net movement in share capital		-	(77 600)
Share buy back during the year		-	<u>(2 160 384)</u>
Net cash from financing activities		<u>-</u>	<u>(2 237 984)</u>
Total cash movement for the year		7 253 508	(1 983 905)
Cash at the beginning of the year		<u>13 883 756</u>	<u>15 867 661</u>
Total cash at end of the year	4	<u>21 137 265</u>	<u>13 883 756</u>

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the Companies Act of South Africa. The annual financial statements have been prepared on the historical cost basis, except for those assets and liabilities stated at fair value, and incorporate the principal accounting policies set out below. They are presented in South African Rands.

1.2 Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when Larsen and Toubro Infotech South Africa (Pty) Ltd becomes a party to the contractual provisions of the instruments.

Larsen and Toubro Infotech South Africa (Pty) Ltd classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit and loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Cash and cash equivalents comprise cash balances and call deposits.

Trade and other payables are classified according to the substance of the contractual arrangements entered into.

1.3 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to issue of ordinary shares are recognised as a deduction from equity.

1.4 Income Taxation

Income tax on the profit or loss for the period comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income, in which case it is recognized in equity or other comprehensive income.

Current tax

Current tax represents the expected tax payable on taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous reporting periods.

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Accounting Policies

1.4 Income Taxation (continued)

Deferred tax

Deferred tax is recognised in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying values for the financial reporting purposes. Deferred tax is not recognised for the following temporary differences:

- the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and
- differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. 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. A deferred tax asset is recognised for unused tax losses, 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 utilised. 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.

1.5 Leases (IFRS 16)

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

The company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the company measures the lease liability at the present value of the lease payments unpaid at the date, discounted using the interest rate implicit in the lease if that rate is readily available or Larsen and Turbo Infotech South Africa (Pty) Ltd incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

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

On the statement of financial position, right-of-use assets have been shown separately under the non-current assets and lease liabilities have been shown separately under non-current and current liabilities.

1.6 Provisions and contingencies

Provisions are recognised when:

- Larsen and Toubro Infotech South Africa (Pty) Ltd has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Accounting Policies

1.6 Provisions and contingencies (continued)

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

1.8 Revenue from contracts with customers

The recognition of revenue for the branch has in principle remained the same under IFRS 15 Revenue from contracts with customers as under IAS 18 Revenue.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

The branch recognises revenue from the following major source:

- Provision of software development and services

Revenue is recognised over a period of time for the provision of services.

A receivable is recognised by the branch when services are provided to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Interest revenue

Interest revenue is accrued on a time proportion basis, with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

1.8 Adoption of New and Revised Standards

A number of new standards, amendments to standards and interpretations are not yet effective for the period ended 31 March 2022, and have not been applied in preparing these financial statements:

	Effective years beginning on or after:
• IFRS 17 Insurance contracts	1 January 2023
• IAS 1 Presentation of financial financial statements	1 January 2023
• IAS 8 Accounting policies, changes in accounting estimates and errors	1 January 2023
• IAS 12 Income taxes	1 January 2023

The directors anticipate that all of the above Standards and Interpretations will be adopted in the financial statements of the period in which they become effective and that their adoption will have no material impact on the financial statements in the period of initial application.

1.9 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

Management has not made any judgements or assumptions that have a significant risk of causing a material adjustment to the

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

2. Right of use assets

	2022			2021		
	Cost	Acc depreciation	Carrying Value	Cost	Acc depreciation	Carrying Value
Leased assets	17 085 561	(610 199)	16 475 362	-	-	-

Reconciliation of property, plant and equipment - 2021

	Opening Balance	Additions	Retirement	Depreciation	Total
Leased assets	-	17 085 561	-	(610 199)	16 475 362

	<u>2022</u>	<u>2021</u>
	R	R
Provision for doubtful debt	205 124	212 387
Provision for expenses	211 989	74 844
Provision for leave pay	73 458	55 324
Provision for employee benefits	85 361	50 810
Unearned revenue	-	1 913
Prepayments	(232 333)	(606)
Right of use assets	(4 613 101)	-
Finance lease liabilities	4 557 847	-
	<u>288 345</u>	<u>394 672</u>

Reconciliation of deferred tax asset

At the beginning of the year	394 672	697 041
Deductible temporary difference movement on provision for doubtful debt	(7 263)	(314 222)
Taxable temporary difference movement on provision for employee benefits	34 551	72 172
Taxable (deductible) temporary difference movement on provision for expenses	137 145	(12 282)
Deductible temporary difference movement on provision for leave pay	18 134	(4 995)
Deductible temporary difference movement on unearned revenue	(1 913)	1 913
Deductible temporary difference movement on prepayments	(231 727)	(606)
Decrease in tax loss available for set off against future taxable income	-	(44 349)
Deductible temporary difference movement on right of use assets	(4 613 101)	
Taxable temporary difference movement on finance lease liabilities	4 557 847	
	<u>288 345</u>	<u>394 672</u>

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

	<u>2022</u>	<u>2021</u>
	R	R
4. Cash and cash equivalents		
Cash and cash equivalents consist of:		
Current accounts	551 215	1 703 537
Fixed deposits and call accounts	20 586 050	12 180 219
	<u>21 137 264</u>	<u>13 883 756</u>

5. Trade and other receivables

Financial instruments:

Trade receivables	14 996 693	17 667 328
Provision for doubtful debt	(1 390 017)	(1 011 367)
Deposits	12 000	-
Other receivables	4 475 445	99 071

Non-financial instruments:

Prepayments	829 759	2 165
Total trade and other receivables	<u>18 923 880</u>	<u>16 757 197</u>

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if customers fail to make payments as they fall due.

In order to mitigate the risk of financial loss from defaults, the company only deals with reputable customers with consistent payment histories. Each customer is analysed individually for credit-worthiness before terms and conditions are offered. The exposure to credit risk and the credit-worthiness of customers is continuously monitored.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

The company's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is determined as follows:

	2022	2022	2021	2021
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Not past due: 31.95% (2021: 88.48%)	4 791 068	-	15 717 305	-
Less than 60 days past due: 56.94% (2021: 5.48%)	8 539 546	-	974 100	-
61 - 90 days past due: 0% (2021: 0%)	-	-	-	-
91 - 180 days past due: 1.22% (2021: 0%)	183 188	-	-	-
181 - 1 year past due: 0.96% (2021: 0.34%)	143 280	-	60 038	-
More than 1 year past due: 8.93% (2021: 5.69%)	1 339 610	(1 339 610)	1 011 367	(1 011 367)
Total	<u>14 996 692</u>	<u>(1 339 610)</u>	<u>17 762 810</u>	<u>(1 011 367)</u>

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

	<u>2022</u>	<u>2021</u>
	R	R
6. Stated capital		
Authorised		
450 000 ordinary shares at no par value		
Issued		
366 125 (2021: 366 125) ordinary shares at no par value	<u>366 125</u>	<u>366 125</u>
7. Finance lease liability		
Non current	9 596 793	-
Current	<u>6 681 232</u>	<u>-</u>
	<u>16 278 025</u>	<u>-</u>
8. Trade and other payables		
Financial instruments:		
Trade payables	6 233 104	6 053 640
Accruals	1 516 691	774 563
Non-financial instruments:		
Value-added taxation	544 823	1 773 160
Total trade and other payables	<u>8 294 617</u>	<u>8 601 363</u>
9. Revenue		
Revenue from contracts with customers		
Rendering of services	<u>77 561 656</u>	<u>65 332 510</u>
10. Interest received		
Bank	736 749	869 795
Other	<u>56 905</u>	<u>-</u>
	<u>793 654</u>	<u>869 795</u>
11. Finance costs		
Finance lease liability	84 476	869 795
Other	<u>33 489</u>	<u>-</u>
	<u>117 965</u>	<u>869 795</u>

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

	<u>2022</u>	<u>2021</u>
	R	R
12. Taxation		
Major components of income tax		
SA Normal tax		
Current year	4 408 342	5 912 461
Prior year underprovision	118 457	-
Deferred tax		
Current year	86 274	302 370
Prior year underprovision	20 052	
	<u>4 633 125</u>	<u>6 214 830</u>
Reconciliation of the tax expense		
Reconciliation between applicable tax rate and average effective tax rate		
Accounting profit	15 964 602	21 335 471
Tax at the applicable tax rate of 28% (2021: 28%)	4 470 090	5 973 932
Tax effects of adjustments on taxable income		
Prior year underprovision- SA normal tax	118 457	-
Non-deductible expenses	24 528	244 919
Prior year underprovision- deferred tax	20 052	
Estimated tax loss	-	(4 021)
	<u>4 633 126</u>	<u>6 214 830</u>
13. Cash generated from operations		
Profit before taxation	15 964 602	21 335 471
Adjustments for:		
Interest received	(793 654)	(869 795)
Finance cost	117 965	-
Depreciation	610 199	-
Net movement in right of use asset, deposit and finance lease liability	(2 584 305)	
Changes in working capital:		
Trade and other receivables	(2 166 683)	429 742
Trade and other payables	(306 745)	(15 307 899)
	<u>10 841 379</u>	<u>5 587 519</u>
14. Tax paid		
Opening balance	194 514	(96 259)
Tax charge	(4 526 799)	(5 912 461)
Closing balance	68 725	(194 514)
Tax paid	<u>(4 263 559)</u>	<u>(6 203 234)</u>

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

Notes to the Annual Financial Statements

	<u>2022</u>	<u>2021</u>
	<u>R</u>	<u>R</u>

15. Related party transactions

15.1 Identity of related parties

Larsen and Toubro Infotech South Africa (Pty) Ltd is a joint venture between Larsen & Toubro Infotech Limited and Rossex Investments (Pty) Ltd in ratio of 69.58%: 30.42% (2021- 69.58% : 30.42%), respectively. Larsen and Toubro Infotech Limited is a South African branch of Larsen and Toubro Infotech

Larsen and Toubro Infotech South Africa (Pty) Ltd and Larsen & Toubro Infotech Limited (Branch) are related parties in South Africa.

15.2 Balances payable to /receivable from related parties

Inter-group receivables	-	-
Inter-group payables	(6 152 391)	(5 777 577)
	<u>(6 152 391)</u>	<u>(5 777 577)</u>

Inter-group receivable, relates to sales made by Larsen and Toubro Infotech South Africa (Pty) Ltd to Larsen & Toubro Infotech Limited (Branch). Inter-group payable, relates to expenses to be paid by and Toubro Infotech South Africa (Pty) Ltd to Larsen & Toubro Infotech Limited (Branch), Larsen and Toubro Larsen Infotech Limited (India) and Larsen & Toubro Infotech Ltd UK Limited (UK Subsidiary).

15.3 Transactions with related parties

Inter-group service income (Larsen & Toubro Infotech Ltd (Branch))	7 956 423	5 576 193
Inter-group marketing cost (Larsen & Toubro Infotech Ltd (Branch))	(2 979 344)	(1 748 064)
Inter-group on-site support fees (Larsen & Toubro Infotech Ltd (Branch))	(3 986 830)	(7 968 502)
Inter-group on-site support fees (Larsen & Toubro Infotech Ltd (India))	(42 035 568)	(26 670 720)
Inter-group marketing cost(Larsen & Toubro Infotech Ltd (UK Branch))	-	(275 698)
Inter-group marketing cost(Larsen & Toubro Infotech Ltd UK Limited)	(322 963)	-
Inter-group insurance cost (Larsen & Toubro Infotech Ltd (India))	(253 352)	-
Inter-group conveyance cost(Larsen & Toubro Infotech Ltd (Branch))	(3 763)	-
	<u>(49 581 819)</u>	<u>(36 662 984)</u>

15.4 Transactions with key management personnel

Director's fees

Mr. Pule Moiloa	240 000	240 000
Ms. Geeta Desai	120 000	60 000
	<u>360 000</u>	<u>300 000</u>

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD

Financial Statements for the year ended 31 March 2022

DETAILED INCOME STATEMENT

		<u>2022</u>	<u>2021</u>
		R	R
Revenue			
Services income	9	<u>77 561 656</u>	<u>65 332 510</u>
Cost of sales			
Direct Cost		<u>58 006 856</u>	<u>42 175 653</u>
Gross profit		19 554 800	23 156 858
Other income			
Foreign exchange differences		58 951	227 782
Interest received	10	793 654	869 795
Other recoveries		250	-
		<u>852 855</u>	<u>1 097 577</u>
Gross Income		<u>20 407 655</u>	<u>24 254 435</u>
Expenses		<u>4 325 087</u>	<u>2 918 964</u>
Operating expenses			
Accounting fees		(9 611)	27 443
Audit fees		88 000	72 000
Bank charges		28 541	23 858
BEE expensed		699 940	799 710
Depreciation		610 199	-
Donations		200 470	240 000
Directors fees		360 000	300 000
Doubtful debt		328 243	(414 204)
Expected credit loss		34 765	(48 847)
Insurance		85 000	141 088
Inter group services expense		322 963	275 697
Office expenses		255 661	279 056
Professional fees		517 760	771 064
Rates and taxes		354 610	-
Repairs and maintenance		13 295	-
Salary to non- billable staff		435 250	452 099
Operating profit		<u>16 082 568</u>	<u>21 335 471</u>
Finance cost	11	<u>117 965</u>	<u>-</u>
Profit before taxation		<u>15 964 602</u>	<u>21 335 471</u>
Taxation	12	<u>(4 633 125)</u>	<u>(6 214 830)</u>
Profit for the year		<u>11 331 478</u>	<u>15 120 641</u>

The supplementary information presented does not form part of the annual financial statements

LARSEN AND TOUBRO INFOTECH SOUTH AFRICA (PTY) LTD
(Registration number 2011/007226/07)
Financial Statements for the year ended 31 March 2022
Tax Reference number: 9204/345/18/6

Tax Computation

	<u>2022</u>
	<u>R</u>
Net profit per income statement	15 964 602
Permanent differences (Non-deductible/Non-taxable)	33 489
Donations not in terms of section 18 A	-
Interest not deductible	33 489
Temporary differences	(254 012)
Provision for expenses - prior year	(267 300)
Provision for expenses - current year	757 103
Provision for leave pay - prior year	(197 584)
Provision for leave pay - current year	262 350
Provision for employee benefits- prior year	(181 465)
Provision for employee benefits- current year	304 861
Prepaid expenditure not limited by s23 h - prior year	2 165
Prepaid expenditure not limited by s23 h - current year	(829 759)
Unearned revenue- prior year	(6 831)
Unearned revenue- current year	-
Provision for doubtful not deductible - prior year	(1 106 850)
Provision for doubtful not deductible - current year	1 390 017
Allowance for doubtful debt - prior year	276 711
Allowance for doubtful debt - current year	(657 431)
Depreciation	610 199
Wear & tear	-
Interest on right of use asset	84 476
Interest on deposit	(9 219)
Lease payments on right of use asset	(614 800)
Taxable profit for the year	<u>15 744 079</u>
Taxation thereon @ 28%	<u>4 408 342</u>
Tax liability	
Amount refundable at the beginning of year	(194 514)
First provisional payment	(3 428 265)
Second provisional payment	(637 927)
Interest receivable	(47 687)
Interest paid	33 489
Prior year adjustments	118 457
Tax paid during the year	(183 170)
Tax provision for the current year	4 408 342
Tax payable at the end of the year	<u><u>68 725</u></u>

The supplementary information presented does not form part of the annual financial statements

**employment & labour**

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

EMPLOYMENT EQUITY
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19:13

PLEASE READ THIS FIRST	SECTION A: EMPLOYER DETAILS & INSTRUCTIONS	
<p>PURPOSE OF THIS FORM</p> <p>This form enables employers to comply with Section 27 (1) of the Employment Equity Act 55 of 1998 as amended.</p> <p>This form contains the format for an Income Differential Statement to be completed by designated employer and submitted to the Department of Employment and Labour.</p> <p>WHO COMPLETES THIS FORM?</p> <p>All designated employers must submit a report in terms of Section 27 (1) of the Employment Equity Act, 55 of 1998 as amended.</p> <p>WHEN SHOULD EMPLOYERS REPORT?</p> <p>Designated employers must submit their report annually at a Department of Employment and Labour office on the first working day of October for immediate capturing or by 15 January of the following year for online reporting.</p> <p>Employers who become designated on or after the first working day of April but before the first working day of October must submit their Income Differential Statement on the first working day of October of the following year.</p> <p>Online Reporting: www.labour.gov.za Helpline: 0860101018</p> <p>NO FAXED OR E-MAILED REPORTS WILL BE ACCEPTED</p>	Trade name	LARSEN AND TOUBRO INFOTECH SOUTH AFRICA PTY LTD
	DTI registration name	LARSEN AND TOUBRO INFOTECH SOUTH AFRICA PTY LTD
	DTI registration number	2007/034669/01
	PAYE/SARS number	7110781335
	UIF reference number	U110781335
	EE reference number	812071
	Seta classification	FINANCIAL AND ACCOUNTING SERVICES
	Industry/Sector	FINANCIAL AND INSURANCE ACTIVITIES
	Industry Sub Sector	Financial service activities, except insurance and pension funding
	Bargaining Council	Other
	Telephone number	0113179200
	Postal address	LEVEL 1, 15 BIERMANN AVE ROSEBANK ROSEBANK
	City/Town	JOHANNESBURG
	Province	GAUTENG
	Postal code	2196
	Physical address	LEVEL 1, 15 BIERMANN AVE ROSEBANK ROSEBANK
	City/Town	JOHANNESBURG
	Province	GAUTENG
	Postal code	2196
	Details of CEO/Accounting Officer at the time of submitting this report	
	Name and surname	Srini Rao
	Telephone number	0113179200
	Fax number	0114631688
	Email address	Srini.Rao@LNTInfotech.com
	Details of Employment Equity Senior Manager at the time of submitting this report	
Name and surname	Phumzile Wesi	
Telephone number	0113179200	
Fax number	0114631688	
Email address	Phumzile.Wesi@Intinfotech.com	
Information about the organization at the time of submitting this report		
Business type	Private Sector	
Number of employees in the organization	0 - 49	
Is your organization an organ of State?	No	
Is your organisation part of a group / holding company? If yes, please provide the name.	No	
Year for which this report is submitted	2021	

SECTION B: THE FOLLOWING MUST BE TAKEN INTO CONSIDERATION WHEN COMPLETING THE EEA4 FORMS

1. The objective of the EEA4 Form is to collect information for the assessment of the remuneration gap between the highest paid and lowest paid employees and, at the same time, to assess inequalities in remuneration in relation to race and gender in the various occupational levels. It must be noted that the total number of employees in the EEA2 in each occupational level (Workforce profile table 1.1) must be taken into account when completing this form (EEA4).

2. All employees (including Foreign Nationals) must be included when completing the EEA4 form in the appropriate space provided in the table below. Temporary employees are employees employed to work for less than three months over a period of 12 months.

3. "Remuneration" means any payment in money or in kind, or both in money and in kind, made or owing to any person in return for that person working for any other person, including the State.

4. Remuneration (i.e. fixed and variable remuneration) contained in this form must reflect information of the same employees reflected in the EEA2 Form for the reporting period concerned across all occupational levels. The workforce in terms of race and gender must be exactly the same as the workforce outlined in the EEA2 Form.

5. All employees, including Foreign Nationals and temporary employees (i.e. those employees employed to work for less than three months) must be included when completing the EEA4 Form.

6. Calculation of remuneration must include a period of twelve months and reflect the same reporting period covered by the EEA2 Form. Where an employee had not worked for a full twelve month period, an amount equivalent to the annual remuneration must be calculated and furnished. For example, the annual equivalent for an employee who worked for three months and earned R30 000 is R120 000 (i.e. $(R30\ 000 / 3) * 12$). All remuneration amounts to be reflected in the table below must be rounded up to the nearest Rand (R) and included as **total remuneration (fixed / guaranteed remuneration plus any variable remuneration)** that was paid out for each group in terms of population group and gender.

7. No blank spaces, commas (,), full stops or decimal points (.) or any other separator should be included when capturing the remuneration information in each of the cells in the table below – for example R7 345 567.6 must be captured as 7345568 with no separators.

8. All remuneration (i.e. total cost to company) must be included in the form as annualized fixed / guaranteed remuneration and annualized variable remuneration). The information below provides inclusions and exclusions to consider when completing the EEA4 Form.

8.1 Fixed / Guaranteed remuneration includes:

- a) Salary/wage;
- b) Housing or accommodation subsidy or housing or accommodation received as a benefit in kind;
- c) Travel allowance or provision of a car, except to the extent that the allowance or the car is provided to enable the employee to work as provided for by the Fourth and Seventh Schedules of the Income Tax Act;
- d) Any cash payments made to an employee, except those listed as exclusions in terms of this schedule;
- e) Any other payments in kind received by an employee, except those listed as exclusions in terms of this schedule;
- f) Employer's contributions to medical aid, pension, provident fund or similar benefit funds;
- g) Employer's contributions to income protection, funeral or death benefit schemes; and
- h) Guaranteed (non-discretionary) annual bonus/13th cheque.

8.2 Variable remuneration includes:

- a) Short-term incentives: annual or shorter incentives and (generally) cash performance-based payments, including deferrals (commission schemes are included here);
- b) Long-term incentives: longer than one year, (usually) share-based awards and cash-based settlement that have a vesting period of more than one year must also be included, which may be retention and / or performance-based;
- c) Lump sums in respect of ongoing employment e.g. back pay and leave paid upon termination;
- d) Discretionary payments not related to an employee's hours of work or performance (for example, a retention bonus);
- e) As provided for by the Income Tax Act, the taxable benefit portion of bursaries and scholarships provided to the employee and/or relatives of the employee; and
- f) Dividends included as remuneration by the Fourth Schedule of the Income Tax Act.

8.3 Excluded:

- a) Any allowance, cash payment or payment in kind provided to enable the employee to work (for example, an equipment, tool or similar allowances or the provision of transport or the payment of a transport allowance to enable the employee to travel to and from work);
- b) Gratuities (for example, tips received from customers) and gifts from the employer;
- c) Non-employment related lump sums such as severance pay; and
- d) Dividends not included as remuneration by the Fourth Schedule of the Income Tax Act.

9. Information and Calculations:

Information is required on the number of employees, including persons with disabilities, and the total remuneration in each occupational level in terms of the population group and gender in **Section C of the EEA4 form**.

In addition, remuneration information is required for the lowest paid individual at the lowest occupational level and the remuneration of the highest paid individual is required for each of the other occupational levels in your organisation in terms of population group and gender in **Section D of the EEA4 form**.

9.1 Please provide the remuneration of the employee with the **highest total remuneration** (i.e. fixed/guaranteed and variable remuneration) for each occupational level in terms of population group and gender. Where applicable, information must be provided for both males and females for Africans, Coloureds, Indians, Whites and Foreign Nationals.

9.2 Please provide the remuneration of the employee with the lowest total remuneration (i.e. fixed/guaranteed and variable remuneration) for the lowest occupational level in your organisation in terms of population group and gender. Where applicable, information must be provided for both males and females for Africans, Coloureds, Indians, Whites and Foreign Nationals.

9.3 Please provide the **average/mean remuneration**, the **median remuneration** and the **remuneration gap** as required in **Section E of the EEA4 Form**.

SECTION C: WORKFORCE PROFILE AND TOTAL REMUNERATION

Please use the table below to indicate the number of employees, including people with disabilities, and the total remuneration in terms of population group and gender for each occupational level. In addition, please provide the total remuneration per occupational level in your organisation.

Occupational levels	Male				Female				FOREIGN NATIONALS		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top Management	Number of employees	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	0	0	0	0	0	0	0	0	0	0
Senior Management	Number of employees	0	0	1	0	1	0	0	0	0	2
	Total Remuneration	0	0	1470541	0	1320000	0	0	0	0	2790541
Professionally qualified and experienced specialists and mid-management	Number of employees	0	0	0	0	1	0	0	0	0	1
	Total Remuneration	0	0	0	0	784529	0	0	0	0	784529
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents	Number of employees	2	0	0	0	1	0	1	0	0	4
	Total Remuneration	683657	0	0	0	404839	0	288690	0	0	1377186
Semi-skilled and discretionary decision making	Number of employees	11	0	0	0	12	0	0	0	1	24
	Total Remuneration	1972000	0	0	0	1127034	0	0	0	396000	3495034
Unskilled and defined decision making	Number of employees	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	0	0	0	0	0	0	0	0	0	0
Total Permanent	Number of employees	13	0	1	0	15	0	1	0	1	31
	Total Remuneration	2655657	0	1470541	0	3636402	0	288690	0	396000	8447290
Temporary Employees	Number of employees	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	0	0	0	0	0	0	0	0	0	0
TOTAL	Number of employees	13	0	1	0	15	0	1	0	1	31
	Total Remuneration	2655657	0	1470541	0	3636402	0	288690	0	396000	8447290

SECTION D: FIXED / GUARANTEED AND VARIABLE REMUNERATION

Please provide the remuneration of the employee with the **highest total remuneration (i.e. fixed/guaranteed and variable remuneration)** in terms of population group and gender for all the occupational levels, **except for the lowest total remuneration** in your organisation in terms of population group and gender. Where a choice has to be made between two employees with the same total remuneration, i.e. one employee having a higher fixed/guaranteed remuneration and the other employee having a higher variable remuneration, the employee with the higher variable remuneration, **except at the lowest occupational level, wherein an employee with the lowest variable remuneration** should be chosen when completing the form below.

Occupational levels		MALE				FEMALE				FOREIGN NATIONALS	
		A	C	I	W	A	C	I	W	M	F
Top Management	Fixed/Guaranteed	0	0	0	0	0	0	0	0	0	0
	Variable	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	0	0	0	0	0	0	0	0	0	0
Senior Management	Fixed/Guaranteed	0	0	1470541	0	1200000	0	0	0	0	0
	Variable	0	0	0	0	120000	0	0	0	0	0
	Total Remuneration	0	0	1470541	0	1320000	0	0	0	0	0
Professionally qualified, experienced specialists and mid-management	Fixed/Guaranteed	0	0	0	0	784529	0	0	0	0	0
	Variable	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	0	0	0	0	784529	0	0	0	0	0
skilled technically, academically qualified and, junior management	Fixed/Guaranteed	438409	0	0	0	404839	0	288690	0	0	0
	Variable	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	438409	0	0	0	404839	0	288690	0	0	0
Semi-skilled and discretionary decision making	Fixed/Guaranteed	396000	0	0	0	221364	0	0	0	396000	0
	Variable	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	396000	0	0	0	221364	0	0	0	396000	0
Unskilled and defined decision making	Fixed/Guaranteed	0	0	0	0	0	0	0	0	0	0
	Variable	0	0	0	0	0	0	0	0	0	0
	Total Remuneration	0	0	0	0	0	0	0	0	0	0

SECTION E: AVERAGE AND MEDIAN PAY AND THE REMUNERATION GAP

Please note the **average/ mean remuneration** involves adding up a number of amounts in remuneration and dividing the total by the total number of employees included in the total. The **'median'** is the "middle" value in a list of payments (i.e. remuneration) ranked from lowest to highest.

What is the average annual remuneration for the top 10% of your top earners?	Average Annual Remuneration	R 1151690
What is the average annual remuneration for the bottom 10% of your bottom earners?	Average Annual Remuneration	R 38200
What is the median earners remuneration in your organisation?	Median Earners Remuneration	R 90000
Please indicate whether your organisation has a policy in place to address and close the vertical gap between the highest and lowest paid employees in your workforce?	YES	
How many times (e.g. 10x, 15x, 20x) is the vertical gap between the highest and lowest paid worker in your organisation in terms of the policy?	50	
Is the remuneration-gap between the highest and lowest paid employees in your organisation aligned to your policy?	YES	X
	NO	
Are AA measures to address the remuneration gap included in your EE Plan?	YES	
	NO	X
Please indicate a key reason for the Income Differentials that apply to your organisation.	a) seniority/ length of service	X
	b) Qualifications	
	c) Performance	
	d) Demotion	
	e) Experiential training	
	f) Short of skill	
	g) Transfer of busines	

EEA4 Section F: Signature of the Chief Executive Officer/ Accounting Officer

Chief Executive Officer/Accounting Officer
<p>I Claude Naidoo (full Name) CEO/Accounting Officer of LARSEN AND TOUBRO INFOTECH SOUTH AFRICA PTY LTD hereby declare that I have read, approved and authorized this information.</p> <p>Signed on this 14th day of January (month) year 2022</p> <p>At (place) : LARSEN AND TOUBRO INFOTECH SOUTH AFRICA PTY LTD</p> <p>Chief Executive Officer/Accounting Officer</p>

**L&T INFORMATION TECHNOLOGY
SERVICES (SHANGHAI) CO. LTD.**

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

BOARD'S REPORT

Dear Members,

Please to present the Annual Report and Audited Accounts of the Company for the year / period ended December 31, 2021.

1. FINANCIAL HIGHLIGHTS:

Particulars	2021	2020
	CNY	CNY
Total Income	27,995,645	22,731,132
Total Expenditure	28,719,638	21,927,098
Operating Profit / (Loss)	(723,993)	804,032
Add: Non-operating income	38,960	70,387
Less: Non-operating expenses	0	(116,600)
Profit / (Loss) before Tax	(685,033)	991,022
Less : Tax	1,252,320	(193,342)
Net Profit / (Loss) after Tax	(1,937,354)	1,184,364
Add: Balance b/f from previous year	(1,348,874)	(2,533,238)
Balance available for disposal which directors appropriate as follows:	-	-
Dividend	-	-
Transfer to Reserves	-	-
Balance to be carried forward	(3,286,228)	(1,348,874)

2. Capital Expenditure:

As at December 31 2021, the gross fixed and intangible assets including leased Assets, stood at CNY 79,141 and the net fixed and intangible assets, including leased assets, at CNY 28,949.

3. State of Company Affairs:

The total income for the financial year under review were CNY 27,995,645 as against CNY 22,731,132 for the previous financial year. The loss before tax was CNY (685,033) and the loss after tax was CNY (1,937,354) for the financial year under review as against profit before tax of CNY 991,022 and Net Profit after tax CNY 1,184,364 respectively for the previous financial year.



4. Dividend:

The Directors did not propose the payment of any dividend during the year.

5. Reporting of Frauds:

The Auditors of the Company have not reported any fraud committed against the Company by its officers or employees.

6. Details of Directors and Key Managerial Personnel appointed/resigned during the year:

During the year Mr. Suresh Kumar Vallikkat was appointed as legal representative and Managing Director of the Company in place of Mr. Sameer Satpute and was registered by the local regulatory authorities on August 23, 2021.

7. Financial Statements:

The Auditor's Report to the shareholders does not contain any qualification, observation or adverse comment.

8. Auditors:

M/s. Shanghai Shunda Certified Public Accountants Co., Ltd are the auditors of the Company and will continue to be auditors of the Company for the ensuing financial year.

9. Directors Responsibility Statement:

The Board of the Company hereby confirms:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Board have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company



at the end of the financial year and of the profit or loss of the Company for that period;

- c) The Board have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the local statutes for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Board have prepared the Annual Accounts on a going concern basis;
- e) The Board have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

10. Acknowledgement

The invaluable support extended to the Company by the government authorities, customers, supply chain partners, employees, financial Institutions, banks and all various other stakeholders is hereby acknowledged.

**For and on behalf of the Board
L&T Information Technology Services (Shanghai) Co. Ltd**



**Suresh Kumar Vallikkat
Legal Representative & Managing Director**

Date : April 15, 2022
Place : Mumbai

L&T Information Technology Services (Shanghai) Co., Ltd.

Annual report and financial statements

For the year ended 31 December 2021

Independent Auditor's Report
To the Shareholders of L&T Information Technology Services (Shanghai) Co., Ltd.
(Incorporated in the People's Republic of China with limited liability)

Hushunkuaishenzi (2022) No.040

Opinion

We have audited the financial statements of L&T Information Technology Services (Shanghai) Co., Ltd. (the Company), which comprise:

the statement of financial position as at December 31, 2021, the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended; and notes to the financial statements.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with The Accounting Standards for Business Enterprises.

Basis for Opinion

We conducted our audit in accordance with China Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Standards for Business Enterprises and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with China Auditing Standards will always detect a material

L&T Information Technology Services (Shanghai) Co., Ltd.
AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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 financial statements.

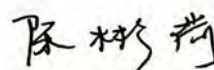
During the process of our audit in accordance with China Auditing Standards, we exercise professional judgment and maintain professional skepticism. We also:

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

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

The accompanying financial statements have been prepared solely to enable the holding company to prepare financial statements and not to report on L&T Information Technology Services (Shanghai) Co., Ltd. as a separate entity.

Shanghai Shunda Certified Public Accountants Co.,Ltd
Shanghai 200012, P. R. China
15 April 2022



L&T Information Technology Services (Shanghai) Co., Ltd.
 STATEMENT OF FINANCIAL POSITION
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note 5	31 December 2021 (CNY)	31 December 2020 (CNY)
Current assets			
Cash and cash equivalents	1	5,073,175.69	2,160,554.44
Accounts receivable	2	2,339,846.37	3,880,892.73
Advances to suppliers	3	15,600.00	-
Other receivables	4	2,500.00	2,500.00
Other current assets	5	-	89,376.58
Total current assets		7,431,122.06	6,133,323.75
Non-current assets			
Fixed assets-cost	6	28,948.98	48,152.58
Deferred tax assets		109,135.47	1,416,332.21
Total non-current assets		138,084.45	1,464,484.79
TOTAL ASSETS		<u>7,569,206.51</u>	<u>7,597,808.54</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Equity attributable to equity shareholders of the Company			
Current liabilities			
Advances		-	-
Accrued payroll	7	515,265.79	291,601.91
Tax payable	8	335,855.83	333,824.85
Other payables	9	8,929,513.06	7,246,456.28
Total current liabilities		<u>9,780,634.68</u>	<u>7,871,883.04</u>
Total non-current liabilities		=	=
Equity attributable to equity shareholders of the Company			
Paid-in capital(Share capital)	10	1,074,799.00	1,074,799.00
Undistributed profits	11	(3,286,227.17)	(1,348,873.50)
Total Equity		<u>(2,211,428.17)</u>	<u>(274,074.50)</u>
TOTAL LIABILITIES AND SHAREHOLDERS'		<u>7,569,206.51</u>	<u>7,597,808.54</u>

L&T Information Technology Services (Shanghai) Co., Ltd.
 STATEMENT OF INCOME
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note 5	FY2021 (CNY)	FY2020 (CNY)
Revenue	12	27,995,645.47	22,731,131.90
Less: Total Operating cost		28,719,638.49	21,927,097.58
incl: Operating cost	13	87,771.70	239,188.00
Business tax and surcharges	14	130,006.29	137,095.16
Selling expenses		7,462.40	6,876.31
General and administrative expenses		28,243,463.98	21,469,342.75
Financial expenses		250,934.12	74,595.36
Gross Profit		<u>(723,993.02)</u>	<u>804,034.32</u>
Add: Non-operating income		38,959.58	70,387.42
Less: Non-operating expenses		-	(116,600.32)
Profit before tax		<u>(685,033.44)</u>	<u>991,022.06</u>
Less: Income tax		1,252,320.23	(193,342.33)
Profit for the year		<u>(1,937,353.67)</u>	<u>1,184,364.39</u>

L&T Information Technology Services (Shanghai) Co., Ltd.
 STATEMENT OF CHANGES IN EQUITY
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Share capital (CNY)	Accumulated losses (CNY)	Total attributable to equity holders of the Company (CNY)
Changes in equity for 2021			
Balance at 1 January 2021	1,074,799.00	<u>(1,348,873.50)</u>	<u>(274,074.50)</u>
Total comprehensive income for the year	-	(1,937,353.67)	(1,937,353.67)
Balance at 31 December 2021	<u>1,074,799.00</u>	<u>(3,286,227.17)</u>	<u>(2,211,428.17)</u>
Changes in equity for 2020			
Balance at 1 January 2020	1,074,799.00	(2,533,237.89)	(1,458,438.89)
Total comprehensive income for the year	-	1,184,364.39	1,184,364.89
Balance at 31 December 2020	<u>1,074,799.00</u>	<u>(1,348,873.50)</u>	<u>(274,074.50)</u>

L&T Information Technology Services (Shanghai) Co., Ltd.
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	FY2021 (CNY)	FY2020 (CNY)
Cash received from sale of goods or rendering of services	31,173,337.09	29,021,675.56
Receipts of tax refunds	181,412.67	-
Other cash received relating to operating activities	9,723.69	60,403.24
Sub-total of cash inflows	<u>31,364,473.45</u>	<u>29,082,078.80</u>
Cash paid for goods and services	-	-
Cash paid to and on behalf of employees	19,566,159.69	14,784,221.82
Payments of all types of taxes	1,359,899.89	4,715,219.64
Other cash paid relating to operating activities	7,282,424.84	8,301,572.84
Sub-total of cash outflows	<u>28,208,484.42</u>	<u>27,801,014.30</u>
Net cash flows from operating activities	<u>3,155,989.03</u>	<u>1,281,064.50</u>
Cash received from disposal of fixed assets ,intangible assets & other long-term assets	-	-
Sub-total of cash inflows	-	-
Cash paid to acquire fixed assets ,intangible assets & other long-term assets	-	45,900.00
Sub-total of cash outflows	=	<u>45,900.00</u>
Net cash flows from investing activities	=	<u>(45,900.00)</u>
Cash received from capital contribution	-	-
Cash received from borrowings	-	-
Sub-total of cash inflows	=	=
Cash repayments of amounts borrowed	-	-
Cash payments for interest expenses and distribution of dividends or profit	-	-
Sub-total of cash outflows	=	=
Net cash flows from financing activities	=	=
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH	(243,367.78)	-
Net increase in Cash and cash equivalents	<u>2,912,621.25</u>	<u>1,235,164.50</u>
Add: Cash and cash equivalents of the year beginning	2,160,554.44	925,389.94
Cash and cash equivalents of the year end	<u>5,073,175.69</u>	<u>2,160,554.44</u>

1. General corporate information

(1) Company profile

L&T Information Technology Services (Shanghai) Co., Ltd. ("the Company") is a wholly owned foreign enterprise incorporated by LARSEN & TOUBRO INFOTECH LIMITED. The Company was registered at Shanghai Administration of Industry and Commerce, and obtained the Business License for Enterprise as No. 91310000069392188J on June 28th 2013. The registered capital is USD 175000 and the residential address for the Company is Room 1317 No. 35 Dingbian Road Jiading Industry Zone Shanghai. The Company has an approved operating period of 10 years.

(2) The Company's approved scope of business operations includes Computer software (video, publication except) design, development, production, sales of own products and provide after sale service, the commission agent products and computer hardware (excluding auction), enterprise management consulting, business information consulting, computer information engineering technical consultation and services, to undertake service outsourcing in system management and maintenance technical support, information management, software development, data processing, (not related to the management of state-run trade goods; involving quota, license management of goods, in accordance with relevant state regulations apply; involving administrative approval, permit to operate).

2. The basis of preparation of financial statements

(1) The basis for the preparation

The financial statements are prepared on a going concern basis. The Company prepare financial statements based on actual transactions and events according to the "Accounting Standards for Business Enterprises - Basic Standards" and other specific accounting standards, guidelines for the application of business accounting standards, explanation on corporate accounting standards and other related regulations (hereinafter collectively referred to "accounting standards for business enterprises").

(2) Going concern

There is no issues that have significant impact on the Company's going concern ability.

3. Significant accounting policies and accounting estimates

3.1 The statements of compliance with the Chinese Accounting Standards for Enterprises.

The financial statements comply with the requirements of the Chinese Accounting Standards for Enterprises; fairly and completely reflect the financial position, operating results, cash flow and relevant information of the company as of reporting period.

3.2 Accounting period

The accounting period of the company is from 1 January to 31 December in calendar year.

3.3 Operating cycle

The company's operating cycle is 12 months.

3.4 Functional currency

The Company uses CNY as its functional currency

3.5 Recognition of cash and cash equivalents

In the cash flow statement, cash on hand and available-to-pay deposits are recognized as cash. Investments that meet four conditions: short-term (normally matured within 3 months), highly liquid, readily convertible to known cash, little risk of changes in value are recognized as cash equivalents.

3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash and deposits with banks. Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3.7 Provision for bad debt of account receivable

(1) Recognition of bad debt:

when one of the following matters occurs, the company shall write off bad debts under the authority approval. The debtor is declared bankrupt, closed and its liquidation property is insufficient to pay off its debts; The debtor dies, and its property or heritage is insufficient to pay off its debts; The debtor is overdue, and there is conclusive evidence to prove that it has been unable to pay off its debts.

(2) Loss of bad debt

The provision for bad debt shall be accrued by the individual recognition method.

3.8 Fixed Assets

(1) Recognition of fixed assets

Fixed assets refer to tangible assets that are held for the purpose of producing goods, providing labor service, renting or business management, and have a useful life of more than one fiscal year. Fixed assets are recognized when both of the following conditions are met:

- a. The economic benefits associated with the fixed assets are likely to flow into the company;
- b. The cost of the fixed asset can be measured reliably

(2) Depreciation method

Depreciation of fixed assets is calculated using the straight-line method, and the depreciation rate is determined based on the type of fixed assets, estimated useful life, and estimated net residual value. If different parts of the fixed assets have different service lives or provide economic benefits to the company in different ways, the company will choose different depreciation rates or depreciation methods and make depreciation separately.

If a fixed asset is leased by a financial lease and the company can reasonably determine that the ownership of the leased asset will be obtained when the lease period expires, depreciation shall be made within the service life of the leased asset; if it cannot be reasonably determined that the ownership of the leased asset can be obtained when the lease period expires, Depreciation is provided for the shorter of the lease term and the remaining useful life of the leased asset.

The depreciation method, depreciation life, salvage value rate and annual depreciation rate of various fixed assets are as follows: :

Category	Estimated useful lives	Estimated residual rate	Annual depreciation rate
Office equipments & Electronics	3	0	33.33%

(3) Recognition criteria and valuation method for fixed assets acquired under finance leases

Fixed assets acquired under finance leases can be recognized if one of the following situations is specified in the lease agreement signed by the Company and the lessor:

i) The lessor transfers ownership of the assets to the lessee by the end of the lease terms;

ii) The Company has the option to purchase the assets at price which are expected to be so much lower than fair value at the date the option becomes exercisable that, at the inception of the leases, it is reasonably certain that the option will be exercised;

iii) The lease terms account for the majority of the economic lives of the assets, even if titles are not transferred;

iv) At the inception of the leases, the present value of the minimum lease payments amount to at least substantially all of the fair value of the leased assets.

The residual values, estimated useful lives and depreciation method are reviewed at each financial year-end to ensure that the residual values, period of depreciation and depreciation method are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and bearer biological.

At the inception of the leases, the Company shall recognize the leased assets at the lower of their fair value or the present value of the minimum lease payments and long-term payables at the amounts of the minimum lease payments, and treat the differences between carrying amounts of the leased assets and the long-term payables as unrecognized finance charges.

3.9 Employee benefits

1、 Accounting treatment of short-term remuneration

During the accounting period in which the employees provide services for the company, the company recognizes the actual short-term remuneration as a liability, which is included in the current profit or loss or the cost of related assets.

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried cost less accumulated amortization and accumulated impairment losses, if any.

The social insurance premiums and housing accumulation funds paid by the company for the employees, as well as the labor union funds and employee education funds accrued according to the regulations, shall be calculated according to the provisioned basis and accrual ratios during the accounting period in which the employees provide services for the company to reach the amount of employee compensation.

For employee welfare costs which are non-monetary benefits, if they can be reliably measured, they are measured at fair value.

2、 Accounting treatment methods for post-employment welfare

(1) Defined pension plan

The company pays basic pension insurance and unemployment insurance for employees according to the relevant regulations of the local government. In the accounting period in which the employees provide services for the company, the company shall calculate the amount payable according to the local payment base and proportion, confirm it as a liability, and include them in current profit or loss or related cost of asset.

In addition to the basic pension insurance, the company has also established an enterprise annuity payment system (supplementary endowment insurance) in accordance with the relevant policies of the national enterprise annuity system. The company pays fees to the local social insurance institutions according to a certain percentage of the total salary of employees, and the corresponding expenditures are charged to the current profit or loss or the cost of the relevant assets.

(2) Defined benefit plan

Based on the formula determined by the expected cumulative welfare unit method, the company categorizes the welfare benefits arising from the defined benefit plan to the period during which the employee provides the service, which is included in the current profit or loss or the related asset cost.

The deficit or surplus resulting from the current value of the defined benefit plan minus the fair value of the defined benefit plan assets is recognized as a net liability or net asset of the defined benefit plan. If there is a surplus in the defined benefit plan, the company measures the net assets of the defined benefit plan with the lower of the defined benefit plan's surplus and the upper limit of asset.

All defined benefit plan obligations, including obligations expected to be paid within twelve months after the end of the annual reporting period for employees providing services, is discounted based on market yield rate of treasury bond that matches the currency or high quality corporate bonds according to the balance sheet date and period of the defined benefit plan.

Service costs of defined benefit plans and net interest of net assets or liability of defined benefit plans are included in current profit or loss or the cost of related assets; changes in remeasurement of net liabilities or net assets of defined beneficiary plans are included in other comprehensive measures, it will not be transferred back to profit or loss in the subsequent accounting period. When the originally defined benefit plan ends, the part originally included in other comprehensive income will be carried over to the undistributed profit within the scope of equity.

At the settlement of the benefit plan, the difference between the present value of the defined benefit plan obligation and the settlement price determined on the settlement date shall be used to confirm the settlement gain or loss.

3、 Accounting treatment for dismissal benefits

When the company cannot withdraw the retirement benefits provided by the dissolution of the labor relationship plan or the reduction proposal unilaterally, or confirm the costs or expenses related to the reorganization of the dismissal benefits (the earlier of which), the company shall confirm the liability from the dismissal welfare benefits and include it in the current profit and loss.

3.10 Revenues

1、 General principles of revenue recognition for sales of goods:

The company has transferred the major risks and rewards of ownership of the goods to the purchaser; The company does not retain the right to continue management that is usually associated with ownership, nor does it have effective control over the products that have been sold; The amount of income can be measured reliably; The relevant economic benefits are likely to flow into the company; The relevant costs that have occurred or will occur can be reliably measured.

(1) According to the contract or order, the product revenue is recognized when the ownership and management rights are transferred. After delivery of goods and confirmed by customers, revenue shall be recognized.

2、 The basis for confirming the income from the transfer of the right to use assets

When the economic benefits associated with the transaction are likely to flow into the company and the amount of income can be measured reliably, the amount of income from the transfer of the right to use the assets is determined in the following situations:

- (1) The amount of interest income is determined based on the time and actual interest rate of others using the company's monetary funds.
- (2) The amount of income from royalty shall be calculated and determined in accordance with the time and method of charging specified in the relevant contract or agreement.

3、 The basis and method for confirming the income from labor services and construction contracts

On the balance sheet date, if the result of labor services can be reliably estimated, the income from labor services shall be recognized by the percentage of completion method. The completion schedule of labor service shall be determined by the proportion of cost incurred in total cost.

The total income from labor services shall be determined according to the received or receivable account or agreement price, except for the unfair received or receivable account or agreement price. On the balance sheet date, the income from labor services in the current period shall be recognized as: the total income from the labor services multiplied by the percentage of completion minus the accumulated income recognized in the previous accounting period; In the same way time, the labor cost of the current period shall be recognized as: the estimated total cost multiplied by the completion percentage minus the accumulated recognized cost in the previous accounting period.

On the balance sheet date, if the result of labor services can't be reliably estimated, the income from labor services shall be recognized as follows:

- (1) If the labor cost incurred is expected to be compensated, the income of labor service shall be recognized at the same amount, and the labor cost shall also be recognized at the same amount .
- (2) If it is estimated that the labor cost incurred can't be compensated, the labor cost incurred shall be recognized in the current period, and the income from labor service shall not be recognized.

3.11 Government grants

1、 Classification

Government grants refer to the monetary or non-monetary assets obtained by the company from the government for free. Government grants are classified into asset-related government grants and income-related government grants.

The government grants related to assets refer to government grants obtained by the company that are used to purchase or construct or otherwise form long-term assets. Government grants related to income refer to government grants other than those related to assets.

The specific criteria for dividing the government subsidy into assets are: The government subsidy document clearly stipulates that the subsidies used to purchase or construct or otherwise form long-term assets are government grants related to the assets.

The specific criteria that the company classifies government grants as income-related are: Besides the government grants clearly defined for the assets-related grants, others are recognized as income-related government grants.

2、 Confirmation point

Should be confirmed and measured by the the actual amount received.

3、 Accounting treatments

Government grants related to assets shall offset the book value of the related assets or be recognized as

deferred income. If it is recognized as deferred income, it shall be recorded in the current profit and loss according to a reasonable and systematic method within the service life of the relevant assets (related to the daily activities of the company, included in other income; if it is irrelevant to the daily activities of the company, it shall be included in the non-operating income);

The government grants related to income, which are used to compensate for the related costs or losses of the company in future periods, are recognized as deferred income, and are included in the current profit or loss during the period for which the relevant costs, expenses or losses are recognized (related to the company's daily activities, included in other income; irrelevant to the company's daily activities, included in non-operating income) or to offset related cost costs or losses; For grants used to compensate related costs or losses the company has incurred, it is directly charged to the current profit and loss (related to the company's daily activities, included in other income; irrelevant to the company's daily activities, included in non-operating income) or to reduce the cost of related costs or losses.

The policy-based discounted loan interest obtained by the company shall be distinguished in the following two situations and have accounting treatment separately:

- a. The finance allocates the interest-subsidy funds to the loan bank. If the lending bank offers loans to the company at a policy-based preferential interest rate, the company uses the actual amount of borrowings received as the booking value of the loan, according to the loan principal and the policy. The borrowing costs are calculated according to preferential interest rate the loan principal.
- b. The government will directly distribute the discounted funds to the company, the company will offset the relevant borrowing costs by the corresponding discount interest.

3.12 Deferred tax assets and deferred tax liabilities

In recognition on deferred income tax assets by deductible temporary differences, the limit is amount of taxable income that is likely to be obtained in the future to offset deductible temporary differences. For deductible losses and tax credits that can be carried forward in subsequent years, the corresponding deferred income tax assets is recognized on the limit of amount of future taxable income that is likely to be offset by deductible losses and tax credit.

For taxable temporary differences, deferred income tax liabilities are recognized except in exceptional circumstances.

The special circumstances of non-identification of deferred income tax assets or deferred income tax liabilities include: initial recognition of goodwill; other transactions or events that do not affect accounting profit or taxable income (or deductible losses) when incurred other than business combination.

When there is a legal right in net settlement, and the intention is to settle or obtain assets in net and repay liabilities at the same time, the current income tax assets and current income tax liabilities are presented after net offset.

When there is a legal right to settle the current income tax assets and current income tax liabilities in net, and the deferred income tax assets and deferred income tax liabilities are related to the income tax collected by same income tax authority on the same or various taxpayer entity, but during the future period when each important deferred income tax asset and liability is reversed, the involved taxpayer intends to settle the current income tax assets and liabilities, or acquire assets and pay off liabilities at the same time, deferred tax assets and deferred income tax liabilities are presented as a net amount after offsetting.

3.13 Deferred tax assets and deferred tax liabilities

- 1、 Changes in accounting policies

None.

L&T Information Technology Services (Shanghai) Co., Ltd.
 NOTES TO ACCOUNTS
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

2、 Changes in accounting estimates

None.

4. Tax

(1) Main Tax Categories and Tax Rates of The Companies

Taxes	Tax basis	Tax rate
Value added tax	Sale of goods or provide service	6%
Enterprise income tax	Amount of taxable income	25%
Individual income tax	Amount of taxable income	the company shall deduct and pay it on behalf of the employee

(2) Preferential Tax Policy

During the period from 1 January 2019 to 31 December 2024, the portion of annual taxable income amount of a small low-profit enterprise which does not exceed RMB1 million shall be computed at a reduced rate of 25% as taxable income amount, and be subject to enterprise income tax at 20% tax rate, And pay 50% of the calculated result; the portion of annual taxable income amount which exceeds RMB1 million but does not exceed RMB3 million shall be computed at a reduced rate of 50% as taxable income amount, and be subject to enterprise income tax at 20% tax rate.

5. Notes to the main items of financial statement

(Unless otherwise specified, the following monetary units shall be RMB)

1、 Cash and cash equivalents

Items	As at December 31, 2021			As at January 1, 2021		
	original currency	Exchange Rate	RMB equivalent	original currency	Exchange Rate	RMB equivalent
Cash at bank	-	-	5,073,175.69	-	-	2,160,554.44
Including:RMB	-	-	4,980,545.25	-	-	2,062,344.58
USD	14,528.67	6.38	92,630.44	15,051.55	6.52	98,209.86
Total	-	-	5,073,175.69	-	-	2,160,554.44

2、 Accounts receivable

(1) Aging analysis

Aging	As at December 31, 2021			
	Balance	Proportion of the total amount of accounts receivable (%)	Proportion of provision (%)	provision
Within 1 year	2,339,846.37	100.00	-	-
Total	2,339,846.37	100.00	-	-

L&T Information Technology Services (Shanghai) Co., Ltd.
 NOTES TO ACCOUNTS
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Aging	As at January 1, 2021			
	Balance	Proportion of the total amount of accounts receivable (%)	Proportion of provision (%)	provision
Within 1 year	3,857,190.57	99.39	-	-
1 to 2 years	23,702.16	0.61	-	-
Total	3,880,892.73	100.00	-	-

(2) Main account receivable

Entities	Amount	Proportion of the total amount of accounts receivable %
LARSEN & TOUBRO INFOTECH LIMITED-Singapore	1,041,917.46	44.53
LARSEN & TOUBRO INFOTECH LIMITED-USA	512,784.74	21.92
NXP (China) Management Ltd.	329,713.00	14.09
Carrier Air Conditioning Sales &Service (Shanghai) Co., Ltd.	240,662.85	10.29
Clarios (Shanghai) Company Management Co., Ltd.	206,306.21	8.82
Total	2,331,384.26	99.64

3、Advances to suppliers

(1) Aging analysis

Aging	As at December 31, 2021			
	Balance	Proportion of the total amount of advances to suppliers (%)	Proportion of provision (%)	provision
Within 1 year	15,600.00	100.00	-	-
Total	15,600.00	100.00	-	-

Aging	As at January 1, 2021			
	Balance	Proportion of the total amount of advances to suppliers (%)	Proportion of provision (%)	provision
Within 1 year	-	-	-	-
Total	-	-	-	-

L&T Information Technology Services (Shanghai) Co., Ltd.
NOTES TO ACCOUNTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

4、 Other receivables

(1) Aging analysis

Aging	As at December 31, 2021			
	Balance	Proportion of the total amount of accounts receivable (%)	Proportion of provision (%)	provision
2 to 3 years	2,500.00	100.00	-	-
Total	2,500.00	100.00	-	-

Aging	As at January 1, 2021			
	Balance	Proportion of the total amount of accounts receivable (%)	Proportion of provision (%)	provision
1 to 2 years	2,500.00	100.00	-	-
Total	2,500.00	100.00	-	-

5、 Other current assets

Items	As at December 31, 2021	As at January 1, 2021
Advance payment of income tax	-	89,376.58
Total	-	89,376.58

6、 Fixed assets-cost

(1) Original Value

Item	As at January 1, 2021	Increases in 2021	Decreases in 2021	As at December 31, 2021
Office equipment & Electronics	79,140.61	-	-	79,140.61
Total	79,140.61	-	-	79,140.61

(2) Depreciation

Item	As at January 1, 2021	Increases in 2021	Decreases in 2021	As at December 31, 2021
Office equipment & Electronics	30,988.03	19,203.60	-	50,191.63
Total	30,988.03	19,203.60	-	50,191.63

L&T Information Technology Services (Shanghai) Co., Ltd.
NOTES TO ACCOUNTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

(3) Net Value

Item	As at January 1, 2021	Increases in 2021	Decreases in 2021	As at December 31, 2021
Office equipment & Electronics	48,152.58	(19,203.60)	-	28,948.98
Total	48,152.58	(19,203.60)	-	28,948.98

7、 Accrued payroll

Items	As at January 1, 2021	Increase	Decrease	As at December 31, 2021
Wages payable	291,601.91	19,152,438.10	18,928,774.22	515,265.79
Total	291,601.91	19,152,438.10	18,928,774.22	515,265.79

8、 Taxes and surcharges payable

Items	As at December 31, 2021	As at January 1, 2021
Value added tax	73,763.58	88,014.66
Individual income tax	252,907.46	235,924.23
City maintenance	5,357.79	4,942.98
Education surcharge payable	2,296.20	2,965.79
Local education surcharge payable	1,530.80	1,977.19
Total	335,855.83	333,824.85

9、 Other payables

(1) Aging analysis

Aging	As at December 31, 2021	
	Balance	Proportion of the total amount of other payable (%)
Within 1 year	5,667,611.74	63.47
1 to 2 years	2,771,438.51	31.04
2 to 3 years	490,462.81	5.49
Total	8,929,513.06	100.00

Aging	As at January 1, 2021	
	Balance	Proportion of the total amount of other payable (%)
Within 1 year	3,764,287.94	51.95
1 to 2 years	3,482,168.34	48.05
Total	7,246,456.28	100.00

L&T Information Technology Services (Shanghai) Co., Ltd.
 NOTES TO ACCOUNTS
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

(2) Main Other Payables

Entities	Amount	Proportion of the total amount of other payable %
LARSEN & TOUBRO INFOTECH LIMITED- India	4,601,556.39	51.53
LARSEN & TOUBRO INFOTECH LIMITED-Singapore	3,119,197.91	34.93
LARSEN & TOUBRO INFOTECH LIMITED-USA	133,445.82	1.49
Total	7,854,200.12	87.95

10、 Paid-in capital

Item	As at January 1, 2021	As at January 1, 2021	Increase in 2021	Decrease in 2021	As at December 31, 2021	As at December 31, 2021
	Registered Capital (USD)	Registered Capital (RMB)			Registered Capital (USD)	Registered Capital (RMB)
LARSEN & TOUBRO INFOTECH LIMITED	\$175,000.00	1,074,799.00	-	-	\$175,000.00	1,074,799.00
Total	\$175,000.00	1,074,799.00	-	-	\$175,000.00	1,074,799.00

The above paid in capital there are only \$115,000.00 has been verified by Shanghai Jiangnan Accountant Office Co., Ltd., and a report [nan'shi Yan Zi (2014) No. 014] has been issued on April 17, 2014

11、 Retained earnings

Item	FY2021	FY2020
I.Last period undistributed profits before adjustments	(1,348,873.50)	(2,533,237.89)
II.Undistributed profit at the beginning of the year after adjustments	-	-
III.Net profit in current period	(1,937,353.67)	1,184,364.39
IV.Distributed profit	-	-
V. Internal convert within Equity	-	-
VI.Closing undistributed profits	(3,286,227.17)	(1,348,873.50)

12、 Revenue

Item	FY2021	FY2020
Consulting service	27,995,645.47	22,731,131.90
Total	27,995,645.47	22,731,131.90

13、 Operating cost

Item	FY2021	FY2020
Subcontracting-onsite service fee	87,771.70	239,188.00
Total	87,771.70	239,188.00

L&T Information Technology Services (Shanghai) Co., Ltd.
 NOTES TO ACCOUNTS
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

14、 Business tax and surcharges

Item	FY2021	FY2020
City maintenance	68,813.47	68,022.62
Educational surtax	36,715.70	40,779.51
Local education surcharges	24,477.12	27,099.73
Stamp duty	-	1,193.30
Total	130,006.29	137,095.16

6. Related parties and related parties transactions

(Unless otherwise specified, all the amounts are in CNY)

1、 Significant related party transactions

(1) Related party relationships

Name of entity	Relationship with the Company
LARSEN & TOUBRO INFOTECH LIMITED-India	Parent
L&T Technology Services Limited	Controlled by the same ultimate party
LARSEN & TOUBRO INFOTECH LIMITED-Singapore	Controlled by the same ultimate party
LARSEN & TOUBRO INFOTECH LIMITED-USA	Controlled by the same ultimate party
LARSEN & TOUBRO INFOTECH LIMITED-UK	Controlled by the same ultimate party
LARSEN & TOUBRO INFOTECH LIMITED-Australia	Controlled by the same ultimate party

(2) Receivables and payables balances between related parties

Name of entity	Item	Amount
LARSEN & TOUBRO INFOTECH LIMITED-USA	Accounts receivable	512,784.74
L&T Technology Services Limited	Accounts receivable	(99,459.08)
LARSEN & TOUBRO INFOTECH LIMITED-Singapore	Accounts receivable	1,041,917.46
LARSEN & TOUBRO INFOTECH LIMITED-USA	Other payables	133,445.82
LARSEN & TOUBRO INFOTECH LIMITED- India	Other payables	4,601,556.39
LARSEN & TOUBRO INFOTECH LIMITED-UK	Other payables	520.70
LARSEN & TOUBRO INFOTECH LIMITED-Singapore	Other payables	3,119,197.91

7. Event subsequent to the reporting period

There is no event subsequent to the reporting period.

**L&T INFORMATION TECHNOLOGY
SPAIN SL**

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

BOARD'S REPORT

Dear Members,

The Sole Director have pleasure in presenting the Annual Report and Audited Accounts for the year ended 31st March 2022.

1. Financial Highlights:

Particulars	FY 21-22	FY 20-21
	EUR	EUR
Total Income	2,074,411.74	2,651,363.92
Total Expenditure	2,065,161.30	2,737,719.41
Operating Profit / (Loss)	9,250.44	(86,355.49)
Add: Interest Income	-	-
Less: Finance Costs	15,753.16	(17,465.96)
Profit / (Loss) before Tax	25,003.60	(103,821.45)
Less : Tax	-	-
Net Profit / (Loss) after Tax	25,003.60	(103,821.45)
Add: Balance b/f from previous year	58,436.61	162,258.06
Balance available for disposal which directors appropriate as follows:	-	-
Dividend	-	-
Transfer to Reserves	-	-
Balance to be carried forward	83,440.21	58,436.61

2. Capital & Finance:

During the year under review, the Company did not allot any equity / preference shares.

3. Capital Expenditure:

As at 31st March 2022, there were no fixed tangible and intangible assets including leased assets.

4. State of Company Affairs:

The total income for the financial year under review was EUR 2,074,411.74 as against EUR 2,651,363.92 for the previous financial year registering a decrease of 21.76%. The profit before tax and profit after tax was of EUR 25,003.60 for the financial year under review as against loss of EUR (103,821.45) for the previous financial year, registering an increase of 124.08%.

5. Dividend:

The Director do not propose the payment of any dividend during the year.

6. Reporting of Frauds:

The Auditor's of the Company have not reported any fraud committed against the Company by its officers or employees.

7. Details of Directors and Key Managerial Personnel appointed/resigned during the year:

There is no change in the composition of Board & Key Managerial Personnel during the FY 2021-22.

8. Financial Statements:

The Auditor's report to the shareholders does not contain any qualification, observation or adverse comment.

9. Auditors:

M/s LuqueVelasco auditores S.L. are the auditor of the Company. They will continue to be auditor of the Company for the ensuing financial year.

10. Directors Responsibility Statement:

The Sole Director of the Company confirms:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Director has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) The Director has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the local statutes for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) The Director has prepared the Annual Accounts on a going concern basis;
- e) The Director has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

11. Acknowledgement

Your Director acknowledge the invaluable support extended by the government authorities in Spain and take this opportunity to thank them as well as the customers, supply chain partners, employees, Financial Institutions, Banks and all the various stakeholders for their continued co-operation and support to the Company.

**L&T Information Technology Spain SL
For and on behalf of the Board**

**Mr. Sudhir Chaturvedi
Director**

Date : May 26, 2022
Place : UK



L&T INFORMATION TECHNOLOGY SPAIN, S.L.

INDEPENDENT AUDITOR'S REPORT
BRIEF ANNUAL ACCOUNTS MARCH 31, 2022

2021/2022

LUQUEVELASCO auditores S.L., Audit company registered on the official register of Auditors from the accounting and audit institute, with nº S1144 and address Velázquez, 3, associate member of the jury institute Censors of Financial Statements of Spain, establishes the consecutive report about the financial statements audit of L&T INFORMATION TECHNOLOGY SPAIN, S.L at March 31, 2022.



LUQUEVELASCO is an independent member firm of Alliot Global Alliance. Alliot Global Alliance is an international alliance of independent professional firms. The alliance and its member firms are legally distinct and separate entities which are not and shall not be construed to be in the relationship of a parent firm, subsidiary, partner, joint venture, agent, or network. No alliance member firm has any authority (actual, apparent, implied, or otherwise) to obligate or bind Alliot Global Alliance or any other member firm in any matter whatsoever. As independent firms, Alliot Global Alliance member firms each render their services entirely on their own account (including benefit and risk).

INDEPENDENT AUDITOR'S REPORT ON THE BRIEF ANNUAL ACCOUNTS

To the sole shareholder of **L&T INFORMATION TECHNOLOGY SPAIN, S.L.:**

Opinion

We have audited the brief annual accounts of L&T INFORMATION TECHNOLOGY SPAIN, S.L. (the Company), which comprise the brief balance sheet as at March 31, 2022, and the brief income statement and brief related notes for the year then ended.

In our opinion, the accompanying brief annual accounts present fairly, in all material respects, the equity and financial position of the Company as at March 31, 2022, and its financial performance for the year then ended in accordance with the applicable financial reporting framework (as identified in Note 2 to the accompanying annual accounts), and in particular, with the accounting principles and criteria included therein.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the brief annual accounts section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the brief annual accounts in Spain in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected the necessary independence such that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the brief annual accounts of the current period. These matters were addressed in the context of our audit of the brief annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion of these risks.

Customers

The company has a significant amount in the customer balance. (Note 6 of Financial Statements). Concretely, as at March 31, 2022 this amount is 409.997,05 euros.

We have considered this area as a key issue in our audit due to the importance and significance of clients in the brief annual accounts and its appropriate accounting.

In relation to these amounts, we have carried out the following audit procedures:

- Comparison with the figures of the previous year and its correlation with the net amount of the turnover.
- Wide circularization to customers.
- Study of the balance's age.

Responsibility of Sole Director for the brief annual accounts

The sole director is responsible for the preparation of these brief annual accounts, so that they present fairly the equity, financial position and financial performance of L&T INFORMATION TECHNOLOGY SPAIN, S.L., in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the sole director determine is necessary to enable the preparation of brief annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing brief annual accounts, the sole director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the sole director either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

L&T INFORMATION TECHNOLOGY SPAIN, S.L.

**Abridged Annual Accounts for the year closed on
31st march 2022**

Balance Sheet for the year ended 31st march 2022 (Expressed in euros)

BALANCE SHEET - ASSETS

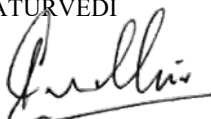
Description	Notes	31/03/2022	31/03/2021
NON CURRENT ASSETS	10	72.351,99	72.352,28
Deferred Tax Assets		72.351,99	72.352,28
CURRENT ASSETS		620.903,31	641.558,17
Trade Debtor and other accounts receivable	4,6	459.510,53	311.091,05
Customers for sales and		409.997,05	298.657,39
Short-Term customers		409.997,05	12.433,66
Other Debtors		49.513,48	-
Cash and cash equivalents	8	161.392,78	330.467,12
TOTAL ASSETS		693.255,30	713.910,45

BALANCE SHEET - NET EQUITY AND LIABILITIES

Description	Notes	31/03/2022	31/03/2021
NET EQUITY		133.440,21	108.436,61
Net Equity		133.440,21	108.436,61
Share Capital	9	50.000,00	50.000,00
Share Capital		50.000,00	50.000,00
Reserves	9	394.976,87	394.976,87
Reserves		394.976,87	394.976,87
Retain earnings		-336.540,26	-232.718,81
Result for the period	3	25.003,60	-103.821,45
CURRENT LIABILITIES		559.815,09	605.473,84
Short term debts		-	-
Other short term debts		-	-
Current debt with Group entities	7,12	404.004,81	501.320,37
Other payables	4,7	155.810,28	169.667,77
Suppliers, Group companies		4.138,74	169.667,77
Short term suppliers, Group companies		4.138,74	-
Other creditors		151.671,54	169.667,77
Short term accruals		-	-65.514,30
TOTAL NET EQUITY AND LIABILITIES		693.255,30	713.910,45

The attached notes 1 to 17 are an integral part of these Annual Accounts.

Mr. SUDHIR CHATURVEDI
 Id number: Y3650220L
 Signing as: Sole Director



Profit and Loss Account for the year ended 31st march 2022
(Expressed in euros)

Descripción	Notes	31/03/2022	31/03/2021
Net Turnover	11	2.074.411,74	2.651.363,92
Purchases	11	-1.355.274,77	-1.683.396,23
PERSONNEL EXPENSES	11	-657.407,00	-846.107,67
Salaries and wages		-502.088,02	-672.488,12
Social Security payable by the company		-144.364,17	-163.660,73
Employee benefits expense		-10.954,81	-9.958,82
External Services	11	-52.479,53	-208.215,51
Operating result		9.250,44	-86.355,49
Financial expenses		-990,02	-
From debts with the group		-666,44	-
From debts with third parties		-323,58	-
Exchange losses		16.743,18	-17.465,96
Financial result		15.753,16	-17.465,96
Result before taxes		25.003,60	-103.821,45
Corporate income tax		-	-
Result from continued operations	10	25.003,60	-103.821,45
Result from the period	3	25.003,60	-103.821,45

The attached notes 1 to 17 are an integral part of these Annual Accounts.



Mr. SUDHIR CHATURVEDI
 Id number: Y3650220L
 Signing as: Sole Director

1. Activity of the Company

1.1. The details of the Company are as follows:

VAT number: B87472072
Company Name: L&T INFORMATION TECHNOLOGY SPAIN, S.L.
Address: Pº CASTELLANA 81
Post Code: 28046
City: MADRID
Region: MADRID

1.2. The company's social object and main activities are defined as follows:

Corporate Purpose

The core business is to provide IT services, including application development, implementation, systems integration, application maintenance, testing and support services. LTI resources enable our clients to improve the effectiveness of their business and technology operations and deliver value to their customers, employees, and shareholders.

All those activities for which the law requires special requirements that does not meet the Company are excluded. If the laws demand it for the exercise of any of the activities a professional qualification, authorization or registration in special registers, shall be exercised by the person holding that title or may not be initiated until have been met administrative requirements.

2. Basis of presentation of the annual accounts

2.1. Faithful image:

The abbreviated annual accounts, composed of the balance sheet, the profit and loss account and the report composed of notes 1 to 17, have been prepared from the accounting records, having applied the legal provisions in force in accounting matters, specifically, the General Accounting Plan approved by Royal Decree 1514/20 07, of 16 November 2007, and its amendments approved by Royal Decree 1159/2010, of 17 September, by Royal Decree 602/2016, of 2 December, and by Royal Decree 1/2021, of 12 January, in order to show the faithful image of the patrimony, of the financial situation, of the results.

All figures in the report are expressed in euros.

The abbreviated annual accounts formulated by the directors will be submitted for approval by the General Shareholders' Meeting, and it is estimated that they will be approved without any modification.

2.2. Accounting principles:

The abbreviated annual accounts have been prepared in accordance with the mandatory accounting principles. There is no accounting principle that, its effect being significant, has ceased to apply.

2.3. Critical aspects for valuations and estimates of uncertainty:

- a) There are no changes in any accounting estimate that are significant and could affect the current year or future years.
- b) The company is not aware of uncertainties that may bring doubts about the possibility of the company to continue operating normally.

2.4. Comparison of information:

The period closed on 31st march 2022 is comparable to the previous period closed on 31st march 2021.

Royal Decree 1/2021, of 12 January, has modified the NRV^a 9 of financial instruments and the NRV^a 14 of income from sales and provision of services of the General Accounting Plan approved by Royal Decree 1514/2007, of 16 November 2007. The Second and Third Transitional Provisions of said Royal Decree establish the transitional rules of registration and valuation, to be applied on the date of first application, for financial instruments and the Fifth Transitory Provision, the transitional rules of registration and valuation to income from sales and provision of services. These provisions, as an exception to the general criterion established by the NRV 22^a of changes in accounting criteria, errors and accounting estimates allow not to re-express the comparative figures presented in these annual accounts. That is why, for the purposes of comparability of the figures, the impacts of application for the first time of these modifications must be considered.

2.5. Items reflected in two or more classifications

No items have been observed as being registered in two or more balance sheet classifications.

2.6. Changes in accounting policies

There have been no significant changes in accounting criteria compared to the criteria applied in previous year.

2.7. Correction of errors

When the attached annual accounts were prepared no significant errors were detected.

2.8. Running company

There is no uncertainties regarding the normal activity of the Company which could imply a breach of the going concern principle.

3. Distribution of the result

3.1. The proposal for the distribution of results that the directors submit for the approval of the General Shareholders' Meeting is as follows:

DISTRIBUTION BASE	31/03/2022	31/03/2021
Result from P&L account	25.003,60	-103.821,45
Remnant	0,00	0,00
Voluntary Reserves	0,00	0,00
Other reserves	0,00	0,00
TOTAL DISTRIBUTION BASE	25.003,60	-103.821,45

APPLICATION	31/03/2022	31/03/2021
Legal reserve	0,00	0,00
Especial reserve	0,00	0,00
Voluntary reserve	0,00	0,00
Dividends	0,00	0,00
Carried forward losses	25.003,60	-103.821,45
Remnant and other applications	0,00	0,00
TOTAL DISTRIBUTION BASE	25.003,60	-103.821,45

3.2. Distribution of interim dividends

No distribution of dividends charged to the results of the year has been decided.

4. Accounting and valuation policies

The main accounting and valuation policies used to prepare the annual accounts are as follows:

4.1. Financial instruments

- a) The company has acknowledged a financial instrument on its balance sheet when it has become a part of the contract or legal business in accordance with the provisions of the same. Instruments of equity of other companies or contractual rights to receive cash or another financial asset have been considered as financial assets consist of cash. Contractual rights to exchange assets or financial liabilities with others in potentially favourable conditions have also been.

For valuation purposes, the financial assets of the Company are classified as follows:

-Financial assets at amortized cost: this category of financial assets includes on the one hand, trade receivables, arising from the sale of goods and provision of services for trade operations of the company, and on the other hand, other financial assets not being equity instruments or derivatives, they have no commercial origin, and their charges are fixed or determinable amount. Financial assets included in this category are initially valued at cost, which equals the fair value of the consideration paid plus transaction costs.

- b) The financial instruments are classified as financial liabilities, when they have been for the company an obligation contractual, direct or indirect, to deliver cash or another financial asset, or of exchanging assets or financial liabilities with others in potentially unfavourable conditions, or that gives the holder the right to demand from the issuer their rescue on a date and for a specified amount.

The financial liabilities, for the purposes of its assessment, been classified in the following categories:

-Financial liabilities at amortized cost: they have been included as such, the amounts owed by commercial operations, which originated in the purchase of goods and services by the company trafficking operations, and debits by non-commercial operations, which not being derivative instruments, do not have sales origin. These financial liabilities have been valued initially at value reasonable, and subsequently, at their amortized cost.

4.2. Corporation Tax

In general, it recognized a deferred tax liability for all taxable temporary differences, unless these have arisen from the initial recognition of goodwill, the initial recognition of an asset or liability in a transaction that is not a combination of business and also affects neither the accounting profit nor taxable income or investments in subsidiaries, associates and joint always business and when the investor has been able to control the timing of the reversal of the difference and also have been likely that such difference will not reverse in the foreseeable future.

Deferred tax assets, in accordance with the principle of prudence, have been recognized as such in so far as it has been likely that the company has disposed of future taxable profits that allow the application of these assets. If the above condition is met, generally it has been considered a deferred tax asset if: there have been deductible temporary differences, rights to offset in subsequent years, tax losses and deductions and other tax benefits not used that have been pending fiscally apply.

Assets and deferred tax liabilities are valued as the expected rates of tax at the time of reversal, as the legislation has been in force or approved and pending publication at the close of the year, and according to the form that is planned rationally recover or settle the asset or liability.

4.3. Income and expenses

Revenue is recognized as a result of an increase in the resources of the company, and where the amount has been reliably determined. Expenses have been recognized as a result of dwindling resources of the company, and where the amount has also been able to assess or estimate reliably.

Revenues from services are recognized when the outcome of the transaction can be estimated reliably, considering the percentage of completion at the year-end date. Only been posted income from the provision of services with the following conditions: when the amount of revenue has been reliably measured, provided the company receives profits or income from the transaction, and this transaction has been valued at close exercise reliably, and finally when the costs incurred in the transaction and the remaining to be incurred have been measured reliably.

4.4. Provisions and contingencies

The company has recognized as provisions liabilities that fulfil the definition and criteria for accounting records contained in the conceptual framework of accounting, have been indeterminate with respect to their amount or the date they will be cancelled. Provisions have been determined by a legal, contractual provision or for an obligation implied or tacit.

Provisions have been valued at the date of closure of the exercise by the present value of the best possible estimate of the amount needed to cancel or transfer to a third party the obligation, registering settings that have emerged for the update of the provision as a financial expense as they have been earning. In the case of provisions with maturity exceeding the year not carried out any type of discount.

5. Tangible and Intangible Assets and Real Estate investments

5.1. Changes in tangible, intangible Assets and Real Estate investments

No tangible or intangible assets have been registered in the Company during the financial year 2021-2022.

6. Financial Assets

6.1. Changes in Financial assets

The movements in each category of financial assets following the accounting and valuation policies established in point 4.1 above (except for investments in group companies) can be summarized in the following table:

- a) Long Term financial assets except for investment in equity of group and associated entities: nothing has been registered during 2021-2022.
- b) Short Term financial assets except for investment in equity of group and associated entities:

	31/03/2022			
	Equity instruments	Debt Based instruments	Credits, derivatives and other	TOTAL
Trade and other receivables	0,00	0,00	442.233,31	442.233,31
Trade receivables	0,00	0,00	409.997,05	409.997,05
Other receivables	0,00	0,00	32.236,26	32.236,26
Cash and cash equivalents	0,00	0,00	161.392,78	161.392,78
TOTAL	0,00	0,00	603.626,09	603.626,09

	31/03/2021			
	Equity instruments	Debt Based instruments	Credits, derivatives and other	TOTAL
Trade and other receivables	0,00	0,00	311.091,05	311.091,05
Trade receivables	0,00	0,00	311.091,05	311.091,05
Other receivables	0,00	0,00	0,00	0,00
Cash and cash equivalents	0,00	0,00	330.467,12	330.467,12
TOTAL	0,00	0,00	641.558,17	641.558,17

Credits with Public Administrations are not included in this classification because they are not considered financial instruments.

7. Financial Liabilities

7.1. Changes in Financial Liabilities.

The movements in each of the financial liabilities categories following the accounting and valuation policies described in point 4.1 of these Notes to the Annual Accounts are summarized as follows:

- a) Long Term financial liabilities: no long-term financial liabilities have been registered.
- b) Short Term financial liabilities:

	31/03/2022			
	Debts with credit entities	Bonds and others	Derivatives and others	TOTAL
Debts with group and associate comp.	0,00	0,00	404.004,81	404.004,81
Other payables	0,00	0,00	57.094,38	57.094,38
Suppliers, Group companies	0,00	0,00	4.138,74	4.138,74
Other creditors	0,00	0,00	52.955,64	52.955,64
TOTAL	0,00	0,00	461.099,19	461.099,19

	31/03/2021			
	Debts with credit entities	Bonds and others	Derivatives and others	TOTAL
Debts with group and associate comp.	0,00	0,00	501.320,37	501.320,37
Trade and other payables	0,00	0,00	71.473,29	71.473,29
Suppliers	0,00	0,00	0,00	0,00
Other creditors	0,00	0,00	71.473,29	71.473,29
TOTAL	0,00	0,00	572.793,66	572.793,66

Credits with Public Administrations are not included in this classification because they are not considered financial instruments.

8. Cash and Cash equivalents.

At the closing of period 2021-2022 the balance of cash and cash equivalents amounts to 161.392,78 € corresponding to the bank account with which the company operates.

9. Net Equity and Shareholders' Funds

9.1. Share Capital

At the closing of period 2021-2022 the share capital of the Company amounts to 50.000€ divided in 50.000 shares of 1 Euro face value each. They are correlative numbered from 1 to 50.000, both included, all the shares are fully subscribed and paid.

The sole shareholder at the closing of the period is the Company Larsen and Toubro Infotech Limited.

9.2 Legal Reserve

According to the Companies Act Capital, a figure must be equal to 10% of annual profits to the legal reserve until it reaches at least 20% of the share capital. The legal reserve can be used to increase capital in the part of the balance exceeding 10% of the increased capital. Except as mentioned above, while not exceeding 20% of capital, it can only be used to offset losses, provided that sufficient other reserves available for this purpose.

10. Tax situation

10.1 Corporation Tax:

The Company files an annual return for corporate income tax purposes. The profits, determined in accordance with tax legislation, are subject to a tax of 25% on the taxable base. Certain deductions may be made from the resulting tax liability.

Due to the different treatment permitted by tax legislation for certain transactions, the accounting profit differs from taxable income. The following is a reconciliation between the accounting profit and

the taxable profit that the Company expects to declare after the appropriate approval of the annual accounts:

31/03/2022	
Concept	Amount
Proffit & Loss balance	25.003,60
Income tax expense	0,00
Permanent Adjustments	757,65
Temporary Adjustments	-32.041,53
Tax loss carry forwards applied in current period	0,00
Taxable base (Tax result)	-6.280,28
Tax rate	25,00%
Tax amount	0,00
Instalments and withheld amounts	0,00
Amount Payable	0,00

31/03/2021	
Concept	Amount
Proffit & Loss balance	-103.821,45
Income tax expense	0,00
Permanent Adjustments	0,00
Temporary Adjustments	0,00
Tax loss carry forwards applied in current period	0,00
Taxable base (Tax result)	-103.821,45
Tax rate	25,00%
Tax amount	0,00
Instalments and withheld amounts	0,00
Amount Payable	0,00

Deferred tax assets and liabilities:

As of march 31, 2022 and 2021, the deferred tax asset is composed of:

Concepto	Base	Quota
Negative tax bases 2017-2018	96.237,16 €	24.059.29€
Negative tax bases 2018-2019	173.144,49 €	43.286.12 €
Other concepts	20.026,31€	5.006,58 €
TOTAL:	289.407,96€	72.351,99 €

Tax Loss carry forwards:

The Company has negative tax bases pending compensation as mentioned below:

TAX LOSSES	Generated	Compensated	Pending to compensate
2017-2018	96.237,16 €	0,00 €	96.237,16 €
2018-2019	173.144,49 €	0,00 €	173.144,49 €
2019-2020	24.954,03 €	0,00 €	24.954,03 €
2020-2021	6.280,28 €	0,00 €	6.280,28 €
TOTAL:	300.615,96 €	0,00 €	300.615,96 €

10.2 Other balances with Public Administrations

The information related to the balances with Public Administrations at the closing dates are as follows:

31/03/2022		
Tax	Debit Balance	Credit Balance
VAT	17.277,22	74.499,92
Social Security	0,00	14.121,93
Deferred Tax	72.351,99	0,00
Withholdings	0,00	10.094,05
TOTAL	89.629,21	98.715,90

31/03/2021		
Tax	Debit Balance	Credit Balance
VAT	0,00	72.566,96
Social Security	0,00	14.227,97
Deferred Tax	72.352,28	0,00
Withholdings	0,00	11.399,55
TOTAL	72.352,28	98.194,48

Years pending verification and inspection actions:

As established by current legislation, taxes cannot be considered definitively settled until the returns submitted have been inspected by the tax authorities or the four-year statute of limitations has elapsed. At the end of the 2021-2022 financial year, the Company has the 2016-2017 and subsequent financial years open for inspection for Corporation Tax and the 2017-2018 financial years for the other applicable taxes.

The Directors of the Company consider that the liquidations of the aforementioned taxes have been properly carried out, therefore, even in the event of discrepancies in the current regulatory interpretation due to the tax treatment granted to the operations, the eventual resulting liabilities, in the event if materialized, they would not significantly affect the attached annual accounts.

11. Income and expenses

The movements during the current and previous periods in the income and expenses accounts are summarised below:

Detail of the profit and loss account	31/03/2022	31/03/2021
Turnover for the period	2.074.411,74	2.651.363,92
1. Services rendered by related parties	-1.355.274,77	-1.683.396,23
2. Raw materials consumption	0,00	0,00
a) Purchases	0,00	0,00
b) Stock variation	0,00	0,00
3. Other operating expenses	-52.479,53	-205.215,51
a) Losses and impairments corresponding to trade	0,00	0,00
b) Other expenses	-52.479,53	-208.215,51
4. Personnel expenses	-657.407,00	-846.107,67
5. Other results	0,00	0,00

12. Operations with related parties

The detail of the transactions with related parties during the period 2021-2022 is as follows:

Entity	Services rendered	Amount
L&T Infotech Limited	Purchase of services	-1.311.128,00
L&T Infotech Limited	Overheads charged by parent	-9.154,00
L&T Infotech Limited	Overheads charged to parent	514.466,00
L&T Infotech Subsidiary	Interest paid	-666,00
L&T Infotech Subsidiary	Overheads charged by other subsidiaries	-43.806,00
L&T Infotech Subsidiary	Overheads charged by other subsidiaries	11.628,00
TOTAL		-838.660,00

The balances as at 31st march 2022 with related parties is the following:

Entity	Debit Balance	Credit Balance
L&T Infotech Limited	0,00	404.004,81
L&T Infotech Subsidiary	0,00	4.138,74
TOTAL	0,00	408.143,55

During the period the Sole Director of the company has not received any remuneration. No other obligations towards the Sole Director have been accrued.

In compliance with articles 229 of Spanish Corporate Law, passed and approved under Royal Legislative Decree1/2010 on 2 July, 2010, the Company makes full disclosure of the information it has received regarding the direct or indirect holdings of members of the Board of Directors of the controlling company in other companies whose stated activities are related or similar to those of the stated purpose of the Controlling Company or Group. The following list includes names, positions held and name of company.

Passport	Director	Entity	%	Position
539090656	Sudhir Chaturvedi	Larsen & Toubro Infotech Limited, India (Parent Company)	0,07%	Executive Director

13. Other Information

The average number of employees during the period and divided by category is as follows:

Personnel	31/03/2022	31/03/2021
Qualified personnel	10	10
Average	10	10

14. Environmental and Green House Gas Emissions Rights Information

The Company does not have any responsibilities, expenses, assets nor provisions of environmental nature which could be significant in relation to equity, financial situation and results of the Company. The Board of Directors consider that there are no contingencies related to the protection and improvement of the environment.

15. Information related to the deferral of payments to suppliers. Third additional provision of Act 15/2010 of July 5th “Duty of Disclosure of information”

In compliance with the provisions of Law 15/2010 of combating late payment to suppliers, developed by the ICAC, it is reported commercial operations, the legal maximum payment period is, in each case corresponding to depending on the nature of the good or service received by the company in accordance with the provisions of the law 3/2004 of 29 December, establishing measures to combat late payment in commercial transactions, and amended by law 15/2010 of 6 July.

Average payment period to suppliers:

	2022-2021	2020-2021
Days	30	30

16. Post Balance Sheet Events

There have not been significant events at the date of preparation of these annual accounts, in addition to those mentioned above, that could have a significant effect on them.

17. Additional explanation regarding the English translation

These annual accounts are presented in accordance with accounting principles generally accepted in Spain, which may not conform to generally accepted accounting principles in other countries.

18. Signatures

In London, UK, as at 26/05/2022, giving your consent by signing:



Mr. SUDHIR CHATURVEDI
Id number: Y3650220L
Signing as: Sole Director

L&T INFOTECH, S. DE. R.L. DE C.V.

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

L&T Infotech, S. de R.L. de C.V.
(la “Sociedad”)

Informe del Gerente Único a los socios de la Sociedad.

En cumplimiento a lo dispuesto en el Artículo 42 de los estatutos sociales, me permito informar a los socios de la Sociedad, los aspectos relevantes respecto a la marcha de la Sociedad, durante el periodo comprendido del 1 de enero al 31 de diciembre de 2021.

Operaciones relevantes:

La Sociedad continúa prestando servicios a su cliente más importante. De igual manera, la Sociedad ha ampliado su portafolio de proyectos.

Información Financiera

- Activo

Los activos de la Sociedad ascienden a \$40,646,854.00 M.N. (cuarenta millones seiscientos cuarenta y seis mil ochocientos cincuenta y cuatro Pesos 00/100 Moneda Nacional).

- Pasivo

El Pasivo registró un importe de \$33,060,063.00 M.N. (treinta y tres millones sesenta mil sesenta y tres Pesos 00/100 Moneda Nacional).

- Capital

Al 31 de diciembre de 2021, el capital contable alcanzó la cantidad de \$7,586,791.00 M.N. (siete millones quinientos ochenta y seis mil setecientos noventa y uno Pesos 00/100, Moneda Nacional).

- Resultados

La Sociedad obtuvo una utilidad por la cantidad de \$5,285,169.00 M.N. (cinco millones doscientos ochenta y cinco mil ciento sesenta y nueve Pesos 00/100, Moneda Nacional).

- Ingresos

L&T Infotech, S. de R.L. de C.V.
(the “Company”)

Report of the Sole Manager to the partners of the Company

In compliance with Article 42 of the corporate by-laws, I hereby inform the partners of the Company, the relevant aspects regarding the operations of the Company during the period comprised from January 1st to December 31st, 2021.

Relevant transactions:

The Company continued servicing its biggest client and also added more projects to its portfolio.

Financial Information

- Assets

The Company’s assets amount to \$40,646,854.00 Pesos (forty million six hundred forty-six thousand eight hundred fifty-four Pesos 00/100, legal currency in the United Mexican States).

- Liabilities

The Company’s liabilities amount to \$33,060,063.00 Pesos (thirty-three million sixty thousand sixty-three Pesos 00/100, legal currency in the United Mexican States).

- Equity

As to December 31, 2021, the Company’s equity reached the amount of \$7,586,791.00 Pesos (seven million five hundred eighty-six thousand seven hundred ninety-one Pesos 0/100, legal currency in the United Mexican States).

- Results

The Company obtained a profit in the amount of \$5,285,169.00 Pesos (five million two hundred eighty-five thousand one hundred sixty-nine Pesos 00/100, legal currency in the United Mexican States).

- Income

El total de los ingresos en el periodo fue de \$138,784,010.00 M.N. (ciento treinta y ocho millones setecientos ochenta y cuatro mil diez Pesos 00/100 Moneda Nacional).

- **Gastos**

Se realizaron gastos de operación por \$129,285,141.00 M.N. (ciento veintinueve millones doscientos ochenta y cinco mil ciento cuarenta y un Pesos 00/100, Moneda Nacional).

Los estados financieros de la Sociedad forman parte de este informe y quedan a disposición de los socios de la Sociedad.

Finalmente, de conformidad con lo previsto en la fracción XIX del artículo 76 de la Ley del Impuesto sobre la Renta, por este medio hacemos constar el cumplimiento de la Sociedad a sus obligaciones fiscales por el ejercicio social concluido el 31 de diciembre de 2021.

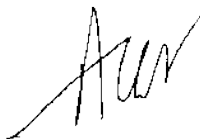
The total income was the amount of \$138,784,010.00 Pesos (one hundred thirty-eight million seven hundred eighty-four thousand ten Pesos 00/100, legal currency in the United Mexican States).

- **Expenses**

The operation expenses amount to \$129,285,141.00 Pesos (one hundred twenty nine million two hundred eighty five thousand one hundred forty one Pesos 00/100, legal currency in the United Mexican States).

The financial statements of the Company are part of this report and are available to the Company's partners.

Finally, pursuant to paragraph XIX of section 76 of the Income Tax Law, we hereby attest the compliance by the Company to its tax liabilities for the fiscal year ended on December 31, 2021.



Alekh Gupta
Gerente Único / Sole Manager

**L&T INFOTECH, S.
DE R.L. DE C.V.**
(Subsidiary of Larsen & Toubro
Infotech Limited)

Financial statements

**As of December 31, 2021, and
December 31, 2020, with
independent auditor's report**

L&T INFOTECH, S. DE R.L. DE C.V.
(Subsidiary of Larsen & Toubro Infotech Limited)

**Financial statements as of December 31, 2021,
with independent auditor's report**

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INDEPENDENT AUDITOR'S REPORT

To the Stockholders of:
L&T INFOTECH, S. DE R.L. DE C.V.
(Subsidiary of Larsen & Toubro Infotech Limited)

Opinion

We have audited the accompanying financial statements of L&T Infotech, S. de R.L. de C.V. (the Company) comprising the statement of financial position as of December 31, 2021, and the statements of comprehensive income, changes in stockholders' equity and cash flows for the period ended on December 31 as well as a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of L&T Infotech, S. de R.L. de C.V. as of December 31, 2021, as well as its result and cash flow for the year then ended, in accordance with Mexican Financial Reporting Standards (FRS).

Basis of opinion

We have conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under these standards are described in the section 'Responsibilities of the auditor for the audit of the financial statements' of this report. We believe that the audit evidence we have obtained provides a sufficient and adequate basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in accordance with the Code of Professional Ethics issued by the Mexican Institute of Public Accountants and have complied with our other ethical responsibilities in accordance with these requirements.

Management's responsibility in regards to the financial statements

The Management of the Company is responsible for the preparation and fair presentation of the accompanying financial statements in accordance with the Mexican FRS and for such internal control that the management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Management and those in charge of the Company's governance of the financial statements.

The Company's Management is responsible for the preparation and fair presentation of the accompanying financial statements in accordance with Mexican FRS and internal control that the Management considers necessary to enable the preparation of financial statements free of material misstatement due to fraud or error.

In the preparation of the financial statements, the Company's Management is responsible for assessing the Company's ability to continue as a going concern, revealing, where appropriate, the issues relating to the Company in operation and using the accounting bases of Company in operation unless the Administration intends to liquidate the Company or cease operations, or does not have the most realistic alternative to doing so.

Those in charge of the governance of the Company are responsible for overseeing the Company's financial reporting process.

Responsibilities of the auditor on the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether derived from fraud or error and to issue the auditor's report that includes our opinion.

Reasonable security is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. In corrections may arise from fraud or error and are considered material if, individually or as a whole, they can reasonably be expected to affect the economic decisions that users make on the basis of these financial statements.

As part of an audit in accordance with ISAs, the auditor exercises professional judgment and maintains professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether for fraud or error, design and perform audit procedures that responded to those risks, and we obtained audit evidence sufficient and appropriate to provide the basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is greater than that resulting from an error since fraud involves collusion, falsification, intentional omission, distortion, or internal control override.
- Obtain knowledge of internal control relevant to the audit, in order to design audit procedures that are appropriate to the circumstances and not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of the use of the Management of operating accounting bases and, based on the evidence obtained, if there is a material uncertainty regarding events or conditions that could give rise to significant doubt about the Company's ability to continue as a running company. If we conclude that there is material uncertainty, we are called upon to draw attention in our auditor's report on the respective disclosures in the financial statements or, if such disclosure is insufficient, to modify our opinion. Our findings are based on the audit evidence obtained to date from our auditor's report. However, future events or conditions may cause the Company to cease to be a running business.

- We evaluate the overall presentation, structure, and content of financial statements, including disclosures, and whether the financial statements present the underlying transactions and events and achieve a fair presentation.

We communicate with Company's Management regarding, inter alia, the expected scope and timing of the audit and significant audit results, including any significant weaknesses in internal control that we identified during our audit.

MOORE OROZCO MEDINA, S.C.

A handwritten signature in blue ink, appearing to read 'Liliana Miriam Blancas Estrada', is written over a faint circular stamp.

Liliana Miriam Blancas Estrada, CPA.
Audit Partner

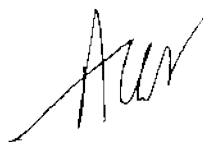
Mexico City, March 30, 2022

L&T INFOTECH, S. DE R.L. DE C.V.
(Subsidiary of Larsen & Toubro Infotech Limited)

Statements of Financial Position
As of December 31, 2021, and December 31, 2020

(Figures expressed in Mexican pesos)

	2021	2020
Assets		
Current:		
Cash and cash equivalents (Note 2.4)	\$ 7,603,564	\$ 5,113,408
Trade receivables (Note 2.5 and 3)	27,614,608	12,351,057
Advance taxes (Note 2.6)	180	259,248
Other current assets	1,317,135	104,621
Total current assets	36,535,487	17,828,334
Computer equipment (Note 2.7)	1,888,308	184,800
Income tax deferred (Note 2.10 and 5.1)	2,223,059	1,503,538
Total assets	\$ 40,646,854	\$ 19,516,672
Liability and Stockholders' equity		
Short-Term Liabilities:		
Suppliers and other payables	\$ 3,424,034	\$ 1,715,013
Related parties (Note 3)	15,312,454	9,046,049
Other current liabilities	13,294,425	5,904,181
Payable for Employee participation in profits	1,029,150	549,807
Total short-term liabilities	33,060,063	17,215,050
Stockholders' equity		
Capital stock (Note 2.12 and 4.1)	3,000	3,000
Retained earnings	2,298,622	83,779
Comprehensive (loss) income	5,285,169	2,214,843
Total stockholders' equity	7,586,791	2,301,622
Total liabilities and stockholders' equity	\$ 40,646,854	\$ 19,516,672



Alekh Gupta
Sole Manager

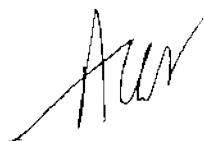
L&T INFOTECH, S. DE R.L. DE C.V.
(Subsidiary of Larsen & Toubro Infotech Limited)

Statements of Comprehensive Income
For the period ended on December 31, 2021, and December 31, 2020

(Figures expressed in Mexican pesos)

	2021	2020
Services revenue (Note 2.13)	\$ 138,784,010	\$ 64,786,708
Employee benefit expenses	122,590,219	53,763,106
General administrative & selling expenses	6,694,922	4,012,922
Operating (loss) profit	9,498,869	7,010,680
Comprehensive financing result:		
Interest (income) expense – Net	184,065	612,430
Foreign exchange (gain) loss– Net	1,541,595	2,833,864
	1,725,660	3,446,294
Profit (Loss) before tax	7,773,209	3,564,386
Income tax (Note 2.10 and 5)	2,488,040	1,349,543
Comprehensive Income (loss)	\$ 5,285,169	\$ 2,214,843

The attached notes are an integral part of these financial statements.



Alekh Gupta
Sole Manager

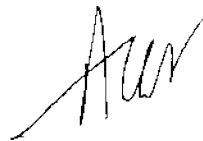
L&T INFOTECH, S. DE R.L. DE C.V.
(Subsidiary of Larsen & Toubro Infotech Limited)

Statement of Changes in Stockholders' Equity
for the period ended on December 31, 2021, and December 31, 2020

(Figures expressed in Mexican pesos)

	Capital stock	Cumulative Profits	Total stockholders' equity
Balances as of December 31, 2019	\$ 3,000	\$ 83,779	\$ 86,779
Comprehensive income of 2020		\$ 2,214,843	\$ 2,214,843
Balances as of December 31, 2020	\$ 3,000	\$ 2,298,622	\$ 2,301,622
Comprehensive income of 2021		\$ 5,285,169	\$ 5,285,169
Balances as of December 31, 2021	\$ 3,000	\$ 7,583,791	\$ 7,586,791

The attached notes are an integral part of these financial statements.



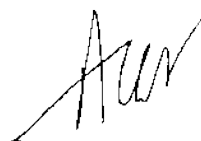
Alekh Gupta
Sole Manager

L&T INFOTECH, S. DE R.L. DE C.V.
(Subsidiary of Larsen & Toubro Infotech Limited)

Statements of Cash Flow
For the period ended on December 31, 2021, and December 31, 2020

(Figures expressed in Mexican pesos)

	2021	2020
Profit (Loss) after income tax	\$ 5,285,169	\$ 3,564,386
Operating Activities:		
Decrease (Increase) in Trade receivables	(15,256,480)	3,601,529
Decrease (Increase) in Advance taxes	259,068	(81,316)
Decrease (Increase) in Other current assets	(1,154,027)	4,872
Depreciation and amortization	307,062	22,597
Increase in Income tax-deferred	(719,521)	(335,416)
Increase in Suppliers and other payables accounts	1,650,533	847,035
Increase in payables to Related parties	13,109,025	2,016,998
Increase in Other current liabilities	7,383,174	493,982
Increase in payable for Employee participation in profits	479,343	51,362
Net cash from operating activities	11,343,346	10,186,029
Investment Activities:		
Acquisition of fixed assets	(2,010,570)	(170,000)
Net cash flow from investing activities.	(2,010,570)	(170,000)
Financing Activities:		
Loan payment with related parties	(6,842,619)	(6,325,313)
Loans obtained with related parties	-	-
Net cash flows from financing activities	(6,842,619)	(6,325,313)
Increase in cash and cash equivalents	2,490,157	3,690,716
Cash and cash equivalents at the beginning of the period	5,113,407	1,422,692
Cash and cash equivalents at year end	\$ 7,603,564	\$ 5,113,408



Alekh Gupta
Sole Manager

L&T INFOTECH, S. DE R.L. DE C.V.

(Subsidiary of Larsen & Toubro Infotech Limited)

Notes to the Financial Statements for the year ended December 31, 2021, and December 31, 2020

(Figures in Mexican pesos)

Note 1. History and activity of the Company

L&T Infotech, S. de R.L. de C.V., (the Company) is a subsidiary of Larsen & Toubro Infotech Limited. It was incorporated on March 1, 2017, under Mexican law, with registered office at Bosque de Ciruelos No. 180 PP 101, Colonia Bosques de las Lomas, Mexico City.

The company's aim is to provide consulting services and solutions related to information technology, including without limitation, automatic data processing, information technology, analytics and information models, cloud services, security and infrastructure services, open source technology, intelligent devices, application administrators, execution system developers, Oracle and SAP database, systems and business integration, cloud applications, geographic information systems as well as process improvement and business model design.

Note 2. Basis for preparation and summary of significant accounting policies

The financial statements as of December 31, 2021, have been prepared in compliance with the Mexican Financial Reporting Standards (MFRS), to expose a fair presentation of the Company's financial position.

The MFRS (*NIF*) state that the International Financial Reporting Standard, the International Accounting Standards (*NIC*), the International Financial Reporting Interpretations and the Interpretation Committee are a supplementary part of the MFRS when the absence of the MFRS requires it. Accordingly, the Company, with the purpose of recognizing, valuing, and disclosing its own particular transactions, applies the following supplementary NIC-18 "Ordinary activities income" effective as of January 1, 1995. (See note 2.11)

Previous year's figures have been regrouped / reclassified wherever applicable to facilitate comparability.

The following significant accounting policies are summarized, which have been applied consistently in the years presented, unless otherwise specified.

2.1 Recording, functional and reporting currency

Since the recording, functional and reporting currencies of the Company are the Mexican Pesos, it was not necessary to make any conversion process.

2.2 Inflationary effects

Under the provisions of NIF B-10 "Effects of inflation", from January 1, 2008, the Mexican economy is in a non-inflationary environment maintaining a cumulative inflation for the last three years below 26% (threshold to define that an economy should be considered as inflationary); therefore, from that date recognizing the effects of inflation on financial information was suspended. Consequently, the figures as of December 31, 2021, of the accompanying financial statements are presented in historical pesos.

The inflation rates are presented as follows:

	31 December	
	2021	2020
	(%)	(%)
Year	7.36	3.15
Accumulated in the last three years	13.34	10.81
Accumulated without including current year	5.98	7.66

2.3 Use of estimates

The preparation of financial statements in conformity with the MFRS requires accounting estimates. In addition, those rules require that management exercises professional judgment to define the accounting policies that will apply to the Company. Recognized accounting estimates will likely differ from actual results or events.

2.4 Cash and cash equivalents

Cash and cash equivalents include bank deposits.

2.5 Clients

Accounts receivable from clients represent amounts due by them and are generated by services provided in the normal course of operations of the Company. When the collection is expected in a period of one year or less from the closing date, they are presented as current assets. If the above does not comply, they are presented as non-current assets.

2.6 Tax Payable

Taxes payable represent the amounts payable by the Company generated by the income tax caused in the year.

The balance as of December 31, 2021 and December 31, 2020, of taxes payables, is as follows:

	2021	2020
Provisional payments		
Annual income tax	\$ 148,255	\$ 340,508
Total payable taxes	\$ 148,255	\$ 340,508

2.7 Computer equipment

Computer equipment is recorded at its historical cost. Depreciation is calculated using the straight-line method on the acquisition cost. The shelf life for calculating depreciation of computer equipment is 3.3 years at a rate of 30% annual depreciation.

2.8 Suppliers and other payable accounts

This part includes obligations with suppliers and other accounts payable for purchases of goods or services acquired in the normal course of the Company's operations. When the Company expects to pay them over a period of one year or less from the date of closing, they are presented in current liabilities. If the above does not comply, they are presented as non-current liabilities.

2.9 Provisions

Provisions for liabilities represent obligations for past events where the outflow of economic resources is more likely than not. These provisions have been recorded based on the management's best estimation.

2.10 Income Tax incurred and deferred

The income tax incurred in the year is presented as a net short-term liability of the advance payments made during the year.

The income tax incurred and deferred, are recognized as expenses (or reduction of expenses) in the comprehensive result of the period.

The deferred income tax is determined based on the method of assets and liabilities with comprehensive approach, which consists in recognizing a deferred income tax for all the temporary differences between the accounting and tax values of assets and liabilities expected to materialize in the future, at the rates issued and established in the tax provisions in force at the date of the financial statements (See note 5).

2.11 Exchange differences

Transactions in foreign currency are initially recorded at record currency applying the exchange rates prevailing on the dates they are entered into and/or settled. Assets and liabilities denominated in such currencies are translated at the exchange rate prevailing at the date of the statement of the financial position. Exchange gain or loss arising from fluctuations in the exchange rates between the transaction and settlement dates, or valuation at the period closing are recognized in the income as a component of the Financing Comprehensive Income (*RIF*).

As of December 31, 2021, and December 31, 20, the currency assets and liabilities expressed in US\$ dollars generated a financial position as follows:

	<u>2021</u>	<u>2020</u>
Assets	US\$ 861,963	US\$ 513,980
Liabilities	(822,155)	(386,495)
Position in foreign currency	<u>US \$ 39,808</u>	<u>US\$ 127,485</u>

The exchange rate used for the valuation of assets and liabilities in foreign currency as of December 31, 2021, was \$20.5835 pesos per US\$ dollar and December 31, 2020, was \$19.9487 pesos per US\$ dollar.

2.12 Stockholders' equity

The capital stock, legal reserve and retained earnings are expressed at historical cost. (See Note 4).

2.13 Revenue Recognition

Income derived from the sale of services in the normal course of the Company's operations is recognized at the fair value of the consideration received or receivable. Income is presented net of value added tax, rebates and discounts.

Considering the nature of the services sold by the Company, such as providing consulting services and solutions related to information technology, revenue is recognized when the services are provided and the customer has accepted the services in accordance with the sales contract, or when the Company has objective evidence that all acceptance criteria have been met.

An account receivable is recognized when services are provided, as this is the time when the consideration is unconditional, as only the passage of time is required before payment is due.

2.14 Comprehensive income

The comprehensive income comprises the net income or loss which is reflected in stockholders' equity and it does not constitute equity's contributions, reductions or distributions.

Note 3. Balances and transactions with related parties

The balances with related parties are as follows:

Figures in Mexican pesos

	<u>2021</u>	<u>2020</u>
Larsen and Toubro Infotech Limited, India (A) – payable	\$ (15,312,454)	\$ (2,203,430)
L&T Infotech Financial Services Technologies Inc - payable	-	(6,842,619)
Total related parties – payable	\$ (15,312,454)	\$ (9,046,049)
Larsen & Toubro Infotech Limited USA (B) – receivable	16,067,776	8,823,344
Total related parties - receivable	16,067,776	8,823,344
Total related parties – net payable	<u>\$ 755,322</u>	<u>\$ (222,705)</u>

(A) 2021: Corresponds to services received by the Company.

(B) Corresponds to the receivable and payable for the transfer of income and costs from Larsen and Toubro Infotech Limited USA as of December 31, 2021 (Receivable of \$16,884,290 vs Payable of \$816,514) and as of December 31, 2020 (Receivable of \$21,455,495 vs. Payable of \$12,632,151).

The transactions held with related parties were as follows:

		<u>2021</u>	<u>2020</u>
Income:			
Larsen & Toubro Infotech Limited, USA	Sale of services	\$103,825,954	\$ 47,912,187
Costs and Expenses:			
Larsen & Toubro Infotech Limited, USA	Consulting management services	\$131,870	-
Larsen & Toubro Infotech Limited, India	Onsite Software Development Services	\$24,235,100	3,604,052
Larsen & Toubro Infotech Limited, India	Marketing Support Services	\$1,424,935	2,807,420
Larsen & Toubro Infotech Limited, India	Expenses reimbursements	7,401	32,987
L&T Infotech Financial Services Technologies Inc.	Accrued Interest	124,621	598,595

Note 4. Stockholders' Equity

4.1 Capital stock

As of 31 December 2021, the variable capital stock is as follows:

Stockholder	Capital	Percentage
Larsen & Toubro Infotech Limited	\$ 2,970	99%
L&T Infotech Financial Services Technologies Inc.	30	1%
Total Capital Stock	<u>\$ 3,000</u>	<u>100%</u>

4.2 Legal reserve

According to the General Law of Commercial Companies, 5% of the net income of each year must be separated to form the legal reserve, until it is equal to one-fifth of the amount of paid-in capital stock. Such legal reserve may be capitalized unless the company dissolves and must be reconstituted when it is reduced due to any reason. Currently this reserve is included in the retained earnings.

4.3 Contributed capital account (CUCA) and Net tax account (CUFIN)

Distributed profits exceeding CUFIN and CUFINRE accounts (Net Tax Account and Net Tax Account Reinvested) are subject to income tax in accordance with the prevailing rate at the time of distribution.

The tax incurred from dividends paid will be payable by the Company and may be credited against income tax for the year or the following two years. Dividends paid from previously taxed profits are not subject to income tax withholding or additional tax payment.

According to the current Income Tax Law, dividends arising from CUFIN 2014 (profits generated from the year 2014) are subject to an additional tax of 10 percent; when paid to a natural person residing in Mexico or an alien, either natural or legal person, which must be withheld and paid by the Company, if the dividend comes from CUFIN 2013 it will not be subject to this new tax. When the two mentioned CUFIN accounts are not carried separately or when they do not identify the profits mentioned, it is understood that they were generated as of 2014.

The balance as of December 31, 2021, and as of December 31, 2020, from the contributed capital account (CUCA) and the net tax profit account is as follows:

	<u>2021</u>	<u>2020</u>
CUCA	\$ 3,715	\$ 3,460
CUFIN	4,086,142	(2,904 ,596)

Note 5. Income Tax

The provision for income tax (*ISR*) in 2021 and 2020 is analyzed as follows:

	<u>2021</u>	<u>2020</u>
ISR incurred	\$ 3,289,000	\$ 1,684,960
ISR deferred	(719,521)	(335,417)
Income taxes according to the statement of comprehensive income	<u>\$ 2,569,480</u>	<u>\$ 1,349,543</u>

5.1 Income Tax (ISR) Incurred and Deferred

On October 2013 the Senators and Representatives Chambers approved the issuance of a new Income Tax Law (*LISR*) which came into force on January 1, 2014, repealing the *LISR* published on January 1, 2002. The new Income Tax Law picked the essence of the previous Law, however, made significant changes, among which we can highlight the following:

- It limits deductions on contributions to pension funds and exempt salaries, car leasing, consumption in restaurants and in social security contributions; it also eliminates the immediate deduction in fixed assets.
- It changes the procedure to determine the tax base for Employee Profit Sharing (PTU) participation.
- It establishes a rate for the year 2014 and subsequent years of 30%.

As of December 31, 2021, the Company generated a taxable profit of \$ 10,963,332 Taxable income differs from the accounting, mainly due to items that accumulate over time and deduct differently for accounting and tax purposes, by recognizing the effects of inflation for tax purposes, as well as such items only affect the accounting or tax results.

As of December 31, 2020, the Company generated a taxable profit of \$ 5,616,534.

As of December 31, 2021, the main temporary differences, which recognized the deferred income tax, were about payroll provisions like leave encashment, vacation premium, medical insurance, travel & conveyance reimbursements, payroll taxes, profit sharing payable to employees, professional fees provision for income tax return, audit support fee, transfer pricing study, consultancy, audit fees, payroll fees, subcontracting & placement fee provisions disallowed for \$ 7,410,796

"Note 6. Labor obligations

With respect to NIF D-3, the company determines the estimation of the labor obligations to employees considering the calculation of four settlements per year, based on the fact that it is of recent creation and does not have a high risk in this regard.

Note 7. Ongoing Business.

On March 24, 2022, the management of the company has determined that the operation of the company shall be continued. The management expects contracts for new projects

Note 8. New Pronouncements

A series of Financial Reporting Standards (FRS) (*or NIF, for their acronym in Spanish*) that the CINIF issued during December 2020 and 2019 are described below, which will enter into force in 2022 and 2021, respectively. It is considered that said NIF will not have a significant impact on the financial information presented by the Company.

2022

The Improvements to the FRS are classified into two sections:

a. Section I: These are modifications to the FRS that, in accordance with FRS B-1, Accounting changes and corrections of errors, generate accounting changes in valuation, presentation or disclosure in the financial statements of the entities.

b. Section II: They are modifications to the NIF to make precisions to them that help to establish a clearer and more understandable regulatory approach; Because they are precisions, they do not generate accounting changes in the financial statements of the entities.

The most relevant changes that will come into force as of January 1, 2022, will be the following:

Section I

NIF B-7, Business Acquisitions: Establishes the treatment that must be given to business acquisitions between entities under common control, a situation that was not contemplated until now.

NIF B-15, Conversion of foreign currencies: The exception for conversion to the functional currency is included in the standard, which was previously contained in INIF 15.

NIF D-3, Employee Benefits: The treatment that should be given to the participation of workers in the utility is added, with the entry into force of the Reform on labor subcontracting, which was included in RT-53 .

NIF B-1, Accounting changes and error corrections: The CINIF considered that NIF B-1 should be modified to eliminate the requirement to disclose pro forma information when there is a change in the structure of the economic entity.

NIF B-10, Effects of inflation: This NIF requires certain disclosures when the entity operates in a non-inflationary economic environment; however, the CINIF has concluded that such disclosures should be conditioned to relevant situations, for example, when it is seen that inflation is increasing and could lead to a change in the inflationary environment.

NIF B-17, Determination of fair value: The CINIF considers it convenient to eliminate the disclosure requirement for a change in an accounting estimate, for revisions that come from a change in a valuation technique of NIF B-1, as it is considered to be of little relevance.

NIF C-6, Properties, plant and equipment: This NIF requires the disclosure of the time in which it is planned to carry out the constructions in progress, when there are approved plans for them. Since IFRS does not provide for a similar disclosure, such requirement will be removed.

Section II

NIF B-3, Statement of Comprehensive Income, NIF B-10, Effects of Inflation and NIF B-15, Foreign Currency Conversion: The accounting treatment of the Investment Units is eliminated. In addition, modifications will be made to certain NIFs to more widely cover the accounting treatment of UDIs and to be able to repeal Circular 54.

NIF B-6, Statement of financial position: The items contained in the standards issued in recent years are added.

NIF C-3, Accounts receivable, NIF C-16, Impairment of financial instruments receivable and NIF B-6 Statement of financial position: The reference to commercial accounts receivable is eliminated, leaving only accounts receivable.

NIF B-1, Accounting changes and correction of errors: Impracticality of presenting accounting changes, corrections of errors or reclassifications retrospectively.

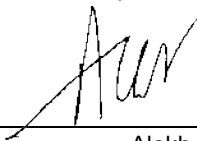
NIF B-17, Determination of fair value: The CINIF considered it appropriate to update the list of particular NIFs, where fair value is discussed.

Glossary: The terms of Purchase Method and Book Value Method are added and changes are made to the terms of Business Acquisitions and Compensation.

The initial adoption of this standard should be done prospectively.

Note 9. Approval of financial statements

On March 30, 2022, Alekh Gupta, Sole Manager, authorized the issuance of these financial statements and their corresponding notes as of December 31, 2021.



Alekh Gupta
Sole Manager

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SYNCORDIS S.A.

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

SYNCORDIS S.A.

Registered address: 5, Rue des Primeurs L – 2361 Strassen
R.C.S. Luxembourg B 105.331

MANAGEMENT REPORT ON 31st DECEMBER 2021

Dear Shareholders,

We have the honor to present to you, our report, and the annual accounts, for the year ended on 31st December 2021, for approval.

Evolution of business and the company's position

The balance sheet total for the year ended on 31st December 2021 is EUR 16 496 562,09.

We have ended the current financial year with a profit of EUR 1 121 767,08.

We recommend to allocate the profit of the financial year of EUR 1 121 767,08 to profit or loss brought forwards and in the Net Wealth Tax reserve to avoid Wealth Tax.

We beg you to grant full discharge to the Administrators, Directors and the Auditor for the execution of their mandate until 31st December 2021.

Significant events after the balance sheet closure

In 2021, the impact of COVID-19 on SYNCORDIS SA and SYNCORDIS PSF SA, is always monitored by Syncordis Management. Single Points of Contacts (SPOCS) have been named across all Syncordis Group for all regions (EMEA, Northern Europe, APAC and North America) and 21 managers participate to the calls (daily the first month and then three times a week).

A call at C-level is taking place on a weekly basis (every Friday) to follow the Cashflow at Group level and we have built different scenarios based on Client's payment delays from 20% to 50%.

In parallel we have evaluated the Government measures provided in Luxembourg and in the Group and checked potential support from our parent company, LTI :

No "Partial Unemployment" (we have called it "Job Preservation Measure" internally) have been asked since August'21.

SYNCORDIS PSF S.A., wholly owned subsidiary of the Company has no used partial unemployment proposed by ADEM.

As a conclusion :

- The current situation has an impact on our revenues
- There has been no hard-stop of projects
- A few projects didn't start and are delayed
- The Sales team is continuing answering to RFP and we expect these Client's decisions to be delayed further
- With the current end of lockdown planned in May (France, Luxembourg, UK) we remain positive and don't foresee any critical issue; still we need to properly manage our cashflow and be careful with our costs

Financial accounts as at 31/12/2021 have been prepared based on the accounting principle of continuity



Foreseeable development of the company

The company will continue its activities focused on the realization of investments, management and development based on the opportunities that will be identified and agreed by the Board of Administrators.

Activities in research and development

None.

Acquisition of own shares

On 31st December 2020, the company does not hold own shares in portfolio and did not acquire during the financial year ending on 31st December 2021.

Existence of branches

On 10 January 2020, the company has established a branch in Tunisia to develop its activities in the North Africa. However, nothing starts for the moment.

Change in Board Composition

On 15 March 2021, the shareholders noted and accepted resignation of Mr. Satyakanta Samal and Mr. Ashok Kumar Sonthalia from the Board of Directors of SYNCORDIS S.A. with effect from 31 December 2020 and 19 January 2021, respectively. Further, the shareholders also approved appointment of Mr. Nachiket Gopal Deshpande with effect from 15 March 2021.

Proposal for profit appropriation

The accounts presented show a profit of EUR 1 121 767,08

Incomes amounted to	28 372 711,67 EUR
and charges to	27 250 944,59 EUR
Profit of the exercise as at 31 st December 2021	1 121 767,08 EUR

We recommend to bring forward the profit of the year to the next year :

In accordance with the proposal Board of Administrators, the allocation of available results is as follows:

	Réserve légale	Réserves statutaires	Réserve quinquennale	Résultats reportés	Résultats de l'exercice
Au 31/12/2021	5 539,20	0,00	228 050,00	2 018 752,64	1 121 767,08
Mouvements après clôture de l'exercice :					
• Affectation des résultats sur l'exercice suivant	0,00	0,00	0,00	1 011 417,08	-1 011 417,08
• Distribution de dividendes	0,00	0,00	0,00	0,00	0,00
• Affectation à la réserve quinquennale	0,00	0,00	110 350,00	0,00	-110 350,00
• Affectation à la réserve légale	0,00	0,00	0,00	0,00	0,00
	5 539,20	0,00	338 400,00	3 030 169,72	0,00

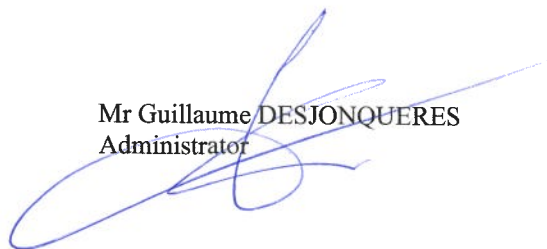
Done in Strassen, the 11th April 2022



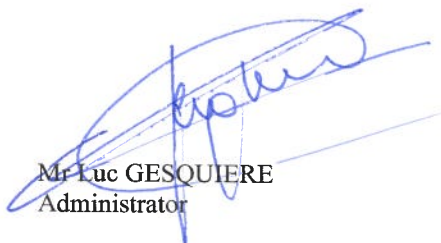
Mr Sudhir CHATURVEDI
Administrator



Mr Nachiket Gopal DESHPANDE
Administrator



Mr Guillaume DESJONQUERES
Administrator



Mr Luc GESQUIERE
Administrator



REPORT OF THE REVISEUR D'ENTREPRISES AGREE

To the Shareholders of

SYNCORDIS S.A.
105, route d'Arlon
L-8009 STRASSEN

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SYNCORDIS S.A. (the "Company"), which comprise the balance sheet as at 31st of December 2021, and the profit and loss account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31st of December 2021, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "Réviseur d'Entreprises Agréé" for the Audit of the Financial Statements » section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – COVID-19 Crisis

We draw the attention to Note 19 within the financial statements which indicates the effects that the Covid-19 outbreak may cause on the Company's activities. Our opinion is not modified in this matter.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the management report but does not include the financial statements and our report of the “Réviseur d’Entreprises Agréé” thereon.

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

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

Responsibilities of the Board of Directors and Those Charged with Governance for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Responsibilities of the “Réviseur d’Entreprises Agréé” for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “Réviseur d’Entreprises Agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "Réviseur d'Entreprises Agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "Réviseur d'Entreprises Agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

The management report is consistent with the financial statements and has been prepared in accordance with applicable requirements.

Luxembourg, 2 May 2022

ACF AUDIT Luxembourg S.A.
Represented by Stéphan MOREAUX
Réviseur d'entreprises agréé



Annual Accounts Helpdesk :

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RCSL Nr. : B105331

Matricule : 2004 2227 391

BALANCE SHEETFinancial year from ⁰¹ 01/01/2021 to ⁰² 31/12/2021 (in ⁰³ EUR)

SYNCORDIS S.A.

5 Rue des Primeurs

L-2361 Strassen

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid			
I. Subscribed capital not called	1101 _____	101 <u>0,00</u>	102 <u>0,00</u>
II. Subscribed capital called but unpaid	1103 _____	103 <u>0,00</u>	104 <u>0,00</u>
	1105 _____	105 <u>0,00</u>	106 <u>0,00</u>
B. Formation expenses	1107 _____	107 <u>0,00</u>	108 <u>0,00</u>
C. Fixed assets			
I. Intangible assets	1109 _____	109 <u>3 262 866,59</u>	110 <u>3 081 475,91</u>
1. Costs of development	1111 _____	111 <u>2 197 698,29</u>	112 <u>1 992 641,58</u>
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1113 _____	113 <u>0,00</u>	114 <u>0,00</u>
a) acquired for valuable consideration and need not be shown under C.I.3	1115 <u>note 3</u> _____	115 <u>2 197 698,29</u>	116 <u>1 320 596,58</u>
b) created by the undertaking itself	1117 _____	117 <u>29 796,97</u>	118 <u>5 858,10</u>
3. Goodwill, to the extent that it was acquired for valuable consideration	1119 _____	119 <u>2 167 901,32</u>	120 <u>1 314 738,48</u>
4. Payments on account and intangible assets under development	1121 _____	121 <u>0,00</u>	122 <u>0,00</u>
II. Tangible assets	1123 _____	123 <u>0,00</u>	124 <u>672 045,00</u>
1. Land and buildings	1125 <u>note 4</u> _____	125 <u>216 976,33</u>	126 <u>217 560,75</u>
2. Plant and machinery	1127 _____	127 <u>0,00</u>	128 <u>0,00</u>
	1129 _____	129 <u>0,00</u>	130 <u>0,00</u>

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B105331

Matricule : 2004 2227 391

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131	216 976,33	217 560,75
4. Payments on account and tangible assets in the course of construction	1133	0,00	0,00
III. Financial assets	note 5	848 191,97	871 273,58
1. Shares in affiliated undertakings	1135		
1. Shares in affiliated undertakings	1137	501 925,59	501 925,59
2. Loans to affiliated undertakings	1139	0,00	0,00
3. Participating interests	1141	0,00	0,00
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143	0,00	0,00
5. Investments held as fixed assets	1145	0,00	0,00
6. Other loans	1147	346 266,38	369 347,99
D. Current assets		13 036 020,50	11 917 790,31
I. Stocks		0,00	0,00
1. Raw materials and consumables	1153	0,00	0,00
2. Work in progress	1155	0,00	0,00
3. Finished goods and goods for resale	1157	0,00	0,00
4. Payments on account	1159	0,00	0,00
4. Payments on account	1161	0,00	0,00
II. Debtors	note 6	11 921 496,79	10 173 247,36
1. Trade debtors	1163		
1. Trade debtors	1165	3 985 114,70	3 626 340,91
a) becoming due and payable within one year	1167	3 985 114,70	3 626 340,91
b) becoming due and payable after more than one year	1169	0,00	0,00
2. Amounts owed by affiliated undertakings	1171	6 886 659,34	5 614 692,02
a) becoming due and payable within one year	1173	6 886 659,34	5 614 692,02
b) becoming due and payable after more than one year	1175	0,00	0,00
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177	0,00	0,00
a) becoming due and payable within one year	1179	0,00	0,00
b) becoming due and payable after more than one year	1181	0,00	0,00
4. Other debtors	1183	1 049 722,75	932 214,43
a) becoming due and payable within one year	1185	1 049 722,75	932 214,43
b) becoming due and payable after more than one year	1187	0,00	0,00

The notes in the annex form an integral part of the annual accounts

RCSL Nr.: **B105331**Matricule: **2004 2227 391**

	Reference(s)	Current year	Previous year
III. Investments	1189 _____	189 0,00	190 0,00
1. Shares in affiliated undertakings	1191 _____	191 0,00	192 0,00
2. Own shares	1209 _____	209 0,00	210 0,00
3. Other investments	1195 _____	195 0,00	196 0,00
IV. Cash at bank and in hand	1197 _____	197 1 114 523,71	198 1 744 542,95
E. Prepayments	1199 note 7 _____	199 197 675,00	200 131 122,33
TOTAL (ASSETS)		201 16 496 562,09	202 15 130 388,55

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
	1301	5 082 092,25	3 960 325,18
I. Subscribed capital	<u>note 8</u>	55 392,00	55 392,00
	1303		
II. Share premium account	<u>note 9</u>	1 652 591,33	1 652 591,33
	1305		
III. Revaluation reserve		0,00	0,00
	1307		
IV. Reserves	<u>note 10,11</u>	233 589,20	231 530,00
	1309		
1. Legal reserve		5 539,20	3 480,00
	1311		
2. Reserve for own shares		0,00	0,00
	1313		
3. Reserves provided for by the articles of association		0,00	0,00
	1315		
4. Other reserves, including the fair value reserve		228 050,00	228 050,00
	1429		
a) other available reserves		0,00	0,00
	1431		
b) other non available reserves		228 050,00	228 050,00
	1433		
V. Profit or loss brought forward	<u>note 11</u>	2 018 752,64	1 569 540,13
	1319		
VI. Profit or loss for the financial year	<u>note 11</u>	1 121 767,08	451 271,72
	1321		
VII. Interim dividends		0,00	0,00
	1323		
VIII. Capital investment subsidies		0,00	0,00
	1325		
B. Provisions	<u>note 12</u>	2 844 974,21	1 870 876,57
	1331		
1. Provisions for pensions and similar obligations		0,00	0,00
	1333		
2. Provisions for taxation		0,00	0,00
	1335		
3. Other provisions		2 844 974,21	1 870 876,57
	1337		
C. Creditors	<u>note 13</u>	7 994 460,63	7 983 216,80
	1435		
1. Debenture loans		0,00	0,00
	1437		
a) Convertible loans		0,00	0,00
	1439		
i) becoming due and payable within one year		0,00	0,00
	1441		
ii) becoming due and payable after more than one year		0,00	0,00
	1443		
b) Non convertible loans		0,00	0,00
	1445		
i) becoming due and payable within one year		0,00	0,00
	1447		
ii) becoming due and payable after more than one year		0,00	0,00
	1449		
2. Amounts owed to credit institutions		2 206 748,87	1 974 049,26
	1355		
a) becoming due and payable within one year		2 206 748,87	1 974 049,26
	1357		
b) becoming due and payable after more than one year		0,00	0,00
	1359		

RCSL Nr.: **B105331**Matricule : **2004 2227 391**

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361	0,00	0,00
a) becoming due and payable within one year	1363	0,00	0,00
b) becoming due and payable after more than one year	1365	0,00	0,00
4. Trade creditors	1367	626 542,81	220 397,02
a) becoming due and payable within one year	1369	626 542,81	220 397,02
b) becoming due and payable after more than one year	1371	0,00	0,00
5. Bills of exchange payable	1373	0,00	0,00
a) becoming due and payable within one year	1375	0,00	0,00
b) becoming due and payable after more than one year	1377	0,00	0,00
6. Amounts owed to affiliated undertakings	1379	3 499 726,32	3 442 745,34
a) becoming due and payable within one year	1381	3 499 726,32	3 442 745,34
b) becoming due and payable after more than one year	1383	0,00	0,00
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385	0,00	0,00
a) becoming due and payable within one year	1387	0,00	0,00
b) becoming due and payable after more than one year	1389	0,00	0,00
8. Other creditors	1451	1 661 442,63	2 346 025,18
a) Tax authorities	1393	1 407 546,22	1 007 183,97
b) Social security authorities	1395	208 053,55	1 271 344,71
c) Other creditors	1397	45 842,86	67 496,50
i) becoming due and payable within one year	1399	45 842,86	67 496,50
ii) becoming due and payable after more than one year	1401	0,00	0,00
D. Deferred income	1403 note 14	575 035,00	1 315 970,00
TOTAL (CAPITAL, RESERVES AND LIABILITIES)	405	16 496 562,09	15 130 388,55

The notes in the annex form an integral part of the annual accounts

Annual Accounts Helpdesk :

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RCSL Nr. : B105331

Matricule : 2004 2227 391

ABRIDGED PROFIT AND LOSS ACCOUNTFinancial year from ⁰¹ 01/01/2021 to ⁰² 31/12/2021 (in ⁰³ EUR)**SYNCORDIS S.A.****5 Rue des Primeurs****L-2361 Strassen**

	Reference(s)	Current year	Previous year
1. to 5. Gross profit or loss	1651 <u>note 15</u>	651 <u>19 995 571,23</u>	652 <u>0,00</u>
6. Staff costs	1605 <u>note 16</u>	605 <u>-15 045 253,94</u>	606 <u>-13 613 921,72</u>
a) Wages and salaries	1607 _____	607 <u>-13 551 814,66</u>	608 <u>-12 130 929,91</u>
b) Social security costs	1609 _____	609 <u>-1 493 439,28</u>	610 <u>-1 482 991,81</u>
i) relating to pensions	1653 _____	653 <u>-1 450 588,00</u>	654 <u>-811 392,96</u>
ii) other social security costs	1655 _____	655 <u>-42 851,28</u>	656 <u>-671 598,85</u>
c) Other staff costs	1613 _____	613 <u>0,00</u>	614 <u>0,00</u>
7. Value adjustments	1657 _____	657 <u>-545 968,32</u>	658 <u>-295 378,17</u>
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 <u>note 3,4,6</u>	659 <u>-545 968,32</u>	660 <u>-315 065,35</u>
b) in respect of current assets	1661 _____	661 <u>0,00</u>	662 <u>19 687,18</u>
8. Other operating expenses	1621 _____	621 <u>-3 047 386,92</u>	622 <u>-1 434 230,80</u>

The notes in the annex form an integral part of the annual accounts

	Reference(s)	Current year	Previous year
9. Income from participating interests	1715	0,00	0,00
a) derived from affiliated undertakings	1717	0,00	0,00
b) other income from participating interests	1719	0,00	0,00
10. Income from other investments and loans forming part of the fixed assets	1721	0,00	0,00
a) derived from affiliated undertakings	1723	0,00	0,00
b) other income not included under a)	1725	0,00	0,00
11. Other interest receivable and similar income	1727	118 454,14	124 845,14
a) derived from affiliated undertakings	1729	53 861,89	49 011,58
b) other interest and similar income	1731	64 592,25	75 833,56
12. Share of profit or loss of undertakings accounted for under the equity method	1663	0,00	0,00
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	0,00	0,00
14. Interest payable and similar expenses	1627	-119 998,75	-141 386,86
a) concerning affiliated undertakings	1629	0,00	-3 892,14
b) other interest and similar expenses	1631 note 13	-119 998,75	-137 494,72
15. Tax on profit or loss	1635	-217 600,36	-288 274,78
16. Profit or loss after taxation	1667	1 137 817,08	-15 648 347,19
17. Other taxes not shown under items 1 to 16	1637	-16 050,00	-2 245,00
18. Profit or loss for the financial year	1669	1 121 767,08	-15 650 592,19

SYNCORDIS S.A.**ASSETS as at 31/12/2021**

EUR

ASSETS	31/12/2021	31/12/2020
A Subscribed capital unpaid	0.00	0.00
I Subscribed capital not called		
II Subscribed capital called but unpaid		
B Formation expenses		
C Fixed assets	3 262 866.59	3 081 473.30
I Intangible assets	2 197 698.29	1 992 641.58
1 Costs of development		
2 Concessions, patents, licences, trade marks and similar rights and assets, if they were	2 197 698.29	1 320 596.58
a) acquired for valuable consideration and need not be shown under C.I.3	29 796.97	5 858.10
b) created by the undertaking itself	2 167 901.32	1 314 738.48
3 Goodwill, to the extent that it was acquired for valuable consideration		
4 Payments on account and intangible assets under development	0.00	672 045.00
II Tangible assets	216 976.33	217 560.75
1 Land and buildings		
2 Plant and machinery	0.00	0.00
3 Other fixtures and fittings, tools and equipment	216 976.33	217 560.75
4 Payments on account and tangible assets in the course of construction		
III Financial assets	848 191.97	871 270.97
1 Shares in affiliated undertakings	501 925.59	501 922.98
2 Loans to affiliated undertakings		
3 Participating interests		
4 Loans to undertakings with which the undertaking is linked by virtue of participating inte		
5 Investments held as fixed assets	0.00	0.00
6 Other loans	346 266.38	369 347.99
D Current assets	13 036 020.50	11 177 681.31
I Stocks	0.00	0.00
1 Raw materials and consumables		
2 Work in progress		
3 Finished goods and goods for resale		
4 Payments on account		
II Debtors	11 921 496.79	9 531 282.14
1 Trade debtors		
a) becoming due and payable within one year	3 985 114.70	4 011 040.91
b) becoming due and payable after more than one year		
2 Amounts owed by affiliated undertakings		
a) becoming due and payable within one year	6 886 659.34	4 809 669.34
b) becoming due and payable after more than one year	0.00	0.00
3 Amounts owed by undertakings with which the undertaking is linked by virtue of participati		
a) becoming due and payable within one year		
b) becoming due and payable after more than one year		
4 Other debtors		
a) becoming due and payable within one year	1 049 722.75	710 571.89
b) becoming due and payable after more than one year	0.00	0.00
III Investments	0.00	0.00
1 Shares in affiliated undertakings		
2 Own shares		
3 Other investments		
IV Cash at bank and in hand	1 114 523.71	1 646 399.17
E Prepayments	197 675.00	125 741.00
TOTAL ASSETS	16 496 562.09	14 384 895.61

ASSETS		31/12/2021	31/12/2020
C/II/2(a)	Fixed assets		
	Intangible assets		
	Concessions, patents, licences, trade marks and similar rights and assets, if they were acquired for valuable consideration and need not be shown under C.I.3	29 796.97	5 858.10
	212130000 Software licences	53 364.00	23 750.00
	212130009 IT licences (software and software packages)	-23 567.03	-17 891.90
C/II/2(b)	created by the undertaking itself	2 167 901.32	1 314 738.48
	212230100 Software and software package - created by the undertaking itself (Produced inta	1 579 820.59	1 579 820.59
	212230109 Software and software package - created by the undertaking itself (Produced inta	-557 946.31	-265 982.11
	212230200 Software and software package (SAAS V2) - created by the undertaking itself (Pro	668 145.00	0.00
	212230209 Software and software package (SAAS V2) - created by the undertaking itself (Pro	-100 221.75	0.00
	212230300 Software and software package (SAAS V3) - created by the undertaking itself (Pro	577 203.79	0.00
	212241000 Brand "Syncordis"	900.00	900.00
C/II/4	Payments on account and intangible assets under development	0.00	672 045.00
	214200000 Concessions, patents, licences, trademarks and similar rights and assets	0.00	672 045.00
C/II/3	Tangible assets		
	Other fixtures and fittings, tools and equipment	216 976.33	217 560.75
	223400000 Furniture and hardware	843 692.36	696 169.60
	223400009 Furniture - value adjustment	-629 716.06	-484 608.88
	223800000 Other fixtures	33 207.61	33 207.61
	223800009 Other facilities - value adjustment	-30 207.58	-27 207.58
C/III/1	Financial assets		
	Shares in affiliated undertakings	501 925.59	501 922.98
	231010000 Shares in affiliated undertakings - Syncordis France S.à r.l.	100 623.60	100 623.60
	231030000 Shares in affiliated undertakings - Syncordis Ltd (UK)	1 299.38	1 299.38
	231040000 Shares in affiliated undertakings - SYNCORDIS PSF S.A.	400 000.00	400 000.00
	231050000 Shares in affiliated undertakings - NIESLEN + PARTNER Co., Ltd (Bangkok)	2.61	0.00
C/III/6	Other loans	346 266.38	369 347.99
	236210000 Guarantees	346 266.38	369 347.99
D/II/1(a)	Current assets		
	Debtors		
	Trade debtors		
	becoming due and payable within one year	3 985 114.70	4 011 040.91
	401100000 Customers	2 337 221.35	3 181 724.17
	401300000 Doubtful or disputed customers	83 538.00	83 538.00
	401400000 Customers - Unbilled sales	1 579 488.49	817 178.74
	401900000 Value adjustments	-71 400.00	-71 400.00
	441130000 Suppliers with a debit balance	56 266.86	0.00
D/II/2(a)	Amounts owed by affiliated undertakings		
	becoming due and payable within one year	6 886 659.34	4 809 669.34
	411111000 Sales of goods and services to affiliated undertakings	2 115 745.51	1 053 699.56
	411120000 Loans and advances	0.00	4 050.00
	411122000 Advances Syncordis Ltd (UK)	3 394 399.52	2 888 876.70
	411123000 Advances SYNCORDIS PSF S.A.	299 995.28	104 807.38
	411124000 Advances Syncordis France S.à r.l.	1 073 087.78	754 804.45
	411183000 Amounts owed by affiliated undertakings - C/C SYNCORDIS PSF S.A. - Tax unity	3 431.25	3 431.25

Detail for ASSETS

ASSETS		31/12/2021	31/12/2020
D/II/4/a)	Other debtors becoming due and payable within one year	1 049 722.75	710 571.89
	421110000 Advances and down payments	-2 500.78	6 856.61
	421410019 Advances IRC 2019	326 700.00	326 700.00
	421410020 Advances IRC 2020	167 325.00	167 325.00
	421410021 Advances IRC 2021	223 100.00	0.00
	421420019 Advances ICC 2019	124 098.00	124 098.00
	421420020 Advances ICC 2020	71 931.00	71 931.00
	421420021 Advances ICC 2021	95 908.00	0.00
	421611100 Input VAT on UE purchases or sales	-1 590.78	1 540.33
	421613010 VAT receivable - Nielsen + Partner S.A. (Luxembourg) - Merger	587.59	0.00
	421711000 Mutualité des employeurs	36 606.82	12 120.95
	421880100 Lunch vouchers - Nielsen + Partner S.A. (Luxembourg) - Merger	2 372.40	0.00
	421880200 Guarantees - Nielsen + Partner S.A. (Luxembourg) - Merger	5 185.50	0.00
D/IV	Cash at bank and in hand	1 114 523.71	1 646 399.17
	513100004 ING LU95 0142 2397 0711 0000	0.00	8 395.90
	513101000 BCEE C/C LU24 0019 2355 2609 5000 (EUR)	634 532.73	1 111 897.89
	513101100 VISA LU39 0141 7397 0718 0000	0.00	-163.00
	513101300 VISA LU32 0141 6397 0711 0000	0.00	-337.95
	513101400 ING LU38 0141 1397 0710 3030 (GBP)	0.00	-19.16
	513101600 VISA LU82 0141 8397 0711 2000	0.00	-311.31
	513101700 VISA Denis MULLER LU10 0141 9397 0711 3000	0.00	-361.85
	513101900 ING LU59 0141 7397 0710 3010 (USD)	0.00	-147.16
	513103000 ING LU64 0141 9397 0710 000	0.00	339 918.67
	513107000 VISA LU76 0141 1397 0712 0000	0.00	-5 535.77
	513120000 BCEE C/C LU23 0019 5855 3829 6000 (GBP)	1 007.23	970.52
	513130000 BCEE C/C LU06 0019 5855 5396 2000 (USD)	478 983.75	164 192.36
	517100000 Internal transfers : debit balance	0.00	27 900.03
E/	Prepayments	197 675.00	125 741.00
	481000000 Deferred charges (on one or more financial years)	197 675.00	125 741.00

SYNCORDIS S.A.

EUR

CAPITAL, RESERVES AND LIABILITIES as at 31/12/2021

CAPITAL, RESERVES AND LIABILITIES	31/12/2021	31/12/2020
A Capital and reserves	5 082 092.25	2 644 976.31
I Subscribed capital	55 392.00	34 800.00
II Share premium account	1 652 591.33	89 823.60
III Revaluation reserve		
IV Reserves	233 589.20	231 530.00
1 Legal reserve	5 539.20	3 480.00
2 Reserve for own shares	0.00	0.00
3 Reserves provided for by the articles of association		
4 Other reserves, including the fair value reserve		
a) other available reserves		
b) other non available reserves	228 050.00	228 050.00
V Profit or loss brought forward	2 018 752.64	2 062 496.26
VI Profit or loss for the financial year	1 121 767.08	226 326.45
VII Interim dividends	0.00	0.00
VIIICapital investment subsidies		
B Provisions	2 844 974.21	1 817 305.77
1 Provisions for pensions and similar obligations		
2 Provisions for taxation		
3 Other provisions	2 844 974.21	1 817 305.77
C Creditors	7 994 460.63	8 606 643.53
1 Debenture loans		
a) Convertible loans		
i) becoming due and payable within one year		
ii) becoming due and payable after more than one year		
b) Non convertible loans		
i) becoming due and payable within one year		
ii) becoming due and payable after more than one year		
2 Amounts owed to credit institutions		
a) becoming due and payable within one year	6 772.60	0.00
b) becoming due and payable after more than one year	2 199 976.27	1 967 173.06
3 Payments received on account of orders in so far as they are not shown separately as deduc		
a) becoming due and payable within one year		
b) becoming due and payable after more than one year		
4 Trade creditors		
a) becoming due and payable within one year	626 542.81	196 477.53
b) becoming due and payable after more than one year		
5 Bills of exchange payable		
a) becoming due and payable within one year		
b) becoming due and payable after more than one year		
6 Amounts owed to affiliated undertakings		
a) becoming due and payable within one year	3 499 726.32	4 316 803.67
b) becoming due and payable after more than one year		
7 Amounts owed to undertakings with which the undertaking is linked by virtue of participati		
a) becoming due and payable within one year		
b) becoming due and payable after more than one year		
8 Other creditors		
a) Tax authorities	1 407 546.22	806 396.98
b) Social security authorities	208 053.55	1 265 857.69
c) Other creditors		
i) becoming due and payable within one year	45 842.86	23 717.66
ii) becoming due and payable after more than one year	0.00	30 216.94
D Deferred income	575 035.00	1 315 970.00
TOTAL CAPITAL, RESERVES AND LIABILITIES	16 496 562.09	14 384 895.61

Detail for CAPITAL, RESERVES AND LIABILITIES

CAPITAL, RESERVES AND LIABILITIES		31/12/2021	31/12/2020
A/I	Capital and reserves		
	Subscribed capital	55 392.00	34 800.00
	101000000 Subscribed capital	55 392.00	34 800.00
A/II	Share premium account	1 652 591.33	89 823.60
	111000000 Share premium	89 823.60	89 823.60
	112100000 Merger premiums - Nielsen + Partner S.A. (Luxembourg) - Merger	1 562 767.73	0.00
A/IV/1	Reserves		
	Legal reserve	5 539.20	3 480.00
	131000000 Legal reserve	5 539.20	3 480.00
A/IV/4/b)	Other reserves, including the fair value reserve other non available reserves	228 050.00	228 050.00
	138210000 Reserve for net wealth tax (NWT)	228 050.00	228 050.00
A/V	Profit or loss brought forward	2 018 752.64	2 062 496.26
	141200000 Results brought forward (assigned)	2 018 752.64	2 062 496.26
A/VI	Profit or loss for the financial year	1 121 767.08	226 326.45
	142000000 Result for the financial year	1 121 767.08	226 326.45
B//3	Provisions		
	Other provisions	2 844 974.21	1 817 305.77
	188100300 Accrual - Pécule simple BE	25 268.77	1 003.68
	188110000 Provisions pour congés	259 743.44	253 302.09
	188120000 Provisions pour primes	1 666 550.00	1 563 000.00
	188122000 Fidelity bonus - Second Part	893 412.00	0.00
C//2/a)	Creditors		
	Amounts owed to credit institutions becoming due and payable within one year	6 772.60	0.00
	194110000 VISA BCEE 4940 3619 0301 7029 (DESJONQUERES Guillaume)	5 485.55	0.00
	194120000 VISA BCEE 4940 3619 0923 0899 (PLANCQ Laurence)	296.86	0.00
	194130000 VISA BCEE 4940 3619 0467 5296 (BERTO David)	581.60	0.00
	194140000 VISA BCEE 4940 3619 0108 2355 (SERVAIS Pierre)	408.59	0.00
C//2/b)	becoming due and payable after more than one year	2 199 976.27	1 967 173.06
	194201000 HSBC LU09 3740 1010 1481 9030	1 228 484.95	0.00
	194210100 HSBC LU09 3740 1010 1481 9030	0.00	1 485 456.10
	194210200 HSBC LU25 3740 1010 1481 9130 (GBP)	971 491.32	481 716.96
C//4/a)	Trade creditors		
	becoming due and payable within one year	626 542.81	196 477.53
	401500000 Customers with a credit balance	210 676.03	0.00
	441110000 Suppliers	293 250.50	92 183.53
	441120000 Suppliers - invoices not yet received	122 616.28	104 294.00
C//6/a)	Amounts owed to affiliated undertakings becoming due and payable within one year	3 499 726.32	4 316 803.67
	451111000 Sales of goods and services from affiliated undertakings	3 499 723.71	4 316 803.67
	451122000 Loan Nielsen + Partner GmbH (Germany)	2.61	0.00

Detail for CAPITAL, RESERVES AND LIABILITIES

CAPITAL, RESERVES AND LIABILITIES 31/12/2021 31/12/2020

C//8/a)	Other creditors		
	Tax authorities	1 407 546.22	806 396.98
	461211018 Corporate Income Tax (IRC) 2018 - provision	0.00	38 117.39
	461211019 Corporate Income Tax (IRC) 2019 - provision	0.00	40 901.44
	461211020 Corporate Income Tax (IRC) 2020 - provision	126 119.80	0.01
	461211021 Corporate Income Tax (IRC) 2021 - provision	111 000.00	0.00
	461221020 Municipal Income Tax (ICC) 2020 - provision	0.01	0.01
	461221021 Municipal Income Tax (ICC) 2021 - provision	86 200.00	0.00
	461221103 Municipal Income Tax (ICC) 2020 - SYNCORDIS PSF SA - Tax unity - provision	-18 096.75	3 431.25
	461231000 NWT - Tax accrual	16 050.00	0.00
	461240000 Withholding tax on wages and salaries	165 539.50	126 883.95
	461240100 Withholding tax on rem. & wages BE	29 765.89	2 467.69
	461411000 VAT received	1 590.77	0.00
	461411100 Output VAT on UE purchases or sales	-1 590.78	1 540.33
	461412000 VAT payable	890 967.78	593 054.91
C//8/b)	Social security authorities	208 053.55	1 265 857.69
	462100000 Social Security office (CCSS)	201 882.22	1 263 612.76
	462200100 Social security office ONSS BE	6 171.33	2 244.93
C//8/c/i)	Other creditors		
	becoming due and payable within one year	45 842.86	23 717.66
	471200000 Amounts payable to partners and shareholders (others than from affiliated undert	0.00	417.00
	471410000 Personnel - Rémunérations dues	22 071.64	4 649.02
	471410100 Staff remuneration payable BE	-1 626.85	2 502.38
	471430000 Staff - Oppositions, seizures	26.60	0.00
	471480100 Other staff payables - Pécule simple BE	13 589.13	0.00
	471800000 Other miscellaneous debts	6 800.00	6 800.00
	471811000 Employess expenses	-27.00	2 382.68
	471812000 Employees' expenses to be paid	5 009.34	6 966.58
C//8/c/ii)	becoming due and payable after more than one year	0.00	30 216.94
	472820000 ADEM - Chômage partiel - Other subsidies to promote employment	0.00	30 216.94
D/	Deferred income		
		575 035.00	1 315 970.00
	482000000 Deferred income (on one or more financial years)	575 035.00	1 315 970.00

SYNCORDIS S.A.**PROFIT AND LOSS ACCOUNT**

EUR

PROFIT AND LOSS ACCOUNT	31/12/2021	31/12/2020
1 Net turnover	25 403 429.70	20 222 030.93
2 Variation in stocks of finished goods and in work in progress		
3 Work performed by the undertaking for its own purposes and capitalised	573 303.79	716 647.00
4 Other operating income	2 240 825.94	1 702 149.90
5 Raw materials and consumables and other external expenses		
a) Raw materials and consumables	0.00	0.00
b) Other external expenses	-8 221 988.20	-7 959 732.00
6 Staff costs		
a) Wages and salaries	-13 551 814.66	-11 426 377.07
b) Social security costs		
i) relating to pensions	-1 450 588.00	-1 343 183.70
ii) other social security costs	-42 851.28	-5 316.95
c) Other staff costs	0.00	0.00
7 Value adjustments		
a) in respect of formation expenses and of tangible and intangible fixed asset	-545 968.32	-315 065.35
b) in respect of current assets	0.00	19 687.18
8 Other operating expenses	-3 047 386.92	-1 286 713.29
9 Income from participating interests		
a) derived from affiliated undertakings	0.00	0.00
b) other income from participating interests		
10 Income from other investments and loans forming part of the fixed assets		
a) derived from affiliated undertakings	0.00	1 322.73
b) other income not included under a)		
11 Other interest receivable and similar income		
a) derived from affiliated undertakings	53 861.89	49 011.58
b) other interest and similar income	64 592.25	74 510.83
12 Share of profit or loss of undertakings accounted for under the equity method		
13 Value adjustments in respect of financial assets and of investments held as current assets	0.00	0.00
14 Interest payable and similar expenses		
a) concerning affiliated undertakings	0.00	-3 892.14
b) other interest and similar expenses	-119 998.75	-136 303.10
15 Tax on profit or loss	-217 600.36	-3 431.27
16 Profit or loss after taxation	1 137 817.08	305 345.28
17 Other taxes not shown under items 1 to 16	-16 050.00	-79 018.83
18 Profit or loss for the financial year	1 121 767.08	226 326.45

Detail for PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT

31/12/2021

31/12/2020

//1	Net turnover		25 403 429.70	20 222 030.93
	703300000	Sales of services not mentioned above	21 891 528.99	19 868 223.77
	703300100	Services - Credit note to be issued	400 000.00	136 720.25
	703301000	Services to Syncordis France SARL	0.00	57 657.67
	703301100	Management/Back Office costs charged to Syncordis France SARL	150 745.12	125 948.09
	703302000	Services to Syncordis PSF S.A.	243 414.73	106 041.60
	703302100	Warrants sale to Syncordis Support Services S.A.	0.00	60 591.94
	703302200	Management/Back Office costs charged to Syncordis PSF S.A.	40 755.72	39 872.60
	703303000	Services to Syncordis Ltd (UK)	138 748.11	87 293.22
	703303100	Management/Back Office costs charged to Syncordis Ltd UK	101 711.39	74 017.61
	703304000	Services to Nielsen & Partner (DE)	266 538.60	35 390.38
	703304100	Management/Back Office costs charged to Nielsen & Partner (DE)	119 574.48	115 791.16
	703305100	Management/Back Office costs charged to Nielsen & Partner (AU)	29 373.84	26 903.18
	703306000	Services to Nielsen + Partner Pte Ltd - Singapore	10 121.80	0.00
	703306100	Management/Back Office costs charged to Nielsen + Partner Pte Ltd - Singapore	164 337.35	157 192.10
	703307000	Services to Nielsen + Partner Unternehmensberater AG (Switzerland) - customer	209 811.80	0.00
	703307100	Management/Back Office costs charged to Nielsen + Partner Unternehmensberater AG	84 271.92	78 781.77
	703308100	Management/Back Office costs charged to Nielsen & Partner (Luxembourg)	0.00	127 729.80
	703309110	Management/Back Office costs charged to Nielsen & Partner (Bangkok)	11 134.92	11 197.28
	703310000	Trade debtors - sales invoice accruals	994 861.88	601 991.34
	703311100	Trade debtors - sales invoice deferred	-337 520.00	-1 223 221.99
	703311200	Resumption on deferred sales income	1 093 671.00	15 417.00
	703319000	Services to LARSEN & TOUBRO INFOTECH LIMITED Saudi Arabi (Customer)	23 554.18	0.00
	703319200	Services to Larsen & Tourbo Infotech (Singapore)	0.00	153 266.06
	703320000	Resumption on sales invoice accruals	-233 206.13	-434 773.90
//3	Work performed by the undertaking for its own purposes and capitalised		573 303.79	716 647.00
	721230100	Software and software package - created by the undertaking itself (Produced inta	566 515.50	440 703.00
	721230200	Software and software package - created by the undertaking itself (Produced inta	6 788.29	275 944.00
//4	Other operating income		2 240 825.94	1 702 149.90
	744220000	Disposal proceeds of tangible fixed assets	2 306.81	1 153.89
	745410000	Other subsidies to promote employment - ADEM	18 778.00	31 717.82
	745800000	Other subsidies for operating activities	14 717.37	6 824.59
	748800000	Miscellaneous operating income	235 075.88	430 787.81
	748800100	Other sundry operating income BE	6 171.92	191.35
	748803000	Other sundry operating income - SYNCORDIS PSF S.A. - Tax unity	0.00	3 431.25
	748810000	Other operating income	140 672.97	149 043.19
	748830000	Other sundry extraordinary income	24.57	0.00
	749210100	Reverse on Accrual "Pécule simple BE"	6 776.33	0.00
	749220000	Reprises de provisions pour primes	1 816 302.09	1 079 000.00
//5/b)	Raw materials and consumables and other external expenses			
	Other external expenses		-8 221 988.20	-7 959 732.00
	611112451	Rental charges for 3, Rue des Foyers L-1537 Luxbg (Liliane PEIFFER-LUCAS)	-400.00	0.00
	611120000	Rent 5, Rue des Primeurs L-2361 Luxembourg	-473 272.08	-267 529.56
	611121000	Charges 5, Rue des Primeurs L-2361 Luxembourg	-98 226.00	-105 757.29
	611121200	Location appartement 19, Rue des Champs L-7480 TUNTANGE	0.00	-2 800.00
	611121210	Charges appartement 19, Rue des Champs L-7480 TUNTANGE	-60.50	-791.80
	611121450	Rent for 3, Rue des Foyers L-1537 Luxbg (Liliane PEIFFER-LUCAS)	-9 180.00	0.00
	611121460	Rent Meeting room (BE)	-550.29	0.00
	611121470	Rent BE (Tribes Brussels Avenue Marnix)	-3 366.49	0.00
	611122000	Parking int. 5, Rue des Primeurs L-2361 Luxembourg	-67 020.36	-46 560.00
	611123000	Parking ext. 5, Rue des Primeurs L-2361 Luxembourg	-18 113.63	-11 700.00

Detail for PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT		31/12/2021	31/12/2020
611124000	Salle IT, 5, Rue des Primeurs L-2361 Luxembourg	-1 207.57	-600.00
611126000	Rent for 105, Route d'Arlon L-8009 Strassen	33.39	-160 806.44
611126100	Rental charges for offices 105, Route d'Arlon L-8009 Strassen	-2 818.40	-6 580.86
611126300	Parking 105, Rte d'Arlon L-8009 Strassen	0.00	-1 980.00
611128000	Rent for Bd Charles Simonis (Jung)	-20 400.00	-20 400.00
611128100	Rental charges Bd Charles Simonis (Jung)	-2 160.00	-2 160.00
611230000	Rolling stock	-1 371.89	-1 181.73
611230029	Leasing BN5458	-5 313.19	-6 640.56
611230034	Leasing UU 9178	-3 712.61	-3 920.62
611230035	Leasing AY4000 - Volvo XC60 2.4 D5 4WD - Heindrichs Dominique	-5 367.08	-9 187.08
611230036	Leasing RU6444	0.00	-425.12
611230038	Leasing UV8700	-4 716.57	-22 180.03
611230040	Leasing PU7238	-2 110.65	-7 850.04
611230041	Leasing JT6028	-4 095.80	-9 617.66
611230042	Leasing TN8604	-6 025.39	-9 339.94
611230043	Leasing VN4769	-126.30	-3 648.10
611230044	Leasing WM5202	0.00	-937.95
611230045	SK4896 - BMW - 320d (F30) 2.0d 190pk/cv 4p xDrive Aut	-8 186.56	-8 249.89
611230046	Leasing LJ4194 - Audi Q5 Design 2.0TDi 190pk/cv 5p Quattro S - PLLA	-13 917.57	-10 911.06
611230048	LJ4796 - Audi Q5 Sport 2.0TDi 190pk/cv 5p Quattro S-T	-8 450.02	-7 150.00
611230049	Leasing FE8796 - BMW 520d (G30) 2.0d 190pk/cv 4p - SLST	-10 010.13	-8 470.11
611230050	Leasing JC4355	-12 856.09	-10 670.11
611230051	Leasing UC8043 - Mini - Cabrio (F57) JCW 2.0i 231pk/cv 2p Aut. - HOPI	-8 264.79	-6 930.00
611230052	Leasing HT7742	-8 670.73	-17 202.79
611230053	Leasing ZK6512 - Audi Q5 Sport 40 2.0TDi 190pk/cv 5p Quattro - THFR	-11 284.13	-9 548.11
611230054	Leasing GN5690 - BMW X2 (F39) 20i sDrive 2.0i 192pk/cv 5p Au - MAVI	-7 540.13	-6 380.11
611230055	Leasing CQ8545 - Q2 Design 35 2.0TDi 150pk/cv 5p Quattro - WILU	-11 310.13	-9 570.11
611230056	Leasing DQ9538	-1 538.54	-9 361.11
611230058	Leasing RK5985	-889.20	-11 995.61
611230060	Leasing ZV6571	-12 545.01	-10 615.00
611230061	Leasing TW6768 - AUDI A5 SPORTBACK DIESEL - 2017 40 TD - VALA	-9 478.42	-11 181.44
611230062	Leasing FN6168	0.00	1 227.30
611230063	Leasing TW6600	-9 814.99	-8 645.96
611230064	Leasing BZ4646 - BMW 3 - 2019 330eA PHEV - PILA	-9 466.69	-7 896.78
611230065	Leasing UU9178	1.83	-1 912.68
611230066	Leasing WU8041	-1 432.99	-5 120.50
611230067	Leasing ZU5410 (ALD) - LUJO - JAGUAR E PACE - ESSENCE - ZU5410 - Investissement	748.78	0.00
611230068	1WVR021 - 124 CO2 g/km - Skoda Karoq 1.0 TSI Ambition 85kW/115pk - Maxime Guy TH	700.59	0.00
611230069	1WCN834 - 115 CO2 (g/Km) - Volvo S90 D3 Geartronic 90th Anniversary - Luca Ciarni	347.08	0.00
611230070	1WER485 - 114 CO2 (g/Km) - Audi A3 Sportback 1.0 30 TFSi 85kW 85kW/ - Emeric Van	807.92	0.00
611230071	Leasing HM5708	-10 971.66	0.00
611230072	Leasing VP5410	-9 421.67	0.00
611230073	Leasing DL7842 - CO2 (g/Km) - BMW X1 1.5 XDRIVE25E (162KW) - GAMO	-6 880.11	0.00
611230074	Leasing NN4985	-3 017.31	0.00
611230075	Leasing HM5155 - HELA - BMW X5 xDrive 30d (210 kW)	-3 190.64	0.00
612100000	General subcontracting (not included in the production of goods and services)	-1 281 682.97	-973 403.09
612110000	General subcontracting - Trade payable - purchase invoice accruals	92 177.32	-85 308.00
612120000	General subcontracting - Syncordis India Private Limited	0.00	-512 035.00
612130000	General subcontracting - Syncordis Limited (UK)	-182 111.83	-149 109.19
612140000	General subcontracting - Syncordis PSF S.A.	-1 079 116.28	-1 438 776.40
612141000	General subcontracting - Syncordis PSF S.A. - Credit Note to be issued	0.00	-11 475.00
612142000	Management/Back Office costs charged from Syncordis PSF S.A.	-563 321.88	-394 324.96
612144000	COO costs	-185 678.30	0.00
612150000	General subcontracting - Syncordis France S.à r.l.	-251 074.79	-36 955.63
612160009	General subcontracting - Larsen and Tourbo entities - provision	-107 890.60	-39 254.00

Detail for PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT		31/12/2021	31/12/2020
612170000	General subcontracting - Larsen and Tourbo Infotech Limited (UK)	-18 395.45	-27 016.76
612172000	General subcontracting - Larsen and Tourbo Infotech Limited (India)	-7 203.20	-4 121.89
612173000	General subcontracting - Larsen and Tourbo Infotech Limited (Saudi Arabia)	-6 420.35	0.00
612174000	General subcontracting - Larsen and Tourbo Infotech Limited (India) - Services	-1 611 007.30	0.00
612180000	General subcontracting - Nielsen + Partner S.A. (Luxembourg)	0.00	-864 442.33
612180100	General subcontracting - Nielsen + Partner GmbH (Hamburg)	-73 388.77	-291 998.25
612180110	Management/Back Office costs charged from Nielsen + Partner GmbH (Hamburg)	-453 076.56	-358 390.23
612180200	General subcontracting - Nielsen + Partner Pte Ltd (Singapore)	-44 853.70	-182 864.17
612180300	General subcontracting - Nielsen + Partner Pte Ltd (Switzerland)	-565 483.69	-572 828.67
612180310	General subcontracting - Nielsen + Partner Pte Ltd (Switzerland)- demande creati	-57 660.74	0.00
612180400	General subcontracting - Nielsen + Partner (Australia)	0.00	-149 127.38
612199999	Fidelity Bonus - affiliated undertakings	0.00	-293 766.68
612230000	Rolling stock	-8 939.63	-5 726.53
612281000	Maintenance and cleaning - 5, Rue des Primeurs L-2361 Luxembourg	-49 526.24	-33 107.11
612281100	Maintenance and cleaning - 105, Route d'Arlon L-8009 STRASSEN	0.00	-3 375.56
612282000	Maintenance on printers (CK)	-4 549.98	-2 260.86
612283000	Maintenance and repairs of plant and machinery	-352.44	-937.56
613200000	IT services	-850.00	150.00
613330000	Bank account charges and bank commissions (included custody fees on securities)	-9 802.88	-7 805.74
613340000	Charges for electronic means of payment	-191.67	-256.67
613410000	Legal, litigation and similar fees	-107 214.88	-62 188.33
613411000	Legal fees - purchase invoice accruals	-17 171.00	0.00
613420000	Accounting, tax consulting, auditing and similar fees	-54 717.60	-72 355.80
613421000	Payroll calculation fees	-48 338.97	0.00
613422000	Tax advisory fees	-735.00	0.00
613800000	Other remuneration of intermediaries and professional fees	-125.00	-876.21
613810000	Staff recruitment costs	-25 802.76	-18 197.00
613830000	Visa and relocation expenses	-82 508.08	-13 233.71
614120000	Rolling stock	0.00	2 972.92
614410000	Fire and exploitation insurance	-11 599.56	-2 900.44
614600000	Third-party insurance	-1 976.00	-8 249.00
614800000	Other insurances	-6 191.00	-2 920.62
615110000	Press advertising	-144.00	0.00
615140000	Gifts to customers	-1 020.00	-12 400.00
615160000	Donations	-2 800.00	-50.00
615170000	Sponsorship	0.00	-1 200.00
615180000	Other purchases of advertising services	-7 623.29	-4 657.69
615181000	Temenos partnership contract	-57 254.01	-37 861.11
615212100	Frais - Voyages et déplacements	-74 093.68	-109 122.06
615212200	Frais - Parking	-97.64	-5 709.34
615220000	Relocation expenses	0.00	-12 399.00
615240000	Receptions and entertainment costs	-17 020.05	-15 306.84
615310000	Postal charges	-3.20	-160.00
615311000	Other postal costs (postal box rental, etc.)	-1 041.74	-3.70
615320000	Telecommunication costs	-59 038.25	-52 365.02
618200000	Costs of training, symposiums, seminars, conferences	-12 662.76	0.00
618210000	Seminars and courses	-182 936.60	-178 794.73
618220000	Staff and team building events	-9 847.20	-17 143.94
618420000	Liquid fuels (oil, motor fuel, etc.)	-18 244.35	-15 532.79
618510000	Office supplies	-13 275.59	-13 002.60
618520000	Small equipment	-1 422.60	-1 785.79
618700000	Contributions to professional associations	-5 360.00	-2 592.69
//6/a)	Staff costs		
	Wages and salaries	-13 551 814.66	-11 426 377.07

Detail for PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT		31/12/2021	31/12/2020
621110000	Base wages	-11 297 759.96	-10 109 151.20
621110100	Base wages BE	-182 314.18	-5 690.84
621121000	Sunday	-685.19	-7 212.20
621122000	Public holidays	-7 595.60	-3 313.81
621123000	Overtime	-11 760.00	-13 913.10
621128500	Accrual "Pécule simple BE"	0.00	-1 003.68
621140000	Incentives, bonuses and commissions	-2 269 366.18	-1 162 461.26
621150100	Benefits in kind vehicles BE	-5 431.81	-191.35
621151000	Meal vouchers	-307 236.08	-285 347.27
621152000	Benefits in kind vehicles	-135 101.48	-127 635.43
621156000	Participation leasing voitures	411.68	1 270.07
621156100	ECO Vouchers (Belgium)	-667.62	0.00
621171000	N+P pre-acquisition by LTI an earn-out bonus	69 066.74	0.00
621800000	Other benefits	0.00	-544 800.50
621910000	Remboursements de la mutualité des employeurs	220 434.21	208 159.92
621920000	Remboursements ADEM - Chômage partiel	369 697.95	612 577.39
621930000	Ministère du travail - congé paternité	6 492.86	12 336.19
//6(b)/i)	Social security costs relating to pensions	-1 450 588.00	-1 343 183.70
623100000	Social security on pensions	-916 466.91	-754 631.57
623100200	National fund for pension insurance (N+P)	-73.80	0.00
623110000	Employer's social costs	-534 047.29	-588 552.13
//6(b)/ii)	other social security costs	-42 851.28	-5 316.95
623201000	Social security costs BE	-42 851.28	-1 524.16
623202000	Occupational health service	0.00	-3 792.79
//7(a)	Value adjustments in respect of formation expenses and of tangible and intangible fixed assets	-545 968.32	-315 065.35
632100000	AVA on development costs	-392 185.95	-145 982.10
632230000	Licences informatiques (logiciels et progiciels informatiques) - value adjustment	-5 675.13	-6 349.98
633304000	Furniture - value adjustment	-145 107.24	-156 333.66
633308000	Other facilities - value adjustment	-3 000.00	-6 399.61
//7(b)	in respect of current assets	0.00	19 687.18
635100000	AVA on trade receivables	0.00	19 687.18
//8	Other operating expenses	-3 047 386.92	-1 286 713.29
641300000	Software licences	-450 541.32	-139 251.75
641310000	IT Licences - prepaid expenses	250 956.00	0.00
641320000	Passthroug licenses	-27 619.59	-351 929.57
644110000	Book value of yielded intangible fixed assets	0.00	-0.03
646200000	Non-refundable VAT	-22 967.23	-21 698.05
646510000	Registration fees	0.00	-236.00
648100000	Fines, sanctions and penalties	0.00	-2 000.00
648140000	Fines and interest on withholding tax on salaries and wages	-38.70	-18 702.50
648800000	Miscellaneous operating charges	-0.02	0.00
649210000	Dotations aux provisions pour congés	3 930.03	-68 103.39
649220000	Dotations aux provisions pour primes	-2 801 106.09	-684 792.00
//10(a)	Income from other investments and loans forming part of the fixed assets derived from affiliated undertakings	0.00	1 322.73
752220000	Disposal proceeds of amounts owed by affiliated undertakings	0.00	1 322.73

Detail for PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT		31/12/2021	31/12/2020
//11(a)	Other interest receivable and similar income derived from affiliated undertakings	53 861.89	49 011.58
	755411000 Int. from affiliated undertakings - Syncordis Ltd (UK)	31 729.32	27 357.58
	755412000 Int. from affiliated undertakings - SYNCORDIS PSF S.A.	3 849.24	2 244.62
	755413000 Int. from affiliated undertakings - Syncordis France S.à r.l.	18 283.33	13 966.67
	756100000 Foreign currency exchange gains - affiliated undertakings	0.00	5 442.71
//11(b)	other interest and similar income	64 592.25	74 510.83
	756200000 Foreign currency exchange gains - other	64 592.25	74 510.83
//14(a)	Interest payable and similar expenses concerning affiliated undertakings	0.00	-3 892.14
	656100000 Foreign currency exchange losses - affiliated undertakings	0.00	-3 892.14
//14(b)	other interest and similar expenses	-119 998.75	-136 303.10
	655210000 Banking interest on current accounts	-96.41	-230.71
	655220000 Banking interest on financing operations	-58 924.64	-59 352.61
	656200000 Foreign currency exchange losses - other	-60 977.70	-76 719.78
//15	Tax on profit or loss	-217 600.36	-3 431.27
	671100000 CIT - current financial year	-111 000.00	-0.01
	671200000 CIT - previous financial years	-52 524.16	0.00
	672100000 MBT - current financial year	-86 200.00	-3 431.26
	672200000 MBT - previous financial years	-4 574.30	0.00
	771000000 Adjustments of corporate income tax (CIT)	36 698.10	0.00
//16	Profit or loss after taxation	1 137 817.08	305 345.28
//17	Other taxes not shown under items 1 to 16	-16 050.00	-79 018.83
	681100000 NWT - current financial year	-16 050.00	0.00
	683010000 Foreign taxes - Belgian Corporate Income Tax	0.00	-79 018.83
//18	Profit or loss for the financial year	1 121 767.08	226 326.45
	142000000 Result for the financial year	1 121 767.08	226 326.45

SYNCORDIS PSF S.A.

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

MANAGEMENT REPORT ON 31st DECEMBER 2021

Dear shareholders,

We have the honor to present to you, our report, and the annual accounts, for the year ended on 31st December 2021, submitted today for approval.

Evolution of business and the company's position

The balance sheet total for the year ended on 31st December 2021 is 2,218,522.14 EUR.

We have ended the current financial year with a loss of 21,948.80 EUR.

We recommend to allocate the loss of the financial year of 21,948.80 EUR to profit or loss brought forwards.

We beg you to grant full discharge to the Administrators, Directors and the Auditor for the execution of their mandate until 31st December 2021.

Significant events after the balance sheet closure

No significant events have occurred since the 2021 balance sheet closure.

Financial accounts as at 31/12/2021 have been prepared based on the accounting principle of continuity.

Foreseeable development of the company

The company will continue its activities focused on the realization of investments, management and development based on the opportunities that will be identified and agreed by the Board of Administrators.

Activities in research and development

None.

Acquisition of own shares

On 31st December 2020, the company does not hold own shares in portfolio and does not acquire during the financial year closes on 31st December 2021.

Existence of branches

The company has no branch in the close of the 2021 financial year.

Proposal for result allocation

The accounts as presented to you show a loss of EUR :

Incomes amounted to	4 128 351,52 EUR
and charges to	4 150 300,32 EUR
Loss of the exercise as at 31 st December 2021	-21 948,80 EUR

In accordance with the proposal Board of Administrators, the allocation of available results is as follows:

	Legal reserve	Statutory Reerve	Five Year Reserve	Results reported	Results of the exercise
As at 31/12/2021	6 000,00	0,00	0,00	31 579,76	-21 948,80
Movements after the end of the financial year:					
Assignment of results to the next fiscal year	0,00	0,00	0,00	-21 948,80	21 948,80
Assignment to reserves	0,00	0,00	0,00	0,00	0
	6 000,00	0,00	0,00	9 630,96	0,00

Statutory appointments - Discharge granted to the corporate bodies

We ask you, Dear Sole Shareholder, to approve the accounts as they are presented by your board of Administrators and to give us full discharge and to Directors and Auditors for the year of our mandates during the year ended as at 31st December 2021.

Done in Strassen, on 11th April 2022

Mr Pierre HOET,
Administrator

Mr Guillaume DESJONQUERES,
Administrator

Mr Luc GESQUIERE,
Administrator

Mr Sudhir CHATURVEDI,
Administrator

To the Board of Directors of
SYNCORDIS PSF S.A.
5 rue des Primeurs
L-2361 Strassen

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

Opinion

We have audited the financial statements of SYNCORDIS PSF S.A. (the “Company”) which comprise the balance sheet as at December 31, 2021 and the profit and loss account for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of SYNCORDIS PSF S.A. as at December 31, 2021, and of the results of its operations for the year then ended in accordance with the Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for Opinion

We conducted our audit in accordance with the law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under those Law and standards are further described in the “Responsibilities of “Réviseur d’Entreprises Agréé” for the audit of the financial statements” section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statement, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the financial statements, and for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Responsibilities of the Réviseur d'Entreprises Agréé for the audit of financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of "Réviseur d'Entreprises Agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 financial statements.

As part of an audit in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists

related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of "Réviseur d'Entreprises Agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of "Réviseur d'Entreprises Agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

RSM Audit Luxembourg S.à r.l

Cabinet de révision agréé

A handwritten signature in blue ink, consisting of a large, stylized loop with a horizontal line extending to the right and a small vertical stroke at the end.

Pierre LEROY

Partner

Luxembourg, April 13th, 2022

Annual Accounts Helpdesk :

Tel. : (+352) 247 88 494
 Email : centralebilans@statec.etat.lu

RCSL Nr. : B217963

Matricule : 2017 2209 247

ABRIDGED BALANCE SHEET

Financial year from ⁰¹ 01/01/2021 to ⁰² 31/12/2021 (in ⁰³ EUR)

SYNCORDIS PSF S.A.**5 Rue des Primeurs****L-2361 Strassen****ASSETS**

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101	<u>0,00</u>	<u>0,00</u>
I. Subscribed capital not called	1103	<u>0,00</u>	<u>0,00</u>
II. Subscribed capital called but unpaid	1105	<u>0,00</u>	<u>0,00</u>
B. Formation expenses	1107	<u>0,00</u>	<u>0,00</u>
C. Fixed assets	1109	<u>55 086,01</u>	<u>72 882,91</u>
I. Intangible assets	1111 Note 3	<u>0,01</u>	<u>592,36</u>
II. Tangible assets	1125 Note 4	<u>55 086,00</u>	<u>72 290,55</u>
III. Financial assets	1135	<u>0,00</u>	<u>0,00</u>
D. Current assets	1151	<u>2 142 459,13</u>	<u>1 978 216,91</u>
I. Stocks	1153	<u>0,00</u>	<u>0,00</u>
II. Debtors	1163 Note 5	<u>2 089 510,10</u>	<u>1 920 865,79</u>
a) becoming due and payable within one year	1203	<u>2 089 510,10</u>	<u>1 920 865,79</u>
b) becoming due and payable after more than one year	1205	<u>0,00</u>	<u>0,00</u>
III. Investments	1189	<u>0,00</u>	<u>0,00</u>
IV. Cash at bank and in hand	1197	<u>52 949,03</u>	<u>57 351,12</u>
E. Prepayments	1199 Note 6	<u>20 977,00</u>	<u>9 678,00</u>
TOTAL (ASSETS)	201	<u>2 218 522,14</u>	<u>2 060 777,82</u>

The notes in the annex form an integral part of the annual accounts

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
	1301 _____	301 <u>415 630,96</u>	302 <u>437 579,76</u>
I. Subscribed capital	1303 <u>Note 7</u>	303 <u>400 000,00</u>	304 <u>400 000,00</u>
II. Share premium account	1305 _____	305 <u>0,00</u>	306 <u>0,00</u>
III. Revaluation reserve	1307 _____	307 <u>0,00</u>	308 <u>0,00</u>
IV. Reserves	1309 <u>Note 8</u>	309 <u>6 000,00</u>	310 <u>3 000,00</u>
V. Profit or loss brought forward	1319 _____	319 <u>31 579,76</u>	320 <u>-25 240,17</u>
VI. Profit or loss for the financial year	1321 _____	321 <u>-21 948,80</u>	322 <u>59 819,93</u>
VII. Interim dividends	1323 _____	323 <u>0,00</u>	324 <u>0,00</u>
VIII. Capital investment subsidies	1325 _____	325 <u>0,00</u>	326 <u>0,00</u>
B. Provisions	1331 <u>Note 10</u>	331 <u>256 727,92</u>	332 <u>410 059,47</u>
C. Creditors	1435 <u>Note 11</u>	435 <u>1 132 976,26</u>	436 <u>863 138,59</u>
a) becoming due and payable within one year	1453 _____	453 <u>832 980,98</u>	454 <u>758 331,21</u>
b) becoming due and payable after more than one year	1455 _____	455 <u>299 995,28</u>	456 <u>104 807,38</u>
D. Deferred income	1403 <u>Note 12</u>	403 <u>413 187,00</u>	404 <u>350 000,00</u>
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		405 <u>2 218 522,14</u>	406 <u>2 060 777,82</u>

Annual Accounts Helpdesk :

Tel. : (+352) 247 88 494

Email : centralebilans@statec.etat.lu

RCSL Nr. : B217963

Matricule : 2017 2209 247

ABRIDGED PROFIT AND LOSS ACCOUNTFinancial year from ⁰¹ 01/01/2021 to ⁰² 31/12/2021 (in ⁰³ EUR)**SYNCORDIS PSF S.A.****5 Rue des Primeurs****L-2361 Strassen**

	Reference(s)	Current year	Previous year
1. to 5. Gross profit or loss	1651 _____	651 3 496 114,45	652 3 072 133,58
6. Staff costs	1605 _____	605 -3 196 825,43	606 -2 516 949,59
a) Wages and salaries	1607 _____	607 -2 872 028,10	608 -2 256 428,02
b) Social security costs	1609 _____	609 -324 797,33	610 -260 521,57
i) relating to pensions	1653 _____	653 -204 574,44	654 -259 531,57
ii) other social security costs	1655 _____	655 -120 222,89	656 -990,00
c) Other staff costs	1613 _____	613 0,00	614 0,00
7. Value adjustments	1657 _____	657 -48 980,92	658 -84 483,44
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 -48 980,92	660 -84 483,44
b) in respect of current assets	1661 _____	661 0,00	662 0,00
8. Other operating expenses	1621 _____	621 -263 057,79	622 -409 211,82

The notes in the annex form an integral part of the annual accounts

	Reference(s)	Current year	Previous year
9. Income from participating interests	1715	0,00	0,00
a) derived from affiliated undertakings	1717	0,00	0,00
b) other income from participating interests	1719	0,00	0,00
10. Income from other investments and loans forming part of the fixed assets	1721	0,00	0,00
a) derived from affiliated undertakings	1723	0,00	0,00
b) other income not included under a)	1725	0,00	0,00
11. Other interest receivable and similar income	1727	0,13	2 846,11
a) derived from affiliated undertakings	1729	0,00	0,00
b) other interest and similar income	1731	0,13	2 846,11
12. Share of profit or loss of undertakings accounted for under the equity method	1663	0,00	0,00
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	0,00	0,00
14. Interest payable and similar expenses	1627	-3 849,24	-2 629,91
a) concerning affiliated undertakings	1629	-3 849,24	-2 244,62
b) other interest and similar expenses	1631	0,00	-385,29
15. Tax on profit or loss	1635	0,00	0,00
16. Profit or loss after taxation	1667	-16 598,80	61 704,93
17. Other taxes not shown under items 1 to 16	1637	-5 350,00	-1 885,00
18. Profit or loss for the financial year	1669	-21 948,80	59 819,93

SYNCORDIS PSF S.A.**ASSETS as at 31/12/2021**

EUR

ASSETS	31/12/2021	31/12/2020
A Subscribed capital unpaid	0.00	0.00
I Subscribed capital not called		
II Subscribed capital called but unpaid		
B Formation expenses		
C Fixed assets	55 086.01	72 882.91
I Intangible assets	0.01	592.36
1 Costs of development		
2 Concessions, patents, licences, trade marks and similar rights and assets, if they were	0.01	592.36
a) acquired for valuable consideration and need not be shown under C.I.3	0.01	592.36
b) created by the undertaking itself		
3 Goodwill, to the extent that it was acquired for valuable consideration		
4 Payments on account and intangible assets under development		
II Tangible assets	55 086.00	72 290.55
1 Land and buildings		
2 Plant and machinery	0.00	0.00
3 Other fixtures and fittings, tools and equipment	55 086.00	72 290.55
4 Payments on account and tangible assets in the course of construction	0.00	0.00
III Financial assets	0.00	0.00
1 Shares in affiliated undertakings		
2 Loans to affiliated undertakings		
3 Participating interests		
4 Loans to undertakings with which the undertaking is linked by virtue of participating inte		
5 Investments held as fixed assets		
6 Other loans		
D Current assets	2 142 459.13	1 978 216.91
I Stocks	0.00	0.00
1 Raw materials and consumables		
2 Work in progress		
3 Finished goods and goods for resale		
4 Payments on account		
II Debtors	2 089 510.10	1 920 865.79
1 Trade debtors		
a) becoming due and payable within one year	351 763.18	5 235.75
b) becoming due and payable after more than one year		
2 Amounts owed by affiliated undertakings		
a) becoming due and payable within one year	1 702 625.48	1 894 753.48
b) becoming due and payable after more than one year		
3 Amounts owed by undertakings with which the undertaking is linked by virtue of participati		
a) becoming due and payable within one year		
b) becoming due and payable after more than one year		
4 Other debtors		
a) becoming due and payable within one year	35 121.44	20 876.56
b) becoming due and payable after more than one year		
III Investments	0.00	0.00
1 Shares in affiliated undertakings		
2 Own shares		
3 Other investments		
IV Cash at bank and in hand	52 949.03	57 351.12
E Prepayments	20 977.00	9 678.00
TOTAL ASSETS	2 218 522.14	2 060 777.82

Detail for ASSETS

ASSETS		31/12/2021	31/12/2020
C/II/2/a)	Fixed assets		
	Intangible assets		
	Concessions, patents, licences, trade marks and similar rights and assets, if they were acquired for valuable consideration and need not be shown under C.I.3	0.01	592.36
	212130000 Software licences	3 385.00	3 385.00
	212130009 Software licences - value adjustment	-3 384.99	-2 792.64
C/II/3	Tangible assets		
	Other fixtures and fittings, tools and equipment	55 086.00	72 290.55
	223400000 Furniture	6 929.80	6 929.80
	223400009 Furniture - value adjustment	-6 509.31	-5 782.85
	223500000 Computer equipment	187 134.41	155 950.39
	223500009 Computer hardware - value adjustment	-132 468.90	-84 806.79
D/II/1/a)	Current assets		
	Debtors		
	Trade debtors		
	becoming due and payable within one year	351 763.18	5 235.75
	401100000 Trade debtors	74 277.18	5 235.75
	401400000 Customers - Unbilled sales	277 486.00	0.00
D/II/2/a)	Amounts owed by affiliated undertakings		
	becoming due and payable within one year	1 702 625.48	1 894 753.48
	411111000 Sales of goods and services to affiliated undertakings	1 702 625.48	1 928 009.22
	411180100 Credit Note of goods and services to affiliated undertakings	0.00	-33 255.74
D/II/4/a)	Other debtors		
	becoming due and payable within one year	35 121.44	20 876.56
	421110000 Staff - Advances and down payments	4 881.49	2 119.95
	421410000 Corporate income tax	8 267.00	7 865.75
	421420020 ICC Advances 2020	5 799.00	5 799.00
	421420021 Avances ICC 2021	7 732.00	0.00
	421430020 Wealth Tax (IF) - 2020 advances	1 605.00	1 605.00
	421430021 Avances IF 2021	1 605.00	0.00
	421711000 Employer social insurance fund	5 231.95	1 539.70
	421782000 Other subsidies to promote employment - ADEM - CIE	0.00	1 947.16
D/IV	Cash at bank and in hand	52 949.03	57 351.12
	513100100 BCEE C/C LU32 0019 5855 5392 7000 (EUR)	59 770.04	14 365.76
	513100400 VISA BCEE 4940 3619 0655 8672 (FISCH Stephane)	-1 129.15	0.00
	513100500 VISA BCEE 4940 3619 0007 2050 (MULLER Denis)	-5 032.42	0.00
	513100600 VISA BCEE 4940 3619 0918 9509 (HOET VEECKMANS Pierre)	-659.44	0.00
	513101000 ING C/C LU83 0141 3581 8590 0000 (EUR)	0.00	42 985.36
E/	Prepayments	20 977.00	9 678.00
	481000000 Deferred charges (on one or more financial years)	20 977.00	9 678.00

SYNCORDIS PSF S.A.

EUR

CAPITAL, RESERVES AND LIABILITIES as at 31/12/2021

CAPITAL, RESERVES AND LIABILITIES	31/12/2021	31/12/2020
A Capital and reserves	415 630.96	437 579.76
I Subscribed capital	400 000.00	400 000.00
II Share premium account		
III Revaluation reserve		
IV Reserves	6 000.00	3 000.00
1 Legal reserve	6 000.00	3 000.00
2 Reserve for own shares		
3 Reserves provided for by the articles of association		
4 Other reserves, including the fair value reserve		
a) other available reserves		
b) other non available reserves	0.00	0.00
V Profit or loss brought forward	31 579.76	-25 240.17
VI Profit or loss for the financial year	-21 948.80	59 819.93
VII Interim dividends		
VIII Capital investment subsidies		
B Provisions	256 727.92	410 059.47
1 Provisions for pensions and similar obligations		
2 Provisions for taxation		
3 Other provisions	256 727.92	410 059.47
C Creditors	1 132 976.26	863 138.59
1 Debenture loans		
a) Convertible loans		
i) becoming due and payable within one year		
ii) becoming due and payable after more than one year		
b) Non convertible loans		
i) becoming due and payable within one year		
ii) becoming due and payable after more than one year		
2 Amounts owed to credit institutions		
a) becoming due and payable within one year	0.00	166.70
b) becoming due and payable after more than one year		
3 Payments received on account of orders in so far as they are not shown separately as deduc		
a) becoming due and payable within one year		
b) becoming due and payable after more than one year		
4 Trade creditors		
a) becoming due and payable within one year	43 965.38	34 084.96
b) becoming due and payable after more than one year		
5 Bills of exchange payable		
a) becoming due and payable within one year		
b) becoming due and payable after more than one year		
6 Amounts owed to affiliated undertakings		
a) becoming due and payable within one year	904 371.96	418 297.64
b) becoming due and payable after more than one year		
7 Amounts owed to undertakings with which the undertaking is linked by virtue of participati		
a) becoming due and payable within one year		
b) becoming due and payable after more than one year		
8 Other creditors		
a) Tax authorities	135 847.79	127 689.89
b) Social security authorities	48 189.13	282 859.40
c) Other creditors		
i) becoming due and payable within one year	602.00	40.00
ii) becoming due and payable after more than one year		
D Deferred income	413 187.00	350 000.00
TOTAL CAPITAL, RESERVES AND LIABILITIES	2 218 522.14	2 060 777.82

Detail for CAPITAL, RESERVES AND LIABILITIES

CAPITAL, RESERVES AND LIABILITIES		31/12/2021	31/12/2020
A/I	Capital and reserves		
	Subscribed capital	400 000.00	400 000.00
	101000000 Subscribed capital	400 000.00	400 000.00
A/IV/1	Reserves		
	Legal reserve	6 000.00	3 000.00
	131000000 Legal reserve	6 000.00	3 000.00
A/V	Profit or loss brought forward	31 579.76	-25 240.17
	141200000 Results brought forward (assigned)	31 579.76	-25 240.17
A/VI	Profit or loss for the financial year	-21 948.80	59 819.93
	142000000 Result for the financial year	-21 948.80	59 819.93
B//3	Provisions		
	Other provisions	256 727.92	410 059.47
	188110000 Holidays provisions	45 147.92	41 986.32
	188120000 Bonuse Provision	211 580.00	368 073.15
C//2/a)	Creditors		
	Amounts owed to credit institutions becoming due and payable within one year	0.00	166.70
	194101000 VISA - FISCH Stéphane - LU93 0141 4581 8591 0000	0.00	166.70
C//4/a)	Trade creditors		
	becoming due and payable within one year	43 965.38	34 084.96
	441110000 Suppliers	16 574.58	6 084.96
	441120000 Suppliers - invoices not yet received	27 390.80	28 000.00
C//6/a)	Amounts owed to affiliated undertakings		
	becoming due and payable within one year	904 371.96	418 297.64
	451111000 Sales of goods and services towards affiliated undertakings	600 945.43	310 059.01
	451123000 Loan to SYNCORDIS S.A.	299 995.28	104 807.38
	451183000 Other Payables - C/C SYNCORDIS S.A. - Tax unity	3 431.25	3 431.25
C//8/a)	Other creditors		
	Tax authorities	135 847.79	127 689.89
	461231000 NWT - Tax accrual	7 235.00	1 885.00
	461240000 Withholding tax on wages and salaries	32 090.72	29 688.86
	461412000 VAT payable	96 522.07	96 116.03
C//8/b)	Social security authorities	48 189.13	282 859.40
	462100000 Social Security office (CCSS)	48 189.13	238 573.80
	462810000 Other subsidies to promote employment - ADEM - Chômage partiel	0.00	44 285.60
C//8/c/i)	Other creditors		
	becoming due and payable within one year	602.00	40.00
	471812000 Employees' expenses to be paid	602.00	40.00
D/	Deferred income		
		413 187.00	350 000.00
	482000000 Deferred income (on one or more financial years)	413 187.00	350 000.00

SYNCORDIS PSF S.A.

Detail for CAPITAL, RESERVES AND LIABILITIES

EUR

CAPITAL, RESERVES AND LIABILITIES

31/12/2021

31/12/2020

SYNCORDIS PSF S.A.**PROFIT AND LOSS ACCOUNT**

EUR

PROFIT AND LOSS ACCOUNT	31/12/2021	31/12/2020
1 Net turnover	3 698 525.71	3 141 113.43
2 Variation in stocks of finished goods and in work in progress		
3 Work performed by the undertaking for its own purposes and capitalised		
4 Other operating income	429 825.81	303 654.91
5 Raw materials and consumables and other external expenses		
a) Raw materials and consumables	0.00	0.00
b) Other external expenses	-632 237.07	-372 634.76
6 Staff costs		
a) Wages and salaries	-2 872 028.10	-2 256 428.02
b) Social security costs		
i) relating to pensions	-204 574.44	-163 151.17
ii) other social security costs	-120 222.89	-97 370.40
c) Other staff costs		
7 Value adjustments		
a) in respect of formation expenses and of tangible and intangible fixed asset	-48 980.92	-84 483.44
b) in respect of current assets		
8 Other operating expenses	-263 057.79	-409 211.82
9 Income from participating interests		
a) derived from affiliated undertakings		
b) other income from participating interests		
10 Income from other investments and loans forming part of the fixed assets		
a) derived from affiliated undertakings		
b) other income not included under a)		
11 Other interest receivable and similar income		
a) derived from affiliated undertakings		
b) other interest and similar income	0.13	2 846.11
12 Share of profit or loss of undertakings accounted for under the equity method		
13 Value adjustments in respect of financial assets and of investments held as current assets		
14 Interest payable and similar expenses		
a) concerning affiliated undertakings	-3 849.24	-2 244.62
b) other interest and similar expenses	0.00	-385.29
15 Tax on profit or loss	0.00	0.00
16 Profit or loss after taxation	-16 598.80	61 704.93
17 Other taxes not shown under items 1 to 16	-5 350.00	-1 885.00
18 Profit or loss for the financial year	-21 948.80	59 819.93

Detail for PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT		31/12/2021	31/12/2020
//1	Net turnover	3 698 525.71	3 141 113.43
	703300000 Sales of services	1 528 352.99	916 709.64
	703301000 Services to Syncordis France SARL	10 451.70	26 649.48
	703301100 Management/Back Office costs charged to Syncordis France sarl	48 003.84	35 163.98
	703303100 Management/Back Office costs charged to Syncordis Ltd UK	56 483.76	41 375.80
	703304000 Services to Syncordis S.A.	1 097 851.70	1 507 799.62
	703304100 Services to Syncordis S.A. - credit note to be issued	0.00	11 475.00
	703304110 Management/Back Office costs charged to Nielsen & Partner (DE)	44 627.52	32 690.93
	703304300 Management/Back Office costs charged to Syncordis S.A.	519 761.88	394 324.96
	703305100 Management/Back Office costs charged to Nielsen & Partner (AU)	20 352.36	14 908.65
	703306100 Management/Back Office costs charged to Nielsen + Partner Pte Ltd - Singapore	119 515.80	87 548.49
	703307100 Management/Back Office costs charged to Nielsen + Partner Unternehmensberater AG 30	280.32	22 181.09
	703308100 Management/Back Office costs charged to Nielsen & Partner (Luxembourg)	0.00	37 626.52
	703309110 Management/Back Office costs charged to Nielsen & Partner (Bangkok)	8 544.84	6 259.27
	703310000 Trade debtors - sales invoice accruals	276 826.00	0.00
	703311000 Resomption on sales invoice accruals	660.00	0.00
	703311100 Trade debtors - sales invoice differed	-593 187.00	-350 000.00
	703311200 Resumption on differed sales income	530 000.00	356 400.00
//4	Other operating income	429 825.81	303 654.91
	744210000 Book value of yielded tangible fixed assets	452.99	0.00
	745310000 Offsetting amounts - congé paternité	0.00	1 920.74
	745410000 Other subsidies to promote employment - ADEM - CIE	1 168.04	13 377.38
	745420000 Other subsidies to promote employment	10 528.26	0.00
	745810000 Autres subventions d'exploitation - Cofinancement Etatique	2 590.18	0.00
	748800000 Miscellaneous operating income	47 013.19	102 356.79
	749220000 Reprises sur provisions primes	368 073.15	186 000.00
//5(b)	Raw materials and consumables and other external expenses		
	Other external expenses	-632 237.07	-372 634.76
	611120000 Buildings	-129 516.00	-106 041.60
	611231000 Rolling stock	-7 320.43	0.00
	612100000 General subcontracting	-36 960.20	-14 912.12
	612110000 General subcontracting - Syncordis S.A.	-23 621.53	0.00
	612130000 General subcontracting - Syncordis Limited (UK)	0.00	-6 254.25
	612140000 General subcontracting - Syncordis S.A.	-90 277.20	0.00
	612141000 Management/Back Office costs charged by Syncordis SA	-40 755.72	-39 872.60
	612150000 General subcontracting - Syncordis France S.à r.l.	-6 900.00	0.00
	612160009 General subcontracting - Larsen and Tourbo entities - provision	-4 240.80	0.00
	612170000 General Subcontracting - Dnd Solution sarl	-5 625.00	0.00
	612172000 General subcontracting - Larsen and Tourbo Infotech Limited (India)	-9 597.60	0.00
	612180000 General subcontracting - Nielsen + Partner S.A. (Luxembourg)	0.00	-7 560.00
	612190002 General subcontracting - Nielsen + Partner Pte Ltd (Switzerland)	-22 406.40	-8 280.00
	612190004 Management cost - Nielsen + Partner Pte Ltd (Switzerland)-Pramod Haridas	-3 185.21	0.00
	612191000 Management/Back Office costs charged by Nielsen + Partner GmbH (Hamburg)	-26 045.85	-19 965.63
	612230000 Maintenance and repairs of movable equipment	1 368.73	-49.57
	612281000 Maintenance and repairs of plant and machinery	-700.00	-86.04
	613200000 IT services	-105.00	-175.00
	613330000 Bank account charges and bank commissions (included custody fees on securities)	-681.18	-1 094.70
	613340000 Charges for electronic means of payment	-200.00	0.00
	613410000 Legal, litigation and similar fees	-72 453.09	-32 131.50
	613412000 Legal fees - purchase invoice accruals	-6 650.00	-6 500.00
	613420000 Accounting, tax consulting, auditing and similar fees	-29 759.97	-23 711.75
	613421000 Audit fees - purchase invoice accruals	11 500.00	-14 000.00

Detail for PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT		31/12/2021	31/12/2020
613422000	Payroll calculation fees	-9 051.60	0.00
613480000	Other professional fees	-100.00	0.00
613810000	Staff recruitment costs	-11 700.00	0.00
615212000	Travel expenses - Staff	-17 678.21	-15 601.26
615212100	Parking	-183.32	-100.14
615240000	Receptions and entertainment costs	-4 891.43	-1 870.83
615310000	Postal charges	-186.00	-49.70
615320000	Telecommunication costs	-24 196.43	-12 195.54
615321000	Customised Emergency Open Space Services	-5 002.70	-7 974.24
615321100	Customised Emergency Open Space Services - purchase invoice accruals	80.00	2 421.00
618200000	Costs of training, symposiums, seminars, conferences	-2 308.46	-3 686.54
618420000	Liquid fuels (oil, motor fuel, etc.)	-5 568.76	-5 260.38
618510000	Office supplies	-16 312.47	0.00
618520000	Small equipment	-749.00	0.00
618580000	Other	-116.24	-2 431.21
618700000	Contributions to professional associations	-140.00	-251.16
618710000	CSSF fees	-30 000.00	-45 000.00
//6/a)	Staff costs		
	Wages and salaries	-2 872 028.10	-2 256 428.02
621110000	Base wages	-2 380 060.00	-1 887 649.00
621121000	Sunday	-277.25	-1 122.15
621122000	Public holidays	-1 806.24	-7 409.54
621123000	Overtime	-1 527.64	-15 147.20
621140000	Incentives, bonuses and commissions	-432 794.00	-255 750.00
621150000	Benefits in kind	-31 058.69	-28 956.32
621151000	Chèques repas	-71 642.24	-57 127.33
621152000	Reprise voitures	2 071.90	0.00
621155000	Participation leasing voitures	63.92	0.00
621800000	Other benefits	0.00	-60 591.94
621910000	Reimbursements for employer social insurance fund	45 002.14	41 462.18
621911000	Remboursements ADEM - Chômage partiel	0.00	15 863.28
//6/b/i)	Social security costs relating to pensions	-204 574.44	-163 151.17
623100000	Social security on pensions	-204 574.44	-163 151.17
//6/b/ii)	other social security costs	-120 222.89	-97 370.40
623200000	Other social security costs (including illness, accidents, a.s.o.)	-118 917.89	-96 380.40
623210000	Occupational health service	-1 305.00	-990.00
//7/a)	Value adjustments in respect of formation expenses and of tangible and intangible fixed assets	-48 980.92	-84 483.44
632230000	Licences informatiques (logiciels et progiciels informatiques) - value adjustment	-592.35	-1 128.22
633200000	AVA on plant and machinery	0.00	-29 500.43
633303000	Furniture - value adjustment	-726.46	-2 309.70
633305000	Computer hardware (hardware) - value adjustment	-47 662.11	-51 545.09
//8	Other operating expenses	-263 057.79	-409 211.82
641300000	Software licences	-54 243.71	-24 953.73
641310000	IT Licences (software and software packages) - Deferred charges	11 219.00	-1 979.00
646200000	Non-refundable VAT	-5 279.98	-4 922.58
648110000	Amendes et intérêts de retard envers ACD	-11.50	0.00
648140000	Intérêts de retard impôts sur salaires	0.00	-334.75
648800300	Other sundry operating charges - SYNCORDIS S.A. - Tax unity	0.00	-3 431.25

Detail for PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT		31/12/2021	31/12/2020
649210000	Holidays provisions	-3 161.60	-5 517.36
649220000	Dotation aux provisions pour primes	-211 580.00	-368 073.15
//11(b)	Other interest receivable and similar income other interest and similar income	0.13	2 846.11
756200000	Foreign currency exchange gains - other	0.13	2 846.11
//14(a)	Interest payable and similar expenses concerning affiliated undertakings	-3 849.24	-2 244.62
655411000	Interests on affiliated undertakings - Syncordis S.A.	-3 849.24	-2 244.62
//14(b)	other interest and similar expenses	0.00	-385.29
656200000	Foreign currency exchange losses - other	0.00	-385.29
//16	Profit or loss after taxation	-16 598.80	61 704.93
//17	Other taxes not shown under items 1 to 16	-5 350.00	-1 885.00
681100000	NWT - current financial year	-5 350.00	-1 885.00
//18	Profit or loss for the financial year	-21 948.80	59 819.93
142000000	Result for the financial year	-21 948.80	59 819.93

SYNCORDIS LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

Company Registration No. 10045506 (England and Wales)

SYNCORDIS LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

SYNCORDIS LTD

COMPANY INFORMATION

Directors Mr S Chaturvedi
Mr G P M Desjonqueres
Mr N G Deshpande (Appointed 1 February 2021)

Company number 10045506

Registered office Rayner Essex LLP
Tavistock House South
Tavistock Square
London
WC1H 9LG

Auditor The Paris Partnership
Chartered Accountants and Statutory Auditors
Russell House
140 High Street
Edgware
Middlesex
HA8 7LW

SYNCORDIS LTD

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Balance sheet	7
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SYNCORDIS LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company continued to be that of information technology consultancy.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr S Chaturvedi

Mr G P M Desjonquieres

Mr A Sonthalia

(Resigned 19 January 2021)

Mr N G Deshpande

(Appointed 1 February 2021)

Auditor

In accordance with the company's articles, a resolution proposing that The Paris Partnership be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board


Digitally signed by
Guillaume_Desjonquieres
Date: 2022.04.14 18:34:28
+02'00'

.....
Mr G P M Desjonquieres

Director

Date: 14-April-2022

SYNCORDIS LTD

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SYNCORDIS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SYNCORDIS LTD

Opinion

We have audited the financial statements of Syncordis Ltd (the 'company') for the year ended 31 December 2021 which comprise the profit and loss account, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

SYNCORDIS LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF SYNCORDIS LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the directors and other management, and from our commercial knowledge and experience of the information technology consultancy sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, and employment;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

SYNCORDIS LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF SYNCORDIS LTD

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the FCA, and the company's FCA advisors

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.


Lee Paris FCA (Senior Statutory Auditor)
For and on behalf of The Paris Partnership LLP

Chartered Accountants and Statutory Auditors
Russell House
140 High Street
Edgware
Middlesex
HA8 7LW


16 April 2022

SYNCORDIS LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Notes	£	£
Turnover		4,394,581	2,951,261
Cost of sales		(3,265,803)	(2,500,129)
Gross profit		1,128,778	451,132
Administrative expenses		(1,154,889)	(995,542)
Other operating income		-	6,870
Operating loss		(26,111)	(537,540)
Interest receivable and similar income		-	34
Interest payable and similar expenses	4	(28,079)	(24,210)
Loss before taxation		(54,190)	(561,716)
Tax on loss	5	(4,894)	91,236
Loss for the financial year		(59,084)	(470,480)

SYNCORDIS LTD

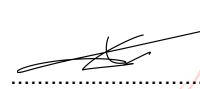
BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Intangible assets	6		71,346		142,692
Tangible assets	7		493		13,157
			<u>71,839</u>		<u>155,849</u>
Current assets					
Debtors	8	3,416,841		1,664,877	
Cash at bank and in hand		566,954		193,443	
		<u>3,983,795</u>		<u>1,858,320</u>	
Creditors: amounts falling due within one year	9	<u>(3,090,376)</u>		<u>(1,383,852)</u>	
Net current assets			<u>893,419</u>		<u>474,468</u>
Total assets less current liabilities			<u>965,258</u>		<u>630,317</u>
Creditors: amounts falling due after more than one year	10		<u>(2,938,055)</u>		<u>(2,544,030)</u>
Net liabilities			<u>(1,972,797)</u>		<u>(1,913,713)</u>
Capital and reserves					
Called up share capital			1,000		1,000
Profit and loss reserves			(1,973,797)		(1,914,713)
Total equity			<u>(1,972,797)</u>		<u>(1,913,713)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:

 Digitally signed by
Guillaume_Desjonqueres
Date: 2022.04.14 18:09:52
+02'00'

Mr G P M Desjonqueres
Director

Company Registration No. 10045506

SYNCORDIS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Syncordis Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Rayner Essex LLP, Tavistock House South, Tavistock Square, London, WC1H 9LG.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The principal accounting policies adopted are set out below.

Syncordis Ltd is a 100% subsidiary of Syncordis S.A., which in turn is a 100% subsidiary of L&T Infotech GmbH. L&T Infotech GmbH is a 100% subsidiary of L&T Infotech Ltd, a company incorporated in India and listed on the NSE and BSE in India. The results of Syncordis Ltd are included in the consolidated financial statements of L&T Infotech Ltd and group accounts can be obtained from the ultimate parent company's office at L&T House, Ballard Estate, P.O. Box 278, Mumbai 400 001, India.

1.2 Going concern

The directors have considered the effect of the Covid 19 pandemic and consider that the continued restrictions imposed in various countries may delay the roll out of the company's business plan. They have received confirmation that any repayment of loans from the parent are not due until 1 August 2022. These loans, currently amounting to £2,938,055, are included as due after one year. The directors consider the parent company's loan facility provides sufficient finance to allow the company to progress its business plan. They are confident, that with the continued financial support from the parent company, Syncordis S.A. the previously expected growth will return as the market improves with the global roll out of a vaccine and, on that basis, have adopted the going concern basis of accounting in preparing these financial statements.

1.3 Turnover

Turnover represents amounts receivable for services net of VAT.

Turnover represents revenue earned under a wide variety of contracts to provide Information Technology and support services. Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represent amounts chargeable to clients, including expenses and disbursements but excluding value added tax. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors

1.4 Research and development expenditure

Research costs are expensed as incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

SYNCORDIS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation is recorded in cost of sales. During the period of development, the asset is tested for impairment annually.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	3 years straight line
-------------------	-----------------------

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	3 years straight line
-----------	-----------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

SYNCORDIS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

SYNCORDIS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

SYNCORDIS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

2 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	6,500	6,500
	<u>6,500</u>	<u>6,500</u>

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021	2020
	Number	Number
Total	22	24
	<u>22</u>	<u>24</u>

4 Interest payable and similar expenses

	2021	2020
	£	£
Interest payable and similar expenses includes the following:		
Interest payable to group undertakings	28,079	24,210
	<u>28,079</u>	<u>24,210</u>

5 Taxation

	2021	2020
	£	£
Deferred tax		
Deferred tax on losses for the current period	4,894	(91,236)
	<u>4,894</u>	<u>(91,236)</u>

SYNCORDIS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Intangible fixed assets

	Other £
Cost	
At 1 January 2021 and 31 December 2021	214,038
Amortisation and impairment	
At 1 January 2021	71,346
Amortisation charged for the year	71,346
At 31 December 2021	142,692
Carrying amount	
At 31 December 2021	71,346
At 31 December 2020	142,692

7 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2021	41,616
Additions	633
At 31 December 2021	42,249
Depreciation and impairment	
At 1 January 2021	28,459
Depreciation charged in the year	13,297
At 31 December 2021	41,756
Carrying amount	
At 31 December 2021	493
At 31 December 2020	13,157

8 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	749,048	325,027
Other debtors	2,667,793	1,339,850
	<u>3,416,841</u>	<u>1,664,877</u>

SYNCORDIS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	37,615	32,916
Amounts owed to group undertakings	2,454,838	858,355
Taxation and social security	138,508	74,293
Other creditors	459,415	418,288
	<u>3,090,376</u>	<u>1,383,852</u>

10 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Amounts owed to group undertakings	2,938,055	2,544,030
	<u>2,938,055</u>	<u>2,544,030</u>

The amount owed to group undertakings includes £2,938,055 (2020: £2,544,030) due to Syncordis S.A.. Interest is payable at the rate of 1% per annum (non-cumulating) and the loan facility will be repayable on 30th April 2023, whereupon the facility will be reviewed.

11 Related party transactions

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

12 Parent company

The parent undertaking is Syncordis S.A., a company incorporated in Luxembourg. The ultimate controlling party is L&T Infotech Ltd, a company incorporated in India.

Copies of the group accounts can be obtained from the Company Secretary at L&T House, Ballard Estate, P.O. Box 278, Mumbai 400 001, India.

SYNCORDIS LTD
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021

SYNCORDIS LTD

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Turnover		
Sales of services	4,394,581	2,951,261
Cost of sales		
<i>Purchases and other direct costs</i>		
Direct costs	7,748	9,466
Wages and salaries	1,698,314	1,588,674
Social security costs	187,184	202,106
Subcontract labour	1,092,178	255,130
Staff bonuses	155,568	265,964
Staff recruitment costs	66,309	26,100
Staff pension costs defined contribution	58,116	47,434
Offshore development expenses	386	105,255
Total purchases and other direct costs	<u>3,265,803</u>	<u>2,500,129</u>
Total cost of sales	(3,265,803)	(2,500,129)
Gross profit	1,128,778	451,132
Other operating income		
Government grants receivable and released	-	6,870
Administrative expenses	(1,154,889)	(995,542)
Operating loss	(26,111)	(537,540)
Interest receivable and similar income		
Bank interest received	-	34
	-	34
Interest payable and similar expenses		
Interest payable to group companies	(28,079)	(24,210)
Loss before taxation	<u>(54,190)</u>	<u>(561,716)</u>

SYNCORDIS LTD

SCHEDULE OF ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Administrative expenses		
Wages and salaries	216,200	287,133
Social security costs	32,317	43,157
Consultancy	91,261	93,028
Staff bonuses	62,590	102,360
Staff welfare	2,641	2,541
Staff training	1,650	17,041
Staff pension costs defined contribution	6,200	6,200
Rent re licences and other	144,964	144,000
Cleaning	84	-
Repairs and maintenance	588	3,770
Computer & IT software costs	8,774	14,653
Motor running expenses	428	-
Travel and subsistence	49,057	13,137
Professional subscriptions	1,326	1,467
Legal and professional fees	37,269	40,191
Accountancy	33,570	35,745
Audit fees	6,500	6,500
Bank charges	502	796
Insurance	4,611	2,990
Printing, postage and stationery	3,386	628
Telecommunications	1,885	1,083
Entertaining	4,188	1,505
Sundry expenses	342	99
Fines and penalties	-	1,030
Management and back office costs	356,068	111,963
Amortisation	71,346	71,346
Depreciation	13,297	13,872
Profit or loss on foreign exchange	3,845	(20,693)
	<u>1,154,889</u>	<u>995,542</u>

SYNCORDIS FRANCE SARL

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

SYNCORDIS FRANCE

Limited Liability Company with capital of 15 000.00 €

Head office: 1 Terrasse Bellini Tour initial

92800 PUTEAUX

514 135 862 RCS PARIS

MANAGEMENT REPORT ON OPERATIONS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

We have the honor to present to you, in accordance with legal and regulatory texts, the report on the operations for the financial year ended December 31, 2021, as well as on the annual accounts for the said financial year submitted for approval.

Situation and activity of the company during the financial year

As you can find, the activity carried out during the past financial year results in a turnover which amounted to € 3,629,230 against € 2,921,980 for the previous financial year, that is to say an increase of 24%.

The total operating expenses came to € 3,919,293 against € 3,204,811 after allocation to provisions and depreciation for € 836.

The overall payroll, including social charges, rose from € 2,288,221 to € 2,869,974, an increase of 25%

The operating outcome came to -278,218 € against -71,440 € for the previous year.

The financial outcome, amounting to -19,825 €, compared to -14,867 € for the previous year, allows to generate a pre-tax current outcome of -298,044 €, compared to -86,307 € at December 31, 2020.

The exceptional outcome amounts to € -85,914, compared to -1,922 for the previous year. The tax on profits for the financial year amounts to 29,365 € against 3,570 €.

Taking into account all types of products and expenses, the activity for the past financial year thus resulted in a loss of 413,323 € against 91,798 € for the previous year.

Events occurring during the financial year

No significant event relating to the activity and the economic and financial situation of the Company occurred during the financial year.

Predictable evolution and future prospects

Despite the difficulties encountered during the last financial year, we are striving to develop our turnover and regulate our expenses in order to improve the profitability of the Company.

Important events occurred during the end of the financial year

Nothing in particular seems to us to have to be pointed out on this plan.

Company activity in terms of research and development

Our Company has not recognized any costs of this nature during the past financial year.

Equity investments

No equity investments were made during the financial year.

Proposed appropriation of the outcome

After deducting all charges and depreciation, the annual accounts closed on December 31, 2021 show a loss of € 413,323, which should be allocated in full to the "Retained earnings" account.

Reminder of previously distributed dividends

To meet the requirements of article 243a of the General Tax Code, I remind you that dividends have not been distributed for the three previous years..

Nondeductible tax expenses

In accordance with the provisions of article 223 quater of the General Tax Code, it is specified that the accounts for the past financial year do not cover the expenses not deductible from tax outcome within the meaning of the provisions of article 39-4 of the same code.

Regulated agreements

Pursuant to the provisions of article L.223-19 of the French Commercial Code, we have the honor to inform you that the agreements referred to in said articles entered into for the financial year ended December 31, 2021 will be entered in the decision register.

Closing

We hope that the decisions that have been proposed will be approved and that you will give release from its management to the Manager for the financial year ended December 31, 2021.

The Manager

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke extending to the right.

> Statutory auditor's report on the financial statements

To your annual general meeting of SYNCORDIS FRANCE,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of SARL SYNCORDIS FRANCE for the year ended December 31st, 2021, as attached to this report.

In our opinion, the financial statements give a true and fair view of the assets and liabilities, of the financial position of the Company on December 31st, 2021 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditor's Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence rules provided by the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from January 1, 2021 to the date of our report.

Material Uncertainty Related to Going Concern

We draw attention to Note "Affectation du résultat" page 17 to the financial statements which describes the material uncertainty resulting from events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Justification of Assessments - Key Audit Matters

The global crisis related to the COVID-19 pandemic creates specific conditions for preparation and audit of the current accounts. Indeed, this crisis and the exceptional measures taken in this global health emergency have multiple consequences for companies, particularly on their business and financing plan, which leads to uncertainties about their future prospects. Some of these measures, such as travel restrictions and remote work, have also an impact on internal organization and on procedures for implementing audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you that the most significant assessments we have made, in accordance with our professional judgment, have focused on the appropriateness of the accounting principles applied.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the documents with respect to the financial position and the financial statements provided to the shareholders.

In accordance with the law, we hereby note that Syncordis France equity have not been restored by Dec 31st, 2021 and its capital has not been reduced as required by article L.225.48 of the French commercial code.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the managers.

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

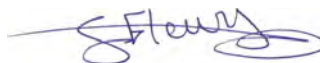
Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards 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 financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

A more detailed description of our statutory auditor's responsibilities for the audit of the financial statements is set out in appendix to this report and forms part of our report.

Made in Fondettes,
March 29, 2022

S.A.S. RBA
Statutory Auditor
Sandrine FLEURY



Detailed Description of Statutory Auditors' Responsibilities

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his 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.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

ANNUAL ACCOUNTS

EURL SYNCORDIS FRANCE

Year ended December 31, 2021

Balance Sheet Assets

	Gross	Depreciation	Net as of 12/31/2021	Net as of 12/31/2020
Capital Stock without call				
TANGIBLE ASSETS				
Intangible assets				
Expenses of installation				
Research and development costs				
Grants, patents, licenses, software, rights & similar values				
Goodwill (1)				
Other intangible assets				
Advances and deposits on intangible assets				
tangible fixed assets				
Land Buildings				
Constructions				
Technical installations, industrial equipment and tools				
Other tangible assets	14 205,35	5 096,57	9 108,78	7 542,02
Property, plant and equipment in progress				
Advances and deposits				
Financial assets (2)				
Investments in associates				
Other investments				
Receivables from investments				
Other long-term investments				
Loans	1 490,00		1 490,00	1 490,00
Other financial assets	15 695,35	5 096,57	10 598,78	9 032,02
WORKING ASSETS ,				
Inventories and stocks in progress				
Raw materials and other supplies				
Goods and services in progress				
Intermediate and finished goods				
Merchandise				
Advances and deposits paid on orders				
Accounts receivable (3)				
Trade receivables and related accounts	825 611,60		825 611,60	488 911,13
Other receivables	29 804,35		29 804,35	166 003,88
Capital issued and called, unpaid				
Miscellaneous				
Marketable securities				
Liquidity	551 996,56		551 996,56	291 210,26
Prepaid expenses (3)	827,57		827,57	3 474,69
	1 408 240,08		1 408 240,08	949 599,96
Deferred loan issue expenses				
Bond repayment premiums				
Exchange rate differences on assets				
GROSS TOTAL	1 423 935.43	5 096.57	1 418 838.86	958 599.96
(1) Donation of leasehold rights				
(2) Donation within one year (gross)				
(3) Donation after one year (gross)				



Mission of presentation of the annual accounts | See certificate of the expert accountant

EUURL SYNCORDIS FRANCE

Year ended December 31, 2021

• **Liability balance sheet**

	at 12/31/2021	at 12/31/2020
EQUITY CAPITAL		
Capital	15 000,00	15 000,00
Share premium, merger premium, contribution premium,		
Revaluation surplus	1 500,00	1 500,00
Legal reserve		
Statutory or contact reserves		
Regulated reserves		
Other reserves	116 711,57	116 711,57
Retained earnings	-666 798,41	-575 000,39
RESULT OF THE YEAR (profit or loss)	-413 323,13	-91 798,02
Investment grants		
Regulated provisions		
	-946 909,97	-533 586,84
OTHER EQUITY		
Revenues from equity issues		
Conditional advances		
PROVISIONS FOR LIABILITIES AND CHARGES		
Provisions for risks		
Provisions for expenses		
LIABILITIES (1)		
Convertible bonds		
Other bonds		
Borrowings from credit institutions (2)		
Other borrowings (3)	1 073 087,78	754 804,45
Advances and orders received on orders in progress		
Trade payables	157 230,32	96 105,51
Tax and social security liabilities	629 484,71	623 497,00
Payables on fixed assets and related accounts		1 121,11
Other liabilities	505 946,02	16 690,75
Deferred income (1)	2 365 748,83	1 492 218,82
Currency conversion differences		
GROSS TOTAL	1 418 838,86	958 631,98
(1) Donation after one year (a)		
(1) Donation due within one year (a)	2 365 748,83	1 492 218,82
(2) Donation of bank loans and credit balances		
(3) Donation of equity loans		
(a) Excluding advances and deposits received on orders in progress		



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EUURL SYNCORDIS FRANCE

Year ended December 31, 2021

Profit and loss account

	12/31/2021	12/31/2020
Operating revenues (1)		
Sales of commodities		
Goods sold (products)		
Services sold	3 629 230,36	2 921 979,57
Net sales	3 629 230,36	2 921 979,57
Donation to / exportation	1085 198,10	97 555,71
Production in stock		
Capital assets production		
Operating subsidies	8000,00	
Reversals of provisions (and depreciation), transfer of expenses	2 690,75	211 290,84
Other income	1 153,72	100,41
Total I	3 641 074,83	3 133 370,82
Operating costs (2)		
Purchase of commodities		
Variations of stock		
Purchase of raw materials and other supplies		
Variations of stocks		
Other purchases and external charges (a)	1 007 947,80	878 603,88
Taxes, duties and similar payments	40 387,00	33 277,23
Wages and salaries	1 971 220,40	1 589 733,55
Social security costs	898 754,01	698 487,50
Allowance for depreciation and amortization:		
- On fixed assets: depreciation and amortization	836,49	1 359,30
- On fixed assets: depreciation		
- On current assets: depreciation		
- For risks and expenses: provisions		
Other expenses	147,59	3 349,24
Total II	3 919 293,29	3 204 810,70
OPERATING PROFITS OR LOSS (1-11)	-278 218,46	-71 439,88
Profit-sharing on joint operations		
Profit attributed or loss transferred III		
Losses incurred or profits transferred IV		
Financial income		
From investments (3)		
From other securities and receivables of the fixed assets (3)		
Other interest and similar income (3)		
Reversals of provisions; impairments and transfer of expenses		
Positive exchange rate differences	417,61	419,58
Net income from sales of marketable securities		
Total V	417,61	419,58
Financial expenses		
Allowances for amortization, depreciation and provisions		
Interest and similar expenses (41)	19 958,51	15 283,25
Negative exchange rate differences	284,46	2,95
Net expenses on disposal of marketable securities		
Total VI	20 242,97	15 286,20
FINANCIAL RESULT (V-IV)	-19825,36	-14866,62
CURRENT INCOME before taxes(1-11+111-IV+V-V -VI)	-298 043,82	-86 306,50



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EURL SYNCORDIS FRANCE

Year ended December 31, 2021

• **Income statement (continued)**

	12/31/2021	12/31/2020
Exceptionnal products		
On management operations	7 197,86	
On capital operations		
Reversals of provisions; depreciation and transfer of expenses		
Total VII	7 197,86	
Special expenses		
On management operations	93 112,13	358,00
On capital transactions		
Allowances for depreciation, amortization and provisions		1 563,52
Total VIII	93 112,13	1 921,52
SPECIAL REVENUES (VII-VIII)	-85 914,27	1 921,52
Employee profit sharing (IX)		
Tax on profits (X)	29 365,04	3 570,00
Total revenue (I+III+V+VII)	3 648 690,30	3 133 790,40
Total expenses (II+IV+VI+V III+IX+X)	4062 013,43	3 225 588,42
PROFIT OR LOSS	-413 323,13	-91 798,02
(a) Including :		
- Equipment lease payments		
- Real estate leaseholds		
(1) Donation of revenue related to previous years		
(2) Donation of expenses related to prior years		
(3) Donation of income related to affiliated entities		
(4) Donation of interest related to affiliated entities		



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EURL SYNCORDIS FRANCE

Year ended December 31, 2021

Accounting rules and methods

Depreciation

Depreciation is calculated on a straight-line basis over the expected useful life of the asset.

- Office equipment: 5 to 10 years
- Computer equipment: 3 years
- Furniture: 10 years

The depreciation period used for simplification purposes is the useful life for assets that cannot be broken down at the outset. The company has assessed at the closing date, taking into account the internal and external information available to it, whether there are indications that the assets may have lost significant value.

Receivables

Receivables are valued at their nominal value. Depreciation is applied when the inventory value is lower than the market value.

Issuance costs of loans

The costs of issuing loans are immediately taken into account in the expenses of the financial year.

Exceptional income and expenses

Exceptional income and expenses take into account items that are not related to the normal activity of the company.

Pension commitments

The Company's collective agreement provides retirement benefits. No specific agreement has been signed.

The corresponding commitments are mentioned in full in these notes.

Retirement benefits are determined by applying a method that takes into account projected end-of-career salaries, staff turnover, life expectancy and assumptions for discounting expected payments.

The actuarial assumptions used are as follows

- Discount rate: 1.64
- Salary growth rate: 1.5
- Retirement age: 65 years
- Employee turnover rate: 0%
- Mortality rate table: INSEE 2021

Consequences of the Covid-19 event

The Covid-19 event did not have a material impact on the company's assets, financial position or results. Nevertheless, as the event was still in progress at the date of preparation of the annual financial statements, the company is unable to assess the precise consequences for future years.



EURL SYNCORDIS FRANCE

Year ended December 31, 2021

• **Notes on the balance sheet**

Fixed assets

Table of fixed assets

	at the beginning of the year	Increase	Decrease	at year-end
-- General installations, fixtures and fittings				
-- Technical installations, equipment and tools				
-- General facilities, fixtures and fittings				
-- Office and computer equipment, furniture	11 802	2 403		14 205
- Property, plant and equipment	11802	2403		14205
- Investments valued by the equity method	1490			1 490
-- Loans and other financial assets				
Financial assets	1490			1490
FIXED ASSETS	13 292	2 403		15 695



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EURL SYNCORDIS FRANCE

Year ended December 31, 2021

- **Notes on the balance sheet**

Depreciation of fixed assets

	At the beginning of the year	Increase	Decrease	At the end of the year
- - General installations, fixtures and fittings				
- - Technical installations, equipment and tools				
- - General installations, fixtures and fittings				
- - Office and computer equipment, furniture	4 260	836		5 097
- Tangible fixed assets	4260	836		5097
FIXED ASSETS: DEPRECIATION	42.60	836		5 097

EURL SYNCORDIS FRANCE

Year ended December 31, 2021

• **Notes on the balance sheet**

Working capital

Status of receivables

Total receivables at the end of the fiscal year amounted to 857,734 Euros and can be broken down as follows:

	Amount gross	Maturities Maximum of 1 year	Maturities more than 1 year
Receivables from fixed assets:			
Receivables from investments			
Loans			
Other	1 490		1 490
Receivables from current assets:			
Trade receivables and related accounts	825 612	825 612	
Other	29804	29804	
Capital stock - called, not paid			
Prepaid expenses	828	828	
total	857 734	856 244	1 490
Loans granted during the year			
Loans recovered during the year			

Accrued income

	Amount
Clients invoices to be issued	54 823
Social security charges - accrued income	914
Total	55 736



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EURL SYNCORDIS FRANCE

Year ended December 31, 2021

• **Notes on the balance sheet**

Equity

Composition of Share Capital

Share capital of 15,000.00 Euros divided into 300 shares of a nominal value of 50.00 Euros.

	Number	Nominal value
Securities making up the share capital at the beginning of the year	300	50,00
Securities issued during the year	300	50,00
Securities redeemed during the year		
Securities comprising the share capital at the end of the year		

Allocation of the result

After the allocation of the 2020 result, equity remains negative.

In this context, it is essential to specify that the company is supported by its subsidiary SYNCO RDIS SA.

Decision of the general assembly of April 16, 2021

	Amount
Retained earnings from previous year	-575 000
Profit for the previous year	-91 798
Withdrawal from reserves	
Total of origins	-666 798
Allocation to reserves	
Distributions	
Other distributions	
Retained earnings	-666 798
Total allocations	-666 798



EURL SYNCORDIS FRANCE

Year ended December 31, 2021

• **Notes on the balance sheet**

Statement of changes in equity

	Balance as of 01/01/2021	Allocation of results	Increase	Decreases	Balance as of 12/31/2021
Capital	15 000				15 000
Legal reserve	1 500				1 500
General reserves	116 712				116 712
Retained earnings	-575 000	-91 798	-91 798		-666 798
Net income for the year	-91 798	91 798	-413 323	-91 798	-413 323
Total Equity	-533 587		-505 12	-91 798	-946 910

Status of debts

Total liabilities at the end of the fiscal year amounted to 2,365,749 Euros and can be broken down as follows:

	Amount gross	Maturities up to 1 year	Maturities from 1 to 5 years	Maturities over 5 years
Convertible bonds				
Other bonds				
Loans and debts with credit institutions of which : within 1 year at inception				
Due in more than 1 year at inception				
Other borrowings and financial liabilities	157 230	157 230		
Trade payables and related accounts	629 485	629 485		
Tax and social security debts				
Debts on fixed assets and related accounts				
Group and associates	1073 088	1073 088		
Other liabilities				
Deferred income	505 946	505 946		
Total	2 365 749	2 365 749		
Borrowings taken out during the year				
Borrowings repaid during the year				



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EURL SYNCORDIS FRANCE

Year ended December 31, 2021

• **Notes on the balance sheet**

Accrued expenses

	Amount
Suppliers - unpaid invoices	32 130
Associates - accrued interest	63 088
Staff - provision for paid vacations	116 777
Personnel - other accrued expenses	177 375
Social security charges / provision for pensions and benefits	52 158
Social security - accrued expenses	80 032
CFE payable	765
CVAE payable	2 670
Apprenticeship tax	2 832
Continuing education	4795
Total	532 624

Accruals and deferred income

Prepaid expenses

	Operating expenses	Financial expenses	Exceptional expenses
Prepaid expenses	828		
Total	828		

Deferred revenue

	Operating revenues	Financial Products	Exceptional Products
CROSS CHECK AND IMPLEMENT	505 946		
Total	505 946		



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- Notes to the income statement

Operating and financial income and expenses

Compensation of the statutory auditors

Amount recognized for the statutory audit of the annual accounts: 9,430 Euros

Exceptional income and expenses

Exceptional income and expenses for the year

	Expenses	Products
Other exceptional expenses on management operations	93 112	
Other exceptional income from management operations		7 198
TOTAL	93112	7198

The exceptional charge of € 93,112.13 corresponds to an invoice to be issued on a contract with the customer CHAABI in 2018. The provision was renewed from year to year and then after negotiation, the customer obtained the cancellation of this invoice.

EURL SYNCORDIS FRANCE

Year ended December 31, 2021

- Other information**

Workforce

Average number of employees: 25 including 2 apprentices.

	Salaried staff	Staff provided at your disposal
Managers	23	
Supervisors and technicians		
Employees	2	
Workers		
Total	25	

Retirement pension commitments

The amount of commitments made in respect of pensions, supplementary retirement benefits and similar indemnities: 80,581 Euros. The amount of the company's commitment for end-of-career indemnities for employees has been estimated on the basis of the retirement indemnity provided for by the French Labor Code, using the projected unit credit method.

For a defined benefit plan, Recommendation 2 003-R.0 1 of April 1, 2003 is applied.



RULETRONICS SYSTEMS INC.

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

BOARD'S REPORT

Dear Members,

The Directors have pleasure in presenting their Annual report and Audited Accounts for the year / period ended 31st December 2021

1. FINANCIAL HIGHLIGHTS:

Particulars	2021	2020
	USD	USD
Revenue from Business operations	1,455,035	2,127,468
Total Expenditure	1,530,031	2,287,677
Operating Profit / (Loss)	(74,996)	(160,209)
Add: Interest Income	-	4,000
Less: Finance Costs	(2,997)	6,744
Profit / (Loss) before Tax	(77,993)	(162,953)
Less : Tax	2,131	4,193
Net Profit / (Loss) after Tax	(80,124)	(167,146)

2. State of Company Affairs:

The gross sales and other income for the financial year under review were USD 1,455,035 as against USD 2,131,468 for the previous financial year registering a decrease of 31.61%. The profit / (loss) before tax was USD (77,993) and the profit / (loss) after tax was USD (80,124) for the financial year under review as against USD (162,953) and USD (167,146) respectively for the previous financial year, registering an decrease of 52.14 % and 52.06% respectively.

3. Dividend:

In order to conserve the resources for future business growth, the Directors do not recommend any dividend for the year under review.

4. Material changes and commitments affecting the financial position of the company, between the end of the financial year and the date of the report:

There were no Material changes and commitments affecting the financial position of the company, between the end of the financial year and the date of the report.

5. Reporting of Frauds:

The auditor of the Company have not reported any fraud committed against the Company by its officers or employees.

6. Details of Directors and Key Managerial Personnel appointed/resigned during the year:

During the year under review, there was no change in the composition of Board of Directors & Key Managerial Personnel, except, Mr. Sree Pradeepkumar Naidu, who ceased to be a Director of the Company due to resignation, w.e.f. March 31, 2022.

7. Financial Statements:

The Auditor's Report to the shareholders does not contain any qualification, observation or adverse comment on the financial statements for FY22.

8. Auditors:

M/s SGC & Associates LLP are the auditor of the Company. They will continue to be auditor of the Company for the ensuing financial year.

9. Directors Responsibility Statement:

The Board of Directors of the Company confirms:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the local statutes for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the Annual Accounts on a going concern basis;
- e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

10. Acknowledgement

The Directors take this opportunity to thank the customers, supply chain partners, employees, Financial Institutions, Banks and all the various stakeholders for their continued co-operation and support to the Company.

**On behalf of the Board
For Ruletronics Systems Inc.**

**Mr. Sudhir Chaturvedi
Director**

Date : 14 April, 2022
Place : UK

RULETRONICS SYSTEMS, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2021



RULETRONICS SYSTEMS, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2021

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Independent Auditor’s Report

To Ruletronics Systems, Inc.
To the Board of Directors:

Opinion

We have audited the accompanying financial statements of Ruletronics Systems, Inc. (a New Jersey corporation), which comprises the balance sheet as of December 31, 2021, and the related statements of income, comprehensive income, changes in equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ruletronics Systems, Inc. as of December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ruletronics Systems, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ruletronics Systems, Inc.’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ruletronics Systems, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Ruletronics Systems, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Independent Auditor's Report (Continued)

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

sgc & associates llp

Great Neck NY

April 14, 2022

RULETRONICS SYSTEMS, INC.

BALANCE SHEET

AS AT DECEMBER 31, 2021

ASSETS

Current assets	<u>Note No.</u>	
Cash and cash equivalents		\$ 4,346
Accounts receivable, net	3	<u>142,158</u>
Total current assets		146,504
Property and equipment	4	<u>-</u>
Total assets		<u>\$ 146,504</u>

LIABILITIES AND EQUITY

Current liabilities		
Accrued expenses and other current liabilities		\$ <u>7,596</u>
Total current liabilities		<u>7,596</u>
Total liabilities		<u>\$ 7,596</u>
Equity		<u>138,908</u>
Total equity		<u>138,908</u>
Total liabilities and equity		<u>\$ 146,504</u>

See Notes to Financial Statements

RULETRONICS SYSTEMS, INC.

**STATEMENT OF INCOME, COMPREHENSIVE INCOME, AND CHANGES IN
EQUITY**

YEAR ENDED DECEMBER 31, 2021

	<u>Note No.</u>	
Sales		
Net Sales		\$ <u>1,455,035</u>
Total operating revenue		<u>1,455,035</u>
Operating expenses		<u>1,530,031</u>
Total operating expenses		<u>1,530,031</u>
Operating loss		<u>(74,996)</u>
Other income (expenses)		<u>(2,997)</u>
Net loss before income taxes		<u>(77,993)</u>
Income taxes	8	<u>2,131</u>
Net loss		<u>(80,124)</u>
Comprehensive loss		<u>(80,124)</u>
Equity, beginning of year		<u>219,032</u>
Equity, end of year		\$ <u><u>138,908</u></u>

See Notes to Financial Statements

RULETRONICS SYSTEMS, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2021

Cash flows from operating activities	
Net loss	\$ (80,124)
Adjustments to reconcile change in net assets to net cash used by operating activities	
Depreciation on property and equipment	3,779
Decrease (increase) in assets	
Accounts receivable	316,404
Due from related party	94,464
Other assets	1,200
Increase (decrease) in liabilities	
Accounts payable	(104,811)
Due to related party	(31,578)
Accrued expenses and other current liabilities	<u>(41,775)</u>
Net cash used by operating activities	<u>157,559</u>
Cash flows from investing activities	-
Cash flows from financing activities	
Repayment of related party loan	<u>(236,501)</u>
Cash used in financing activities	<u>(236,501)</u>
Net change in cash and cash equivalents	(78,942)
Cash and cash equivalents - beginning of year	<u>83,288</u>
Cash and cash equivalents - end of year	<u><u>\$ 4,346</u></u>
Supplemental disclosure of cash flow information:	
Income taxes paid	<u>\$ 35</u>
Interest paid	<u><u>\$ 2,997</u></u>

See Notes to Financial Statements

RULETRONICS SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

NOTE 1 – BUSINESS DESCRIPTION

Ruletronics Systems, Inc. (“the Company”) is a boutique Pega consulting company with customers in banking, insurance, healthcare, and retail verticals. Ruletronics is a Gold Implementation Partner of Pega Systems, which is a leader in Intelligent Business Process Management (BPM), Customer Relationship Management (CRM) and Process Automation. The Company is incorporated in New Jersey, United States, and its headquarters are in Fairfield, New Jersey. The Company is a 100% subsidiary of Larsen & Toubro Infotech GmbH (See Note 6).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation – The accompanying financial statements of Ruletronics Systems, Inc. have been prepared on the accrual basis of accounting in accordance with the generally accepted accounting principles in the United States of America (“U.S. GAAP”). Revenue is recorded when earned and expenses are recorded when incurred. All amounts are stated in United States Dollars.

Use of Estimates – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. The important estimates made by the Company in preparing these financial statements include allowance for doubtful accounts, revenue recognition, accrued liabilities, depreciation, income tax uncertainties and other contingencies. The estimates are made using historical information and other relevant factors available to management. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Cash and Cash Equivalents – The Company considers all cash, which is to be used for current operations with a maturity of three months or less to be cash and cash equivalents. The Company believes it is not exposed to any significant risk on cash and cash equivalents.

RULETRONICS SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable & Allowance for Doubtful Accounts – Accounts receivable are recorded at the invoiced amount and do not bear interest. The Company maintains an allowance for doubtful accounts for estimated losses inherent in its accounts receivable. In establishing the required allowance, management considers historical losses that are adjusted considering current market conditions and the customers’ financial condition, the amounts of receivables in dispute, and the current receivables ageing and current payment patterns. The Company reviews its allowance for doubtful accounts periodically. Past due balances are reviewed individually for collectability. Bad debt expense is included in operating expenses in the statement of income, comprehensive income, and changes in equity. The Company charges off uncollectable amounts against the allowance for doubtful accounts in the period in which it determines they are uncollectable.

Leases – Leases are classified as either capital or operating leases. Rent expense on operating leases is recognized on a straight-line basis over the term of the lease including renewal terms if, at inception of the lease, renewal is reasonably assured.

Revenue Recognition – Revenue is recognized only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability of the resulting receivables is reasonably assured. Revenue is measured at the fair value of the consideration received or receivable and is reduced for volume discounts, estimated rebates, and other similar allowances.

Revenue from contracts priced on time and material basis is recognized when services are rendered, and related costs are incurred.

Revenue from services performed on fixed-price basis is recognized over the life of contract using the proportionate completion method.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

Other Income – Other items of income are accounted as and when the right to receive arises.

RULETRONICS SYSTEMS, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment – *Property* and equipment are stated at cost less accumulated depreciation and impairment. Cost of items of property and equipment comprises cost of purchase and other costs necessarily incurred to bring it to the condition and location necessary for its intended use.

The Company depreciates property and equipment using the straight-line method. Expenditures for maintenance and repairs are charged to expense. Upon retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the accounts and the resulting gain or loss is credited to statement of income, comprehensive income, and changes in equity. The estimated useful lives of property and equipment are:

Nature of assets	Estimated useful lives of assets
Furniture and fixtures	5 years
Computers and software	5 years

Advertising Costs – Non-response advertising costs are presented as part of operating expenses in the statement of income, comprehensive income, and changes in equity. Advertising costs are expensed as incurred. The Company did not incur any advertising costs during the year ended December 31, 2021.

Commitments and Contingencies – Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

Income Taxes – Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is recorded for deferred tax assets if it is more likely than not that some portion or all of the deferred tax assets will not be realized. ASC 740 also provides guidance on measurement, de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition.

RULETRONICS SYSTEMS, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued) – The Company recognizes liabilities for uncertain tax positions based on a two-step process. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount which is more than 50% likely of being realized upon ultimate settlement. The Company recognizes interest and penalties related to uncertain tax positions in statement of income, comprehensive income, and changes in equity.

Fair Value of Financial Instruments – At December 31, 2021, the carrying value of cash, accounts receivable, and accrued expenses and other current liabilities, approximate fair value because of the short maturity of these items.

Events Occurring After the Report Date – The Company has evaluated all events or transactions that occurred after the balance sheet date of December 31, 2021, through April 14, 2022, the date these financial statements were available to be issued. As of April 14, 2022, there were no adjusting or non-adjusting events that were required to be accrued or disclosed in the financial statements.

Uncertainty in Income Taxes – The Company has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. Periods ending December 31, 2018, and subsequent remain subject to examination by the applicable taxing authorities.

NOTE 3 – ACCOUNTS RECEIVABLE, NET

Accounts receivable as at December 31, 2021, represent dues from customers of \$142,158, net of allowance of doubtful accounts of \$0. The Company maintains an allowance for doubtful accounts on all accounts receivable, based on present and prospective financial condition of the customer and aging of accounts receivable after considering historical experience and the current economic environment.

RULETRONICS SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment amounted to the following at December 31, 2021:

Furniture and fixtures	\$	7,500
Computer and software		1,203
		8,703
Less: Accumulated depreciation		8,703
	\$	-

NOTE 5 – CONCENTRATIONS

The Company had one customer that accounted for approximately 73% of its sales for the year ended December 31, 2021, and one customer that accounted for approximately 72% of its accounts receivable at December 31, 2021.

The Company had no vendors that accounted for more than 10% of its purchases for the year ended December 31, 2021, and no vendors that accounted for more than 10% of its accounts payable at December 31, 2021.

From time to time, the Company has cash on deposit with financial institutions in excess of Federal Deposit Insurance Corporation (“FDIC”) limits.

NOTE 6 – RELATED PARTY TRANSACTIONS

The Company is a 100% subsidiary of Larsen & Toubro Infotech GmbH (See Note 1).

The Company had a loan payable including accrued interest of \$11,800 due to Larsen & Toubro Infotech GmbH amounting to \$236,501 at January 1, 2021. The loan was paid off in 2021.

The Company had the following related party transactions during the years ended December 31, 2021 and 2020 in the ordinary course of business:

Particulars	December 31, 2021	December 31, 2020
Sale of Services:		
Larsen & Toubro Infotech Limited, U.S. Branch		\$186,784
Purchase of Services:		
Larsen & Toubro Infotech Limited, U.S. Branch	\$963,463	\$147,179

RULETRONICS SYSTEMS, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021

NOTE 7 – INCOME TAXES

The components of the provision for income taxes for the year ended December 31, 2021, are as follows:

Current Taxes

Federal tax	\$	-
State tax		<u>2,131</u>
Income tax expense	\$	<u><u>2,131</u></u>

The Company files income tax returns for Federal and the States of New Jersey, Pennsylvania, and Tennessee. The open years' subject to examination by the tax authorities range from 2018-2021. Management does not believe that there are any uncertain tax positions for either the past years or the current year.

NOTE 8 – LEASE COMMITMENTS

The Company leased office space under a non-cancelable operating lease. The lease was cancelled, and the leased office space was surrendered by the Company in December 2021. The Company recognizes rent expense on a straight-line basis over the term of the operating lease. Rent expense for the year ended December 31, 2021, amounted to \$14,375.

NOTE 9 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through April 14, 2022, the date these financial statements were available for issue. All subsequent events, requiring recognition or disclosure through this date, have been incorporated into these financial statements.

SUPPLEMENTARY INFORMATION

RULETRONICS SYSTEMS, INC.

**SCHEDULE TO THE STATEMENT OF INCOME, COMPREHENSIVE INCOME,
AND CHANGES IN EQUITY**

YEAR ENDED DECEMBER 31, 2021

Operating expenses	
Subcontracting	\$ 1,276,519
Salaries	197,651
Payroll taxes	18,865
Rent	14,375
Accounting fees	12,050
Insurance	4,141
Depreciation	3,779
Payroll fees	1,445
Telephone	690
Bank charges and fees	300
Office supplies	114
Other taxes, licenses and fees	<u>102</u>
Total operating expenses	\$ <u><u>1,530,031</u></u>
Other income (expenses)	
Interest expense	\$ <u><u>(2,997)</u></u>
Total other income (expenses)	\$ <u><u>(2,997)</u></u>

**LARSEN & TOUBRO INFOTECH
NORGE AS**

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

To the Board of Directors of Larsen & Toubro Infotech Norge AS

Independent auditor`s report (translated from Norwegian)

Opinion

We have audited the financial statements of Larsen & Toubro Infotech Norge AS showing a profit of NOK 5.367.237. The financial statements comprise the balance sheet as at March 31, 2022, the statement of income and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at March 31, 2022 and (of) its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor`s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company as required by laws and regulations and the International Ethics Standards Board for Accountants` Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors` report. Our opinion on the financial statements does not cover the information in the Board of Directors` report.

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

Based on our knowledge obtained in the audit, in our opinion the Board of Directors` report

- is consistent with the financial statements and
- contains the information required by applicable legal requirements.

Post- og besøksadresse:

Holbergs gate 21

0166 Oslo

Medlemmer av Den Norske Revisorforening

Bankgiro:

8397.05.05914

Organisasjonsnr:

975 800 679MVA

Responsibilities of the management for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to:

<https://revisorforeningen.no/revisjonsberetninger>

Oslo, 09.05.2022
Alpha Revisjon AS

Tåle Johnsen
State Authorised Public Accountant
(This document is signed electronically)

Elektronisk signatur

Signert av

Johnsen, Tåle
Norwegian BankID

Dato og tid

(UTC+01:00) Amsterdam, Berlin, Bern, Rome, Stockholm, Vienna

09.05.2022 18.16.06

Dette dokumentet er signert med elektronisk signatur. En elektronisk signatur er juridisk forpliktende på samme måte som en håndskrevet signatur på papir. Denne siden er lagt til dokumentet for å vise grunnleggende informasjon om signaturen(e), og på de foregående sidene kan du lese dokumentet som er signert. Vedlagt finnes også en PDF med signatordetaljer, og en XML-fil med innholdet i den elektroniske signaturen(e). Vedleggene kan brukes for å verifisere gyldigheten av dokumentets signatur ved behov.



Annual report FY 1.4 2020 - 31.3 2022

Larsen & Toubro Infotech Norge AS

Directors' Report
Revenue statement
Balance sheet
Cash flows
Notes to the Accounts



Org.no.: 921 974 248

Annual report 2022 for Larsen & Toubro Infotech Norge AS

THE TYPE AND LOCATION OF THE BUSINESS

Larsen & Toubro Infotech Norge AS is a company whose business consists of delivering IT solutions and IT services to clients globally and in Norway. The company is located in Bærum municipality.

GOING CONCERN

In accordance with § 3-3a of the Accounting Act it is confirmed that the going concern assumption is satisfied and this assumption has been applied in the preparation of the accounts.

FUTURE DEVELOPMENT

One of the main industry sectors in which Larsen and Toubro Infotech Norge AS operates is Banking and Financial Services. The entity has seen strong growth of 14% year on year growth in this vertical. Digital transformation continues to be a strategic priority and key area of focus for Banking and Financial Services firms. Firms are spending more on change the bank initiatives relative to run compared to 2-3 years back. Technology investments are across large and medium sized banks and across sub-verticals such as capital markets, payments, retail banking, wealth management etc. Unprecedented liquidity in the economy due to massive global stimulus programs and new ways of working because of the pandemic have further fuelled these investments. Firms are investing in improving customer experience by shrinking the core and building a layer of service-oriented interfaces. This gives them agility to launch a new product and offer a higher degree of straight through processing. Shift from cash to online transactions is further driving opportunities for payments and cards firms. In addition, technology spend on automation of processes and workflows are helping to reduce manual effort and physical presence such as branches and contribute to operational efficiency. Firms are confident that technology investments will pay off either in terms of top line or bottom-line expansion.

CLIENT RELATIONSHIPS

Client relationships are at the core of our business. We have a history of high client retention and continue to derive a significant proportion of our revenue from repeat business built on our successful execution of prior engagements.

As client relationships mature, we seek to maximize our revenue and profitability by expanding the scope of services offered to that client with the objective of winning more business from our clients, particularly in relation to our more substantive and value-added offerings. At the same time, we continue our efforts to add new clients and expand client relationships.

REPORT ON THE ANNUAL ACCOUNTS

The board is not aware of any matters that are important for an assessment of the company's position and result that are not set out in the annual accounts. Similarly no matters have occurred after the end of the financial year that in the opinion of the board are material to an assessment of the accounts.

The company had a turnover of NOK 137 870 810 for the period 01.04.21-31.3.2022. The company's total capital is NOK 48 387 790 and the equity is NOK 10 685 477. The equity ratio is 22,0%.

FINANCIAL RISK

Overall objective and strategy

The company is part of a larger international group and the overall goal and strategy is controlled from there. The financial risk is primarily linked to currency risk, in that a number of transactions take place in foreign currency.

Market risk

The market is considered stable, both in terms of prices and volume.

Credit risk

Credit risk is the risk of financial loss for the company, if a customer does not meet their contractual obligations. The company monitors defaults by customers or counterparties and incorporates the information into their credit risk controls.

Liquidity risk

The company has good liquidity and also has the opportunity to draw on the group's facilities.

WORKING ENVIRONMENT, EQUAL OPPORTUNITY AND DISCRIMINATION

The board considers that the working environment in the company is good. No special measures have been implemented in this connection. The employees of the business have not suffered accidents or injury in connection with their work. Total sick leave over the last year has been 259 days, which amounts to 2% of total working time in the accounting year.

Larsen & Toubro Infotech Norge AS has a goal to be a workplace where there is full equality of opportunity between men and women, and has established a personnel policy that is considered to be gender neutral in all areas. At the end of year the company had 50 employees, 9 women and 41 men. The company's board consists of 1 persons, of whom 0 are women.

ENVIRONMENT REPORTING

The company does not carry on activity that pollutes the external environment.

INSURANCE FOR BOARD MEMBERS AND MANAGING DIRECTOR

Insurance has been taken out for the members of the board and the managing director for their possible responsibility to the company and third parties.

RESEARCH AND DEVELOPMENT ACTIVITIES

Larsen & Toubro Infotech Norge AS has not had research and development activities in 2022.

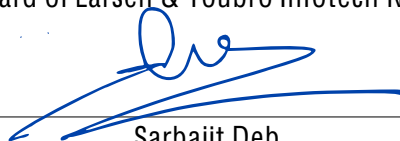
ANNUAL RESULT AND ALLOCATIONS

In 2022 the company had a result of after tax of NOK 5 367 237 which is proposed to be allocated as follows:

Disposition	Amount
Allocation to dividend	0
Allocation to group contribution	0
To other equity	5 367 237

09.05.2022

The board of Larsen & Toubro Infotech Norge AS



Sarbajit Deb

chairman of the board/General Manager

REVENUE STATEMENT

LARSEN & TOUBRO INFOTECH NORGE AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2022	2021
Revenue		137 870 810	117 592 376
Total income		137 870 810	117 592 376
Raw materials and consumables used	6	84 523 241	84 679 921
Employee benefits expense	1	42 248 317	12 352 250
Depreciation and amortisation expenses	2	1 461 589	1 461 589
Other expenses	1, 6	1 345 788	13 366 159
Total expenses		129 578 935	111 859 920
Operating profit		8 291 875	5 732 457
FINANCIAL INCOME AND EXPENSES			
Other interest income		0	2 583
Other financial income		90 561	1 703 370
Other financial expenses		1 495 181	1 431 860
Net financial items		-1 404 620	274 092
Net profit before tax		6 887 255	6 006 549
Income tax expense	3	1 520 018	1 322 265
Net profit after tax		5 367 237	4 684 284
EXTRAORDINARY INCOME AND EXPENSES			
Net profit or loss	5	5 367 237	4 684 284
ATTRIBUTABLE TO			
Other equity		5 367 237	4 684 284
Total		5 367 237	4 684 284

BALANCE SHEET

LARSEN & TOUBRO INFOTECH NORGE AS

ASSETS	Note	31.3. 2022	31.3.2021
NON-CURRENT ASSETS			
Concessions, patents, licences, trademarks, and similar rights	2	2 893 936	4 340 905
Deferred tax assets	3	350	0
Total intangible assets		2 894 286	4 340 905
Equipment and other movables	2	43 822	58 443
Total property, plant and equipment		43 822	58 443
Bonds and other receiveables		31 500	102 900
Other long-term receivables		79 351	0
Total non-current financial assets		110 851	102 900
Total non-current assets		3 048 959	4 502 248
CURRENT ASSETS			
DEBTORS			
Accounts receivables		29 920 031	25 936 716
Other short-term receivables		3 996 760	9 785 376
Total receivables		33 916 791	35 722 093
INVESTMENTS			
Cash and cash equivalents		11 422 040	19 790 121
Total current assets		45 338 831	55 512 213
Total assets		48 387 790	60 014 461

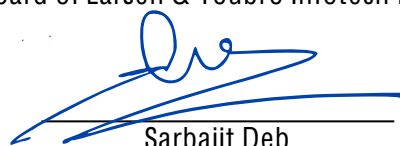
BALANCE SHEET

LARSEN & TOUBRO INFOTECH NORGE AS

EQUITY AND LIABILITIES	Note	31.3. 2022	31.3.2021
EQUITY			
PAID-IN CAPITAL			
Share capital	4, 5	30 000	30 000
Total paid-up equity		30 000	30 000
RETAINED EARNINGS			
Other equity		10 655 477	5 288 239
Total retained earnings		10 655 477	5 288 239
Total equity	5	10 685 477	5 318 239
LIABILITIES			
PROVISIONS			
Deferred tax	3	0	2 564
Total provisions		0	2 564
OTHER NON-CURRENT LIABILITIES			
CURRENT LIABILITIES			
Trade payables	6	12 955 165	30 977 473
Tax payable	3	2 762 271	1 490 047
Public duties payable		6 600 500	4 497 994
Other current liabilities		15 384 378	17 728 145
Total current liabilities		37 702 313	54 693 658
Total liabilities		37 702 313	54 696 222
Total equity and liabilities		48 387 790	60 014 461

09.05.2022

The board of Larsen & Toubro Infotech Norge AS



Sarbajit Deb

chairman of the board/General Manager

INDIRECT CASH FLOW

LARSEN & TOUBRO INFOTECH NORGE AS

	Note	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/loss before tax		6 887 255	6 006 549
Taxation paid		83 569	137 138
Ordinary depreciation		1 461 589	1 461 589
Change in accounts receivable		-3 983 314	-15 316 830
Change in accounts payable		-18 022 309	11 618 351
Change in other accrual items		5 372 267	10 551 916
Net cash flows from operating activities		-8 368 081	14 184 436
 CASH FLOWS FROM FINANCING ACTIVITIES			
Net change in cash and cash equivalents		-8 368 081	14 184 436
Cash and cash equivalents at the start of the period		19 790 121	5 635 685
Cash and cash equivalents at the end of the period		11 422 040	19 820 121

Accounting principles

The annual accounts have been prepared in conformity with the provisions of the Accounting Act and good accounting practice.

USE OF ESTIMATES

In the preparation of the annual accounts estimates and assumptions have been made that have affected the profit and loss account and the valuation of assets and liabilities, and uncertain assets and liabilities on the balance sheet date in accordance with generally accepted accounting practice. Areas which to a large extent contain such subjective evaluations, a high degree of complexity, or areas where the assumptions and estimates are material for the annual accounts, are described in the notes.

REVENUES

Income from the sale of goods is recognised on the date of delivery. Services are posted as income as they are delivered. Income from the sale of services and long-term manufacturing projects (construction contracts) are posted to the profit and loss account in line with the project's degree of completion, when the outcome of the transaction can be estimated in a reliable manner. When the transaction's outcome cannot be estimated reliably, only income corresponding to a projects' incurred costs can be posted as revenue. At the time when it is identified that the project will give a negative result, the estimated loss on the contract is posted in full to the profit and loss account.

TAX

The tax charge in the profit and loss account consists of tax payable for the period and the change in deferred tax. Deferred tax is calculated at the tax rate at 22 % on the basis of tax-reducing and tax-increasing temporary differences that exist between accounting and tax values, and the tax loss carried forward at the end of the accounting year. Tax-increasing and tax-reducing temporary differences that reverse or may reverse in the same period are set off and entered net. The net deferred tax receivable is entered on the balance sheet to the extent that it is likely that it can be utilised.

CLASSIFICATION AND VALUATION OF FIXED ASSETS

Fixed assets consist of assets intended for long-term ownership and use. Fixed assets are valued at acquisition cost less depreciation and write-downs. Long-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

Plant and equipment is capitalised and appreciated over the economic lifetime of the asset. Significant items of plant and equipment that consist of several material components with different lifetimes are broken down in order to establish different depreciation periods for the different components. Direct maintenance of plant and equipment is expensed on an ongoing basis under operating costs, while additions or improvements are added to the asset's cost price and depreciated in line with the asset. Plant and equipment is written down to the recoverable amount in the event of a fall in value that is not expected to be temporary. The recoverable amount is the higher of the net sales value and the value in use. Value in use is the present value of future cash flows related to the asset. The write-down is reversed when the basis for the write-down is no longer present.

CLASSIFICATION AND VALUATION OF CURRENT ASSETS

Current assets and short-term liabilities consist normally of items that fall due for payment within one year of the balance sheet date, as well as items related to the stock cycle. Current assets are valued at the lower of acquisition cost and fair value. Short-term liabilities are entered on the balance sheet at the nominal amount at the time of the transaction.

RECEIVABLES

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables. In addition an unspecified provision is made to cover expected losses on claims in respect of customer receivables.

PENSION LIABILITIES - DEFINED-CONTRIBUTION SCHEME

The cost of a defined-contribution pension scheme corresponds to the premium paid to the insurance company for the period.

CASH FLOW STATEMENT

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of cash, bank deposits and other short-term, liquid investments.

Note 1 Salary costs and benefits, remuneration to the chief executive, board and auditor

SALARY COSTS

	2022	2021
Salaries	40 291 509	11 599 620
Employment tax	1 358 828	581 153
Other benefits	597 980	171 477
Total	42 248 317	12 352 250

In 2022 the company employed 50 man-years.

PENSION LIABILITIES

The company is liable to maintain an occupational pension scheme under the Mandatory Occupational Pensions Act. The company's pension schemes satisfy the requirements of this Act.

REMUNERATION TO LEADING PERSONNEL

	Chief Executive	Board
Total	0	0

The chief executive is employed by another group company and part of the cost related to the salary has been allocated to Norway.

Leading personnel don't have any agreement on bonus or share based payment.

AUDITOR

Audit fees expensed for 2022 amount to NOK 162 950 ex. vat.

In addition there is a fee for other services of NOK -141 852 ex. vat.

Note 2 Fixed assets

	Customer contracts	Fixed assts	Total plant and equipment
Acquisition cost 31.3.2021	7 234 841	73 104	7 307 945
Addition of plant and equipment purchased	0	0	0
Acquisition cost 31.3.2022	7 234 841	73 104	7 307 945
Accumulated depreciation 31.3.2022	4 340 905	29 282	4 370 187
Book value as at 31.3.2022	2 893 936	43 822	2 937 758
The year's depreciation	1 446 968	14 621	1 461 589
Depreciation rates	20%	20%	

Note 3 Tax

This year's tax expense	2022	2021
Entered tax on ordinary profit/loss:		
Payable tax	1 522 932	1 322 909
Changes in deferred tax	-2 914	-644
Tax expense on ordinary profit/loss	1 520 018	1 322 265
Taxable income:		
Ordinary result before tax	6 887 255	6 006 549
Permanent differences	21 916	3 750
Changes in temporary differences	13 247	2 924
Taxable income	6 922 418	6 013 223
Payable tax in the balance:		
Payable tax on this year's result	2 762 271	1 490 047
Total payable tax in the balance	2 762 271	1 490 047
Calculation of effective tax rate		
Profit before tax	6 887 255	6 006 549
Calculated tax on profit before tax	1 515 196	1 321 441
Tax effect of permanent differences	4 822	825
Total	1 520 018	1 322 266
Effective tax rate	22,1 %	22,0 %

The tax effect of temporary differences that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	2022	2021	Difference
Tangible assets	6 393	11 657	5 264
Accounts receivable	-7 983	0	7 983
Total	-1 590	11 657	13 247
Basis for deferred tax	-1 590	11 657	13 247
Deferred tax (22 %)	-350	2 564	2 914

Note 4 Shareholders

THE SHARE CAPITAL IN LARSEN & TOUBRO INFOTECH NORGE AS AS OF 31.03 CONSISTS OF:

	Total	Face value	Entered
Ordinary shares	30 000	1,0	30 000
Total	30 000		30 000

OWNERSHIP STRUCTURE

The largest shareholders in % at year end:

	Ordinary	Owner interest	Share of votes
Larsen & Toubro Infotech Ltd	30 000	100,0	100,0

Note 5 Equity capital

	Share capital	Share premium	Other equity capital	Total equity capital
Equity capital as at 31.3.2021	30 000	0	5 288 239	5 318 239
Result for the year			5 367 237	5 367 237
Additional dividend			0	0
As at 31.3.2022	30 000	0	10 655 476	10 685 476

Note 6 Inter-company items between companies in the same group

	2022	2021
Receivables		
Loans to companies in the same group	0	0
Customer receivables within the group	0	0
Other short-term receivables within the group	0	0
Total	0	0

Liabilities

Loans from companies in the same group	0	0
Debt to suppliers within the group	12 749 301	30 644 234
Other short-term liabilities within the group	0	0
Total	12 749 301	30 644 234

Transactions

Sale of services	16 839 055	7 265 441
Service charge - sub contracting	47 861 303	41 654 603
Purchase of management services	0	11 872 036
Overheads charged by Parent	0	9 123 325
Other transactions with related parties	-19 546	-5 205
Total	64 680 811	69 910 200

Note 7 Going concern

The basis of the board's conclusion as to status as a going concern is the foundations on which the company's operations are based, the good communications with creditors and a conservative estimate of income in the coming years.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and intangible assets. In estimating the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered.

**NIELSEN + PARTNER
UNTERNEHMENSBERATER GMBH**

ANNUAL REPORT

FOR THE YEAR ENDED JANUARY 31, 2022

DIRECTORS' STATEMENT

For the financial year ended 31 January 2021

The directors present their statement to the members together with the audited financial statements of the Company for the financial year ended 31 January 2022

In the opinion of the directors,

- (a) The financial statements together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 31 January 2022 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Manuel Brunckhorst
Guillaume Philippe Marie Desjonquieres
Nachiket Gopal Deshpande

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the director holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations.

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The independent auditor, GHP GmbH, has expressed its willingness to accept re-appointment

On behalf of the directors:



Manuel Brunckhorst
Director
June 9, 2022



**Report
on the Audit of the
Annual Financial Statements as of January 31st, 2022
of
Nielsen + Partner Unternehmensberater GmbH
Hamburg/ Germany**

**This English translation of the German original is a courtesy translation;
in case of any discrepancies, the German version shall prevail**

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General Engagement Terms for "Wirtschaftsprüfer" (Professionally Qualified Auditors) and "Wirtschaftsprüfungsgesellschaften" (Audit Firms) as of January 1, 2017

A. AUDIT ENGAGEMENT

To the

**Nielsen + Partner Unternehmensberater GmbH,
Hamburg/ Germany**

- hereafter also referred to as "Nielsen + Partner Unternehmensberater GmbH" or the "Company" -.

By resolution of the Shareholders' Meeting of the Nielsen + Partner Unternehmensberater GmbH we were appointed as auditors for the business year 2021/2022. Based on this resolution, the management engaged us to perform a non-statutory audit of the financial statements in accordance with art. 317 German Commercial Code (HGB) for the business year 2021/2022.

We confirm in accordance with art. 321 par. 4a German Commercial Code (HGB) that our audit was performed in compliance with the applicable regulations governing independence.

Our audit report was prepared in accordance with German generally accepted reporting standards applicable to the audit of financial statements (auditing standard of the Institut der Wirtschaftsprüfer – IDW PS 450 n. F.).

The scope of the audit engagement and our responsibilities thereunder, both towards the Company and third parties, are governed by the General Engagement Terms for "Wirtschaftsprüfer" (professionally qualified auditors) and "Wirtschaftsprüfungsgesellschaften" (audit firms) in the version dated January 1st 2017, attached as an Annex to this report and as modified in our agreement.

This audit report was prepared solely for documenting to the Company the audit performed, rather than for the purposes of third parties, towards whom we assume no liability according to the existing legal position within the scope of application of art. 323 German Commercial Code (HGB).

B. SUBJECT, NATURE AND SCOPE OF THE AUDIT

I. Subject of the Audit

Our audit covered

- the accounting records;
- the annual financial statements (comprising of balance sheet, income statement as well as notes to the financial statements);

of the Company.

The Company's management is responsible for the bookkeeping and the preparation of the annual financial statements in accordance with the German regulations under commercial law. This also applies to the information which was provided to us concerning these documents and measures. Our responsibility is to assess these documents and this information within the scope of our audit in accordance with professional standards.

In accordance with art. 317 (4a) of the German Commercial Code (HGB), our audit does not have to cover whether the continued existence of the audited company or the effectiveness and efficiency of its management can be assured.

Auditing the compliance with other regulations is covered by the scope of the audit of the financial statements only to the extent that these normally impact the annual financial statements.

II. Nature and Scope of the Audit

Our audit was based on the prior year's financial statements.

We conducted the audit in March and April 2022.

Our audit was performed in accordance with art. 317 German Commercial Code (HGB) in compliance with the German generally accepted auditing standards as promulgated by the IDW (Institut der Wirtschaftsprüfer).

According to art. 317 German Commercial Code (HGB), a problem-orientated audit of financial statements must be of sufficient scope to ensure that material inaccuracies and violations of accounting rules are identified with sufficient assurance. In order to meet these requirements, we apply our risk and process-orientated audit approach.

Within the scope of our audit planning, we gathered information on the business activity, the economic and legal environment of the Company as well as its accounting system, performed an analytical review of the annual financial statements and inspected the articles of association and resolutions taken by the Meeting of Shareholders. The audit strategy was determined by us based on the results of this information and review and evaluations of possible misstatements. The Company's system of internal accounting controls was examined by us to the extent we considered necessary to evaluate the system as required by generally accepted accounting principles; our audit of the financial statements did not cover the system of internal accounting controls taken as a whole.

According to our audit plan, the performance of our audit was generally not orientated towards controls. Therefore we performed a non-reduced level of analytical audit procedures and tests of details on a sample basis of business transactions and account balances in accordance with our risk assessment. Tests of details were performed on the basis of judgemental samples.

Our audit focused on:

- Impairment of participations
- Completeness and accuracy personnel expenses; especially bonus payments
- Completeness and accuracy of sales

The Management provided all explanations and supporting documentation which were requested and issued a written letter of representation in accordance with German professional requirements. This letter of representation specifically guarantees that the bookkeeping includes all accountable transactions, that the annual financial statements on hand include all assets, commitments, accruals and deferrals that are required to be shown as well as all income and expenses and that all provisions for risks have been taken into account and all required disclosures have been included. In the opinion of the management the effects of the uncorrected financial statement misstatements enclosed to the letter of representation are immaterial individually and in aggregate.

C. STATEMENTS AND EXPLANATIONS REGARDING THE ACCOUNTING

I. Orderliness of the Accounting

1. Bookkeeping and other Audited Documents

The bookkeeping complies with the legal regulations including the German generally accepted accounting principles. The information provided by the other audited documents leads to an orderly presentation in the accounting records and the annual financial statements.

2. Annual Financial Statements

The annual financial statements as of January 31st, 2022 are presented in Annexes 1 to 3 attached to this report.

The annual financial statements were properly derived from the accounting records and the other audited documents. The Company is in compliance with the legal regulations applicable to classification, accounting and valuation and to the notes to the financial statements.

II. Overall Content of the Annual Financial Statements

1. Material Bases of Valuation

For the accounting and valuation principles of Nielsen + Partner Unternehmensberater GmbH, please refer to the notes to the financial statements (Annex 3).

2. Statements regarding the Overall Content of the Annual Financial Statements

The annual financial statements taken as a whole, i.e. the combined presentation of balance sheet, income statement and notes to the financial statements, present, in compliance with generally accepted accounting principles, a true and fair view of the Company's net assets, financial position and results of operations.

D. THREE-YEAR SUMMARY OF FINANCIAL STATISTICS

The following comparison gives an overview of the development of the company during the past three financial years.

	2021/2022	2020/2021	2019/2020
	TEUR	TEUR	TEUR
Sales	2,656	3,925	4,651
Net profit/net loss	-160	142	-126
Shareholders' Equity	1,522	1,682	1,540
Balance sheet total	2,258	2,409	2,387

E. COPY OF INDEPENDENT AUDITORS' REPORT

We have given the following unqualified auditors' opinion signed on March 25th, 2022 on the annual financial statements for the business year 2021/2022 of Nielsen + Partner Unternehmensberater GmbH, Hamburg/Germany (Annexes 1 to 3):

"Independent Auditors' Report

To Nielsen + Partner Unternehmensberater GmbH, Hamburg/Germany

Audit Opinions

We have audited the annual financial statements of Nielsen + Partner unternehmensberater GmbH, which comprise the balance sheet as at January 31st, 2022, and the statement of profit and loss for the financial year from February 1st, 2021, to January 31st, 2022, and notes to the financial statements, including the presentation of the recognition and measurement policies. In accordance with German legal requirements, we have not audited the content of the statement on corporate governance pursuant to § [Article] 289f Abs. [paragraph] 4 HGB [Handelsgesetzbuch: German Commercial Code].

In our opinion, on the basis of the knowledge obtained in the audit, the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at January 31st, 2022 and of its financial performance for the financial year from February 1st, 2021, to January 31st, 2022 in compliance with German Legally Required Accounting Principles.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Audit opinions on the annual financial statements.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statement.

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

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error as well as to issue an auditor's report that includes our Audit opinions on the annual financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, 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 Audit opinions. 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 controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an Audit opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective Audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate Audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

F. CONCLUSION

The above report on our audit of the annual financial statements for the financial year 2021/2022 of Nielsen + Partner Unternehmensberater GmbH, Hamburg/ Germany, complies with the legal regulations and the German generally accepted reporting standards applicable to the audit of financial statements (auditing standard of the Institut der Wirtschaftsprüfer – IDW PS 450 n. F.).

For the auditors' opinion given by us, we refer to Section E "Copy of Independent Auditors' Report".

Hamburg, March 25th, 2022

GHP GmbH
Wirtschaftsprüfungsgesellschaft



Holst
Wirtschaftsprüfer
(German Public Auditor)

The publication or disclosure to third parties of the annual financial statements with reference to our audit and the disclosure to third parties of our audit report and/or the auditors' opinion require our renewed prior comment; in this respect, we draw expressly attention to No. 7 of the appended General Engagement Terms for "Wirtschaftsprüfer" (Professionally Qualified Auditors) and "Wirtschaftsprüfungsgesellschaften" (Audit Firms).

**Nielsen+Partner Unternehm
Balance Sheet as of**

Assets	January 31st, 2022 EUR	January 31st, 2021 EUR
A. Fixed Assets		
I. Intangible assets		
Internally created industrial property rights and similar rights and values	<u>2.917,00</u>	<u>14.646,00</u>
	2.917,00	14.646,00
II. Tangible assets		
Other equipment, factory and office equipment	16.163,00	18.381,00
III. Financial assets		
Participations	<u>203.495,70</u>	<u>203.495,70</u>
	222.575,70	236.522,70
B. Current assets		
I. Accounts receivable and other assets		
1. Trade receivables	316.054,79	322.569,87
2. Receivables from affiliated companies	881.490,84	1.086.043,30
3. Other assets	<u>653.563,76</u>	<u>524.932,55</u>
	1.851.109,39	1.933.545,72
II. Cash in banks	<u>184.483,25</u>	<u>238.400,06</u>
	2.035.592,64	2.171.945,78
C. Prepaid expenses	<u>0,00</u>	<u>460,49</u>
	<u>2.258.168,34</u>	<u>2.408.928,97</u>

Nielsen + Partner Unternehmensberater GmbH, Hamburg
Income Statement for the financial year 2021/2022

	2021/2022 EUR	2020/2021 EUR
1. Sales	2.655.874,98	3.925.015,82
2. Other operating income	17.483,62	35.811,72
3. Cost of materials		
a) Cost of raw materials, consumables and supplies and of purchased merchandise	-8,23	-946,49
b) Expenses for outside services	<u>102.488,20</u>	<u>347.963,67</u>
	102.479,97	347.017,18
4. Personnel expenses		
a) Wages and salaries	1.715.340,82	2.136.771,06
b) Social security, pension and other benefit costs	<u>320.501,32</u>	425.184,26
	2.035.842,14	2.561.955,32
5. Depreciation on intangible fixed assets and tangible fixed assets	24.885,29	35.426,22
6. Other operating expenses	680.877,93	914.856,71
7. Other interest and similar income thereof from affiliated companies EUR 12.435,29 (p. y. EUR 5,730.23)	12.435,29	5.730,23
8. Interest and similar expenses	1.022,80	2.953,40
9. Taxes from income	<u>-0,16</u>	<u>-38.093,39</u>
10. Earnings after taxes	-159.314,08	142.442,33
11. Taxes other than income taxes	<u>440,00</u>	<u>0,00</u>
12. Net profit/net loss	<u>-159.754,08</u>	<u>142.442,33</u>

NIELSEN + PARTNER UNTERNEHMENSBERATER GMBH, HAMBURG/ GERMANY**NOTES TO THE FINANCIAL STATEMENTS FOR THE BUSINESS YEAR 2021/2022****I. GENERAL INFORMATION REGARDING THE ANNUAL FINANCIAL STATEMENTS AND THE ACCOUNTING AND VALUATION METHODS****General information**

Nielsen + Partner Unternehmensberater GmbH is headquartered in Gr. Burstah 45, 20457 Hamburg, Germany. It is entered in the commercial register of the Amtsgericht (Local Court) in Hamburg under HRB 60455.

The annual financial statements of Nielsen + Partner Unternehmensberater GmbH, Hamburg/Germany, for the year ended January 31st, 2022 have been prepared pursuant to the regulations of the German Commercial Code (HGB).

In addition to those regulations, the regulations of the German Companies Act (GmbHG) had to be observed. The Company is a limited liability company to which the regulations for small-sized limited companies pursuant to art. 267 par. 1 of the German Commercial Code (HGB) are to be applied.

The profit and loss statement is prepared pursuant to the total expenditure method.

Information which may be shown either on the balance sheet, income statement or in the notes can be partially found in the notes.

Accounting and Valuation methods

For the preparation of the annual financial statements the following accounting and measurement principles remain unchanged.

Property, plant and equipment is valued at acquisition costs, reduced by systematic depreciation using the straight-line method. In this respect, additions are depreciated on a pro rata temporis basis. The depreciation is determined according to the expected useful life.

For depreciable movable assets with a value ranging from EUR 250 to EUR 800, a compound item is formed in the financial year of acquisition and an expected useful life of 5 years is taken as basis. Assets with acquisition costs up to EUR 250 are booked as expenses upon acquisition.

Accounts receivable are valued at the nominal value or the lower value to be attached at the balance sheet date.

Other assets and **cash in bank** are capitalised at the nominal values.

Prepaid expenses are recognized to allocate expenses and income on an accrued basis.

Other provisions are recognized at the amount of the necessary settlement amount pursuant to the reasonable judgement of a merchant. They take into account all foreseeable risks and contingent liabilities. Provisions with an expected settlement of more than one year are discounted.

Accounts payable are recognised at the settlement amount.

II. EXPLANATIONS REGARDING THE ITEMS OF THE BALANCE SHEET

Accounts receivable and other assets

The accounts receivables and other assets are all due within one year.

Receivables from affiliated companies consist of trade accounts receivables in an amount of TEUR 881 (prior business year TEUR 1,068) and other accounts receivables in an amount of TEUR 492 (prior business year TEUR 484).

III. ADDITIONAL INFORMATION

The simplifications provided by Section 288 of the German Commercial Code (HGB) were applied.

The average number of employees in the financial year amounted to 22.

No events of special importance for the economic situation of the Bank occurred after the end of the business year.

IV. BOARD OF DIRECTORS

In the business year, the board of managing directors had the following members:

Mr. Manuel Brunckhorst, Ostervesede

Mr. Guillaume Desjonqueres, Christchurch/United Kingdom

Mr. Nachiket Gopal Deshpande, Pune/ India

The managing directors hold the sole right of representation with the right to conclude legal transactions in their own name or as a representative of the company.

Hamburg, January 31th, 2022



Digitally signed by
Guillaume_Desjon
queres
Date: 2022.06.08
18:31:26 +02'00'



Independent Auditors' Report

To Nielsen + Partner Unternehmensberater GmbH, Hamburg/Germany

Audit Opinions

We have audited the annual financial statements of Nielsen + Partner unternehmensberater GmbH, which comprise the balance sheet as at January 31st, 2022, and the statement of profit and loss for the financial year from February 1st, 2021, to January 31st, 2022, and notes to the financial statements, including the presentation of the recognition and measurement policies. In accordance with German legal requirements, we have not audited the content of the statement on corporate governance pursuant to § [Article] 289f Abs. [paragraph] 4 HGB [Handelsgesetzbuch: German Commercial Code].

In our opinion, on the basis of the knowledge obtained in the audit, the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at January 31st, 2022 and of its financial performance for the financial year from February 1st, 2021, to January 31st, 2022 in compliance with German Legally Required Accounting Principles.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Audit opinions on the annual financial statements.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statement.

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

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error as well as to issue an auditor's report that includes our Audit opinions on the annual financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, 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 Audit opinions. 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 controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an Audit opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective Audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate Audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

Hamburg, March 25th, 2022

GHP GmbH
Wirtschaftsprüfungsgesellschaft



Holst
Wirtschaftsprüfer
(German Public Auditor)

ECONOMIC SITUATION AND LEGAL STATUS

Name	Nielsen + Partner Unternehmensberater GmbH
Place of business	Hamburg / Germany
Incorporation	November 29 th , 2012
Registered office	Hamburg/ Germany
Commercial register entry	District Court Hamburg HRB 60455, excerpt from February 17 th , 2022, last entry on February 18 th , 2020
Articles of association	Current version dated March 4 th , 2019
Business year	February 1 st – January 31 st
Purpose of business	Advice on the conception, development and implementation of solutions and issues of management, organization and information processing; the acquisition and holding as well as the sale of company participations in its own name and for its own account and all license-free transactions insofar as they serve the company's purpose
Registered capital	EUR 205,000.00
Management	<ul style="list-style-type: none">• Brunckhorst, Manuel, Ostervesede/Germany <p>The management holds the right of sole representation including the right to conclude legal transactions in their own name or as a representative of the company.</p> <ul style="list-style-type: none">• Desjonqueres, Guillaume, Christchurch/United Kingdom <p>The management holds the right of sole representation including the right to conclude legal transactions in their own name or as a representative of the company.</p> <ul style="list-style-type: none">• Deshpande, Nachiket Gopal, Pune/ India <p>The management holds the right of sole representation including the right to conclude legal transactions in their own name or as a representative of the company</p>

General Engagement Terms

for
Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften
[German Public Auditors and Public Audit Firms]
as of January 1, 2017

1. Scope of application

(1) These engagement terms apply to contracts between German Public Auditors (*Wirtschaftsprüfer*) or German Public Audit Firms (*Wirtschaftsprüfungsgesellschaften*) – hereinafter collectively referred to as “German Public Auditors” – and their engaging parties for assurance services, tax advisory services, advice on business matters and other engagements except as otherwise agreed in writing or prescribed by a mandatory rule.

(2) Third parties may derive claims from contracts between German Public Auditors and engaging parties only when this is expressly agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties.

2. Scope and execution of the engagement

(1) Object of the engagement is the agreed service – not a particular economic result. The engagement will be performed in accordance with the German Principles of Proper Professional Conduct (*Grundsätze ordnungsmäßiger Berufsausübung*). The German Public Auditor does not assume any management functions in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of competent persons to conduct the engagement.

(2) Except for assurance engagements (*betriebswirtschaftliche Prüfungen*), the consideration of foreign law requires an express written agreement.

(3) If circumstances or the legal situation change subsequent to the release of the final professional statement, the German Public Auditor is not obligated to refer the engaging party to changes or any consequences resulting therefrom.

3. The obligations of the engaging party to cooperate

(1) The engaging party shall ensure that all documents and further information necessary for the performance of the engagement are provided to the German Public Auditor on a timely basis, and that he is informed of all events and circumstances that may be of significance to the performance of the engagement. This also applies to those documents and further information, events and circumstances that first become known during the German Public Auditor's work. The engaging party will also designate suitable persons to provide information.

(2) Upon the request of the German Public Auditor, the engaging party shall confirm the completeness of the documents and further information provided as well as the explanations and statements, in a written statement drafted by the German Public Auditor.

4. Ensuring independence

(1) The engaging party shall refrain from anything that endangers the independence of the German Public Auditor's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

(2) Were the performance of the engagement to impair the independence of the German Public Auditor, of related firms, firms within his network, or such firms associated with him, to which the independence requirements apply in the same way as to the German Public Auditor in other engagement relationships, the German Public Auditor is entitled to terminate the engagement for good cause.

5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in writing as part of the work in executing the engagement, only that written work is authoritative. Drafts are non-binding. Except as otherwise agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing. Statements and information of the German Public Auditor outside of the engagement are always non-binding.

6. Distribution of a German Public Auditor's professional statement

(1) The distribution to a third party of professional statements of the German Public Auditor (results of work or extracts of the results of work whether in draft or in a final version) or information about the German Public Auditor acting for the engaging party requires the German Public Auditor's written consent, unless the engaging party is obligated to distribute or inform due to law or a regulatory requirement.

(2) The use by the engaging party for promotional purposes of the German Public Auditor's professional statements and of information about the German Public Auditor acting for the engaging party is prohibited.

7. Deficiency rectification

(1) In case there are any deficiencies, the engaging party is entitled to specific subsequent performance by the German Public Auditor. The engaging party may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. If the engagement was not commissioned by a consumer, the engaging party may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, to subsequent non-performance, to unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

(2) The engaging party must assert a claim for the rectification of deficiencies in writing (*Textform*) [Translators Note: *The German term "Textform" means in written form, but without requiring a signature*] without delay. Claims pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

(3) Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in a German Public Auditor's professional statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the German Public Auditor at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the German Public Auditor should first hear the engaging party, if practicable.

8. Confidentiality towards third parties, and data protection

(1) Pursuant to the law (§ [Article] 323 Abs 1 [paragraph 1] HGB [German Commercial Code: *Handelsgesetzbuch*], § 43 WPO [German Law regulating the Profession of *Wirtschaftsprüfer*: *Wirtschaftsprüferordnung*], § 203 StGB [German Criminal Code: *Strafgesetzbuch*]) the German Public Auditor is obligated to maintain confidentiality regarding facts and circumstances confided to him or of which he becomes aware in the course of his professional work, unless the engaging party releases him from this confidentiality obligation.

(2) When processing personal data, the German Public Auditor will observe national and European legal provisions on data protection.

9. Liability

(1) For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

(2) Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, the liability of the German Public Auditor for claims for damages of any other kind, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: *Produkthaftungsgesetz*], for an individual case of damages caused by negligence is limited to € 4 million pursuant to § 54 a Abs. 1 Nr. 2 WPO.

(3) The German Public Auditor is entitled to invoke demurs and defenses based on the contractual relationship with the engaging party also towards third parties.

(4) When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

(5) An individual case of damages within the meaning of paragraph 2 also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(6) A claim for damages expires if a suit is not filed within six months subsequent to the written refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

10. Supplementary provisions for audit engagements

(1) If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report, he may no longer use this auditor's report.

If the German Public Auditor has not issued an auditor's report, a reference to the audit conducted by the German Public Auditor in the management report or any other public reference is permitted only with the German Public Auditor's written consent and with a wording authorized by him.

(2) If the German Public Auditor revokes the auditor's report, it may no longer be used. If the engaging party has already made use of the auditor's report, then upon the request of the German Public Auditor he must give notification of the revocation.

(3) The engaging party has a right to five official copies of the report. Additional official copies will be charged separately.

11. Supplementary provisions for assistance in tax matters

(1) When advising on an individual tax issue as well as when providing ongoing tax advice, the German Public Auditor is entitled to use as a correct and complete basis the facts provided by the engaging party – especially numerical disclosures; this also applies to bookkeeping engagements. Nevertheless, he is obligated to indicate to the engaging party any errors he has identified.

(2) The tax advisory engagement does not encompass procedures required to observe deadlines, unless the German Public Auditor has explicitly accepted a corresponding engagement. In this case the engaging party must provide the German Public Auditor with all documents required to observe deadlines – in particular tax assessments – on such a timely basis that the German Public Auditor has an appropriate lead time.

(3) Except as agreed otherwise in writing, ongoing tax advice encompasses the following work during the contract period:

- a) preparation of annual tax returns for income tax, corporate tax and business tax, as well as wealth tax returns, namely on the basis of the annual financial statements, and on other schedules and evidence documents required for the taxation, to be provided by the engaging party
- b) examination of tax assessments in relation to the taxes referred to in (a)
- c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)
- d) support in tax audits and evaluation of the results of tax audits with respect to the taxes referred to in (a)
- e) participation in petition or protest and appeal procedures with respect to the taxes mentioned in (a).

In the aforementioned tasks the German Public Auditor takes into account material published legal decisions and administrative interpretations.

(4) If the German Public auditor receives a fixed fee for ongoing tax advice, the work mentioned under paragraph 3 (d) and (e) is to be remunerated separately, except as agreed otherwise in writing.

(5) Insofar the German Public Auditor is also a German Tax Advisor and the German Tax Advice Remuneration Regulation (*Steuerberatungsvergütungsverordnung*) is to be applied to calculate the remuneration, a greater or lesser remuneration than the legal default remuneration can be agreed in writing (*Textform*).

(6) Work relating to special individual issues for income tax, corporate tax, business tax, valuation assessments for property units, wealth tax, as well as all issues in relation to sales tax, payroll tax, other taxes and dues requires a separate engagement. This also applies to:

- a) work on non-recurring tax matters, e.g. in the field of estate tax, capital transactions tax, and real estate sales tax;
- b) support and representation in proceedings before tax and administrative courts and in criminal tax matters;
- c) advisory work and work related to expert opinions in connection with changes in legal form and other re-organizations, capital increases and reductions, insolvency related business reorganizations, admission and retirement of owners, sale of a business, liquidations and the like, and
- d) support in complying with disclosure and documentation obligations.

(7) To the extent that the preparation of the annual sales tax return is undertaken as additional work, this includes neither the review of any special accounting prerequisites nor the issue as to whether all potential sales tax allowances have been identified. No guarantee is given for the complete compilation of documents to claim the input tax credit.

12. Electronic communication

Communication between the German Public Auditor and the engaging party may be via e-mail. In the event that the engaging party does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the German Public Auditor in writing (*Textform*) accordingly.

13. Remuneration

(1) In addition to his claims for fees, the German Public Auditor is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses and may make the delivery of his services dependent upon the complete satisfaction of his claims. Multiple engaging parties are jointly and severally liable.

(2) If the engaging party is not a consumer, then a set-off against the German Public Auditor's claims for remuneration and reimbursement of expenses is admissible only for undisputed claims or claims determined to be legally binding.

14. Dispute Settlement

The German Public Auditor is not prepared to participate in dispute settlement procedures before a consumer arbitration board (*Verbraucherschlichtungsstelle*) within the meaning of § 2 of the German Act on Consumer Dispute Settlements (*Verbraucherstreitbeilegungsgesetz*).

15. Applicable law

The contract, the performance of the services and all claims resulting therefrom are exclusively governed by German law.

**NIELSEN + PARTNER
UNTERNEHMENSBERATER AG**

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

DIRECTORS' STATEMENT

For the financial year ended 31 December 2021

The directors present their statement to the members together with the audited financial statements of the Company for the financial year ended 31 December 2021

In the opinion of the directors,

- (a) The financial statements together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2021
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Manuel Brunckhorst
Guillaume Philippe Marie Desjonqueres
Nachiket Gopal Deshpande

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the director holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations.

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The independent auditor, Tria Revisions AG, has expressed its willingness to accept re-appointment

On behalf of the directors:



Manuel Brunckhorst
Director
Dated June 9, 2022

Nielsen + Partner Unternehmensberater AG

Zürich

Year 2021

Report of the statutory auditors on the Limited Statutory Examination

**To the General Meeting of
Nielsen + Partner Unternehmensberater AG
8006 Zürich**

Report of the statutory auditors on the Limited Statutory Examination

As statutory auditors, we have examined the financial statements (balance sheet, income statement and notes) of Nielsen + Partner Unternehmensberater AG for the year ended 31 December 2021.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a Limited Statutory Examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a Limited Statutory Examination to identify material misstatements in the financial statements. A Limited Statutory Examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our Limited Statutory Examination, nothing has come to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation.

Cham, 11 April 2022

Tria Revisions AG



Stefan Koller
Licensed Audit Expert
Auditor in Charge



Hannes Zumstein
Licensed Audit Expert

Enclosures: Financial Statements and the proposed appropriation of available earnings

Nielsen + Partner Unternehmensberater AG
8006 Zürich

Balance Sheet as of 31.12.2021

Assets	31.12.2021 CHF	31.12.2020 CHF
Bank balances	378'164.27	172'654.81
Cash and cash equivalents	378'164.27	172'654.81
Receivables from third parties	202'090.98	140'959.08
Receivables from shareholders	24'897.65	0.00
Receivables from group companies	323'898.62	640'596.79
Valuation adjustment	-27'850.00	-39'068.00
Trade accounts receivable	523'037.25	742'487.87
Other short-term receivables from third parties	111'651.77	110'463.10
Other short-term receivables	111'651.77	110'463.10
Work in progress	51'890.00	0.00
Non-invoiced services	51'890.00	0.00
Prepaid expenses and accrued income	28'647.70	30'103.50
Current assets	1'093'390.99	1'055'709.28
Furniture, fixtures and office equipment	906.00	1'208.00
Computers and IT	1'990.50	3'317.00
Tangible assets	2'896.50	4'525.00
Non-current assets	2'896.50	4'525.00
Total Assets	1'096'287.49	1'060'234.28

Nielsen + Partner Unternehmensberater AG
8006 Zürich

Balance Sheet as of 31.12.2021

Liabilities and Equity	31.12.2021 CHF	31.12.2020 CHF
Accounts payable due to third parties	48'876.59	43'164.33
Accounts payable due to shareholders	97'853.28	69'535.32
Accounts payable due to group companies	159'307.47	184'001.74
Trade accounts payable	306'037.34	296'701.39
Other short-term liabilities due to third parties	396'740.14	213'724.36
Other short-term liabilities	396'740.14	213'724.36
Short-term provisions	1'047.50	81'222.90
Accrued expenses and deferred income	156'337.17	90'803.43
Short-term liabilities	860'162.15	682'452.08
Liabilities	860'162.15	682'452.08
Share capital	100'000.00	100'000.00
Statutory reserves	57'000.00	57'000.00
Statutory reserves	57'000.00	57'000.00
Result carried forward	220'782.20	265'580.93
Loss for the year	-141'656.86	-44'798.73
Available earnings	79'125.34	220'782.20
Equity	236'125.34	377'782.20
Total Liabilities and Equity	1'096'287.49	1'060'234.28

Income Statement 01.01.2021 - 31.12.2021

Income Statement	2021 CHF	2020 CHF
Revenues from services	3'226'410.07	2'894'629.60
Change in work in progress and non-invoiced services	63'108.00	-17'341.00
Revenue reduction	-11'021.75	0.00
Revenue from services	3'278'496.32	2'877'288.60
Expenses for purchased services	-517'688.76	-443'436.29
Direct expenses	-517'688.76	-443'436.29
Total operating income	2'760'807.56	2'433'852.31
Salary expenses	-2'402'001.44	-2'008'340.80
Social contribution expenses	-315'694.75	-253'826.50
Other personnel expenses	-1'567.19	-1'525.93
Personnel expenses	-2'719'263.38	-2'263'693.23
Rent	-23'180.21	-25'454.01
Insurance costs and other charges	-17'581.30	-20'075.81
Administrative efforts and IT expenditure	-253'800.54	-227'527.75
Advertising and travel costs	-33'936.62	-44'626.10
Other operating expenses	-328'498.67	-317'683.67
Operating result before financial results, taxes, depreciation and impairment losses	-286'954.49	-147'524.59
Depreciation	-1'628.50	-2'614.00
Depreciation	-1'628.50	-2'614.00
Operating result before financial result and taxes	-288'582.99	-150'138.59
Financial expenses	-27'533.54	-9'311.59
Financial income	20'210.53	3'958.24
Financial result	-7'323.01	-5'353.35
Operating result before taxes	-295'906.00	-155'491.94
Non-operating income	125'106.51	100'595.80
Non-operating income	125'106.51	100'595.80
Extraordinary, non-recurring or prior period expenses	-2'355.52	-374.15
Extraordinary, non-recurring or prior period income	31'898.15	10'986.56
Extraordinary, non-recurring or prior period result	29'542.63	10'612.41
Loss for the year before taxes	-141'256.86	-44'283.73
Direct taxes	-400.00	-515.00
Loss for the year	-141'656.86	-44'798.73

Notes to the financial statements

Notes	31.12.2021 CHF	31.12.2020 CHF
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Details of the accounting principles applied in the annual financial statements

These annual financial statements were compiled in compliance with Swiss legal regulations, in particular the articles on commercial bookkeeping and accounting in the Swiss Code of Obligations (Art. 957 to 962).

Number of employees

Average annual number of full-time employees	> 10 and < 250	> 10 and < 250
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Obligations to pension funds

Obligations to pension fund as of 31.12	1'291.35	1'100.90
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Extraordinary expenses and income

Extraordinary income:	31'898.15	10'986.56
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2021:

- CO2-redistribution (CHF 424.85)

- Release of tax provision of prior years (CHF 31'473.30)

2020: Zurich insurance surplus, CO2 redistribution

Extraordinary expenses:	-2'355.52	-374.15
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2021: Costs relating 2020

2020: Corrections 2019

Significant events after balance sheet date

After the balance sheet date and until the adoption of the financial statements by the Board, no significant events have occurred which might affect the validity of the financial statements for 2021 or need to be disclosed at this point.

In accordance with Art. 959c of the Swiss Code of Obligations (OR), no further mandatory details need to be listed.

Nielsen + Partner Unternehmensberater AG
8006 Zürich

Proposed appropriation of available earnings

The Board of Directors proposes	31.12.2021 CHF	31.12.2020 CHF
Result carried forward	220'782.20	265'580.93
Loss of the year	-141'656.86	-44'798.73
Total available for the General Meeting	79'125.34	220'782.20
Retained earnings to be carried forward	79'125.34	220'782.20
Total available for the General Meeting	79'125.34	220'782.20



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NIELSEN+PARTNER PTE. LTD.

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

NIELSEN+PARTNER PTE. LTD.

(Incorporated in Singapore)

(Company Registration Number: 201306219M)

Annual Financial Statements

For the financial year ended 31 December 2021

Entrust Public Accounting Corporation

Chartered Accountants of Singapore

NIELSEN+PARTNER PTE. LTD.

(Incorporated in Singapore)

(Company Registration Number: 201306219M)

Annual Financial Statements

For the financial year ended 31 December 2021

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DIRECTORS' STATEMENT
For the financial year ended 31 December 2021

The directors present their statement to the members together with the audited financial statements of the Company for the financial year ended 31 December 2021.

In the opinion of the directors,

- (a) the statement of comprehensive income, statement of financial position, statement of changes in equity and statement of cash flows together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2021 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Manuel Brunckhorst
Muraleetharan
Guillaume Philippe Marie Desjonquieres
Nachiket Gopal Deshpande

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations.

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The independent auditor, Entrust Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the directors:



Manuel Brunckhorst
Director



Muraleetharan
Director

Dated as of 12 April 2022

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NIELSEN+PARTNER PTE. LTD.**

Report on the Audit of the Financial Statements

Our opinion

We have audited the accompanying financial statements of Nielsen+Partner Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 December 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 December 2021 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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 financial statements.

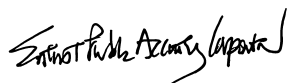
As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.



ENTRUST PUBLIC ACCOUNTING CORPORATION
Public Accountants and Chartered Accountants
Singapore

Dated as of 12 April 2022

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 December 2021

	Note	2021 SGD	2020 SGD
Revenue	4	12,053,373	12,404,138
Other income	5	279,185	562,387
Expenses:			
Consulting services costs		(1,500,755)	(1,184,929)
Depreciation of property, plant and equipment	10	(133,617)	(208,801)
Employee compensation	6	(8,236,673)	(7,578,638)
Finance expenses	7	(13,043)	(22,286)
Other expenses	8	<u>(1,624,393)</u>	<u>(1,401,029)</u>
Profit before income tax		824,077	2,570,842
Income tax expense	9	<u>(120,408)</u>	<u>(376,424)</u>
Profit for the financial year		<u>703,669</u>	<u>2,194,418</u>
Total comprehensive income		<u>703,669</u>	<u>2,194,418</u>

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

STATEMENT OF FINANCIAL POSITION
As at 31 December 2021

	Note	2021 SGD	2020 SGD
ASSETS			
Non-current assets			
Property, plant and equipment	10	133,944	218,395
Financial assets, at FVPL	12	4	4
		<u>133,948</u>	<u>218,399</u>
Current assets			
Trade and other receivables	13	8,329,623	6,053,208
Loans to related parties	14	883,967	832,235
Cash and cash equivalents	15	554,547	1,431,003
		<u>9,768,137</u>	<u>8,316,446</u>
Total assets		<u>9,902,085</u>	<u>8,534,845</u>
LIABILITIES			
Current liabilities			
Trade and other payables	16	3,245,158	2,297,578
Contract liabilities	4	179,382	-
Loan from a related party	14	309,580	333,706
Borrowings	17	47,415	120,951
Current income tax liabilities	9	113,104	430,742
		<u>3,894,639</u>	<u>3,182,977</u>
Non-current liabilities			
Borrowings	17	-	53,802
Deferred income tax liabilities	18	14,049	8,338
		<u>14,049</u>	<u>62,140</u>
Total liabilities		<u>3,908,688</u>	<u>3,245,117</u>
Net assets		<u>5,993,397</u>	<u>5,289,728</u>
EQUITY			
Share capital	19	100,000	100,000
Retained earnings		<u>5,893,397</u>	<u>5,189,728</u>
Total equity		<u>5,993,397</u>	<u>5,289,728</u>

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

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 December 2021

	Share capital SGD	Retained earnings SGD	Total equity SGD
Balance at 1 January 2020	100,000	2,995,310	3,095,310
Total comprehensive income for the financial year	-	2,194,418	2,194,418
Balance at 31 December 2020	100,000	5,189,728	5,289,728
Balance at 1 January 2021	100,000	5,189,728	5,289,728
Total comprehensive income for the financial year	-	703,669	703,669
Balance at 31 December 2021	100,000	5,893,397	5,993,397

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

STATEMENT OF CASH FLOWS
For the financial year ended 31 December 2021

	Note	2021 SGD	2020 SGD
Cash flows from operating activities			
Profit before income tax		824,077	2,570,842
Adjustments for:			
Depreciation of property, plant and equipment		133,617	208,801
Gain on modification of lease liabilities		(908)	(1,007)
Interest expense		13,043	22,286
Interest income		(21,100)	(1,197)
Loss allowance of trade receivables		4,651	-
Provision for unutilised leave		(17,241)	54,077
Rent concessions		-	(7,867)
Unrealised currency translation differences		(21,518)	18,092
Operating cash flow before working capital changes		<u>914,621</u>	<u>2,864,027</u>
Changes in working capital:			
Trade and other receivables		(2,281,066)	(2,183,076)
Trade and other payables		985,921	1,148,497
Contract liabilities		179,382	-
Cash (used in)/generated from operations		<u>(201,142)</u>	<u>1,829,448</u>
Income tax paid		<u>(432,335)</u>	<u>(190,444)</u>
Net cash (outflow)/inflow from operating activities		<u>(633,477)</u>	<u>1,639,004</u>
Cash flows from investing activities			
Loan to a related party		(62,442)	(832,235)
Proceeds from disposal of property, plant and equipment		1,164	-
Purchase of property, plant and equipment		(83,899)	(42,328)
Net cash outflow from investing activities		<u>(145,177)</u>	<u>(874,563)</u>
Cash flows from financing activities			
Interest paid		(4,941)	(14,181)
Principle payment of lease liabilities		(92,861)	(166,652)
Net cash outflow from financing activities		<u>(97,802)</u>	<u>(180,833)</u>
Net (decrease)/increase in cash and cash equivalents held		(876,456)	583,608
Cash and cash equivalents at the beginning of financial year		1,431,003	847,395
Cash and cash equivalents at the end of financial year	15	<u><u>554,547</u></u>	<u><u>1,431,003</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2021

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

The Company is incorporated and domiciled in Singapore. The address of its registered office is at 4 Battery Road, #25-01 Bank of China Building, Singapore 049908 and principal place of business is at 11 Collyer Quay, #09-09 The Arcade, Singapore 049317.

The principal activity of the Company is to provide IT consulting services in the banking and finance sector.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

On 1 January 2021, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2. Significant accounting policies (continued)

2.2 New or revised accounting standards and interpretations issued but not yet effective

A number of new standards, amendments to standards and interpretations are issued but not yet effective for annual periods beginning 1 January 2021, and have not been applied in preparing these financial statements. The Company does not plan to early adopt these standards.

Title	Effective date (Annual periods beginning on or after)
Amendments to:	1 January 2022
- FRS 103 Business Combinations (Reference to the Conceptual Framework)	
- FRS 16 Property, Plant and Equipment (Proceeds before Intended Use)	
- FRS 37 Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts – Cost of Fulfilling a Contract)	
FRS 117 Insurance Contracts	1 January 2023
Amendments to:	1 January 2023
- FRS 1 Presentation of Financial Statements (Classification of Liabilities as Current or Non-current)	
- FRS 1 Presentation of Financial Statements and FRS Practice Statement 2 (Disclosure of Accounting Policies)	
- FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Definition of Accounting Estimates)	
- FRS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	
- FRS 117 Insurance Contracts	
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)	To be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2.3 Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

The Company provides IT consulting services in banking and finance sector. Revenue is recognised upon the customers have satisfied with the work performed by the Company over the contractual period (i.e. over time). The amount of revenue recognised is based on the contractual price.

A contract liability is the Company's obligation to transfer goods or services to the customers for which the Company has received consideration from the customers or advance billing to the customers. Contract liabilities are recognised as revenue as the Company performs under the contract.

2.4 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method on a time-proportion basis.

2. Significant accounting policies (continued)

2.5 Property, plant and equipment

(a) Measurement

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Computers and accessories	3 years
Office equipment	3 years
Properties	24 to 43 months

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset 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. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss. Any amount in revaluation reserve relating to that asset is transferred to retained earnings directly.

2. Significant accounting policies (continued)

2.6 Impairment of non-financial assets

Assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

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 cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also credited to profit or loss.

2.7 Financial assets

(a) Classification and measurement

The Company classifies its financial assets into the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

2. Significant accounting policies (continued)

2.7 Financial assets (continued)

(a) Classification and measurement (continued)

At subsequent measurement

1. Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables, listed and unlisted debt securities.

There are three subsequent measurement categories, depending on the Company's business model for managing the asset and the cash flow characteristics of the asset:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- **FVOCI:** Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".
- **FVPL:** Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains and losses".

2. Equity investments

The Company subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Company has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Company considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains/losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

(b) Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, lease receivables and contract assets, the Company applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2. Significant accounting policies (continued)

2.7 Financial assets (continued)

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained earnings along with the amount previously recognised in other comprehensive income relating to that asset.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Company are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

2.8 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.9 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.10 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.11 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings which are due to be settled within 12 months after the reporting date are presented as current borrowings in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other borrowings due to be settled more than 12 months after the reporting date are presented as non-current borrowings in the statement of financial position.

2. Significant accounting policies (continued)

2.12 Fair value estimation

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

The fair values of non-current financial assets and liabilities carried at amortised cost are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial assets and liabilities.

2.13 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and
- (ii) based on the tax consequence that will follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss.

The Company accounts for investment tax credits (for example, productivity and innovation credit) similar to accounting for other tax credits where a deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised.

2.14 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2. Significant accounting policies (continued)

2.16 Leases (when the Company is the lessee)

At the inception of the contract, the Company assesses if the contract contains a lease. A contract 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. Reassessment is only required when the terms and conditions of the contract are changed.

(a) Right-of-use ("ROU") assets

The Company recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment".

(b) Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Company shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

For contract that contain both lease and non-lease components, the Company allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Company has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Company's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2. Significant accounting policies (continued)

2.16 Leases (when the Company is the lessee) (continued)

(c) Short term and low value leases

The Company has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(d) Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Company shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

2.17 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

(b) Short-term employee benefits

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 if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.18 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities. However, in the financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

2. Significant accounting policies (continued)

2.19 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Expected credit losses (“ECLs”) on trade receivables

ECLs are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Company has used relevant historical information and loss experience to determine the probability of default of the instruments and incorporated forward looking information, including significant changes in external market indicators which involved significant estimates and judgements.

In determining the ECLs of trade receivables, the Company has used historical losses data to determine the loss rate and applied an adjustment against the historical loss rate to reflect the current and forward looking information.

At the reporting date, the ECLs for trade receivables are SGD4,651.

4. Revenue from contracts with customers

(a) Disaggregation of revenue from contracts with customers

	2021 SGD	2020 SGD
IT consulting services	12,053,373	12,404,138
	<u>12,053,373</u>	<u>12,404,138</u>

All the sales are recognised over time.

4. Revenue from contracts with customers (continued)

(b) Contract liabilities

The contract liabilities relate to consideration received from customers for the unsatisfied performance obligation in providing IT consulting services. Revenue will be recognised when the IT consulting services are provided to the customers.

The change in contract liabilities balances is mainly due to the increase in advance billing to the customers.

5. Other income

	2021 SGD	2020 SGD
Foreign exchange differences (net)	22,137	-
Gain on modification of lease liabilities	908	1,007
Government grant income – Jobs Support Scheme	85,323	485,304
Government grant – others	149,717	65,825
Interest income	21,100	1,197
Rent concessions	-	7,867
Other income	-	1,187
	<u>279,185</u>	<u>562,387</u>

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

6. Employee compensation

	2021 SGD	2020 SGD
Salaries and wages	7,472,872	6,721,529
Employer's contribution to Central Provident Fund	399,175	356,059
Other benefits	364,626	501,050
	<u>8,236,673</u>	<u>7,578,638</u>

7. Finance expenses

	2021 SGD	2020 SGD
Interest on lease liabilities	4,941	14,181
Interest on loan	8,102	8,105
	<u>13,043</u>	<u>22,286</u>

8. Other expenses

	2021 SGD	2020 SGD
Administrative and service fee	225,456	287,765
Consultation fee	449,425	85,688
Foreign exchange differences (net)	-	207,211
Insurance	181,983	99,131
Loss allowance of trade receivables	4,651	-
Penalties	-	19,350
Professional fees	362,459	143,233
Recruitment fee	192,900	274,738
Short-term lease (Note 11)	-	35,674
Staff welfare and benefits	34,110	26,433
Travelling expenses	35,220	118,262
Others	138,189	103,544
	<u>1,624,393</u>	<u>1,401,029</u>

9. Income tax expense

(a) Income tax expense

	2021 SGD	2020 SGD
Tax expense attributable to profit is made up of:		
- Current income tax	113,104	365,942
- Deferred income tax	5,711	1,589
	<u>118,815</u>	<u>367,531</u>
Under provision in prior financial years	1,593	8,893
	<u>120,408</u>	<u>376,424</u>

The tax expense on profit differs from the amount that would arise using the Singapore standard rate of income tax as follows:

	2021 SGD	2020 SGD
Profit before income tax	<u>824,077</u>	<u>2,570,842</u>
Tax calculated at a tax rate of 17%	140,093	437,043
Effects of:		
- Income not subject to tax	(17,741)	(79,646)
- Expenses not deductible for tax purposes	13,888	27,559
- Partial income tax exemption	(17,425)	(17,425)
Tax charge	<u>118,815</u>	<u>367,531</u>

(b) Movements in current income tax liabilities

	2021 SGD	2020 SGD
Beginning of financial year	430,742	246,351
Income tax paid	(432,335)	(190,444)
Tax expense	113,104	365,942
Under provision in prior financial years	1,593	8,893
End of financial year	<u>113,104</u>	<u>430,742</u>

10. Property, plant and equipment

	Computer and accessories SGD	Office equipment SGD	Properties SGD	Total SGD
2021				
Cost				
Beginning of financial year	160,114	3,553	433,056	596,723
Additions	83,899	-	-	83,899
Modification of lease liabilities	-	-	(73,244)	(73,244)
Disposals	(1,995)	-	-	(1,995)
Written off	-	-	(73,244)	(73,244)
End of financial year	<u>242,018</u>	<u>3,553</u>	<u>286,568</u>	<u>532,139</u>
Accumulated Depreciation				
Beginning of financial year	111,067	3,553	263,708	378,328
Depreciation charge	44,489	-	89,128	133,617
Modification of lease liabilities	-	-	(39,675)	(39,675)
Disposals	(831)	-	-	(831)
Written back	-	-	(73,244)	(73,244)
End of financial year	<u>154,725</u>	<u>3,553</u>	<u>239,917</u>	<u>398,195</u>
Net Book Value				
End of financial year	<u>87,293</u>	<u>-</u>	<u>46,651</u>	<u>133,944</u>
2020				
Cost				
Beginning of financial year	117,786	3,553	359,812	481,151
Additions	42,328	-	171,666	213,994
Modification of lease liabilities	-	-	(98,422)	(98,422)
End of financial year	<u>160,114</u>	<u>3,553</u>	<u>433,056</u>	<u>596,723</u>
Accumulated Depreciation				
Beginning of financial year	78,085	3,553	116,595	198,233
Depreciation charge	32,982	-	175,819	208,801
Modification of lease liabilities	-	-	(28,706)	(28,706)
End of financial year	<u>111,067</u>	<u>3,553</u>	<u>263,708</u>	<u>378,328</u>
Net Book Value				
End of financial year	<u>49,047</u>	<u>-</u>	<u>169,348</u>	<u>218,395</u>

ROU assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 11.

During the current year, the Company renegotiated and modified an existing lease contract for an apartment by early terminating the lease contract in March 2021. As this early termination is not part of the terms and conditions of the original lease contract, it is accounted for as a lease modification with a deduction to the right-of-use assets, classified under 'Property, plant and equipment'. The corresponding remeasurement to lease liability is recorded under 'Borrowings' (Note 17).

11. Leases – The Company as a lessee

(a) Nature of the Company's leasing activities

Properties

The Company leases office space and apartments for the purpose of office operations and staff accommodation.

- (b) ROU assets classified within property, plant and equipment during the financial year was SGD46,651 (2020: SGD169,348).
- (c) Depreciation charge during the financial year was SGD89,128 (2020: SGD175,819).
- (d) Interest expense on lease liabilities during the financial year was SGD4,941 (2020: SGD14,181).
- (e) Lease expense – short-term lease not capitalised in lease liabilities during the financial year was nil (2020: SGD35,674) (Note 8).
- (f) Total cash outflow for all the leases was SGD97,802 (2020: SGD216,507).
- (g) Addition of ROU assets during the financial year was nil (2020: SGD171,666).

12. Financial assets, at FVPL

	2021 SGD	2020 SGD
Beginning of financial year	<u>4</u>	<u>4</u>
End of financial year	<u><u>4</u></u>	<u><u>4</u></u>

At the reporting date, financial assets, at FVPL included the following:

	2021 SGD	2020 SGD
Unlisted securities:		
- Equity securities - Thailand	<u>4</u>	<u>4</u>
	<u><u>4</u></u>	<u><u>4</u></u>

At the reporting date, the carrying amount of financial assets, at FVPL approximates its fair value.

Financial assets, at FVPL is denominated in Thai Baht.

13. Trade and other receivables

	2021 SGD	2020 SGD
Trade receivables:		
- third parties	3,455,876	2,494,046
- related entities	4,644,310	3,338,183
	8,100,186	5,832,229
Loss allowance	(4,651)	-
Trade receivables – net	8,095,535	5,832,229
Other receivables:		
- related entity	18,966	1,986
- holding company	-	1,053
Deposits	211,203	43,196
Prepaid operating expenses	3,919	174,744
	<u>8,329,623</u>	<u>6,053,208</u>

Trade receivables are non-interest bearing and the credit periods range from 30 to 60 days (2020: 30 to 60 days).

Dues from a related entity and holding company are unsecured, interest-free and repayable on demand.

At the reporting date, the carrying amounts of trade and other receivables approximate their fair value.

Trade and other receivables are denominated in the following currencies:

	2021 SGD	2020 SGD
Australian Dollars	18,966	105,454
Euro	5,523	246,015
Hong Kong Dollars	25,259	-
Philippine peso	905	-
Singapore Dollars	2,703,589	2,704,571
Thai Baht	86	-
US Dollars	5,575,295	2,997,168
	<u>8,329,623</u>	<u>6,053,208</u>

14. Loans to/from related parties

	2021 SGD	2020 SGD
Loans to related parties:		
Due within 1 year		
- related entities	883,967	832,235
	<u>883,967</u>	<u>832,235</u>

The loans to related entities are unsecured, bears interest at 1.5% to 2.5% (2020: 2.5%) per annum and repayable on demand.

	2021 SGD	2020 SGD
Loan from a related party:		
Due within 1 year		
- holding company	309,580	333,706
	<u>309,580</u>	<u>333,706</u>

The loan from holding company is unsecured, bears interest at 2.5% (2020: 2.5%) per annum and repayable on demand.

At the reporting date, the carrying amounts of loans to/from related parties approximate their fair value.

Loans to related parties are denominated in the following currencies.

	2021 SGD	2020 SGD
Loans to related parties:		
Australian Dollars	842,945	832,235
Thai Baht	41,022	-
	<u>883,967</u>	<u>832,235</u>

Loan from a related party is denominated in Euro.

Reconciliation of liabilities arising from financing activities as follows:

	Beginning of financial year SGD	Non-cash changes			End of financial year SGD
		Interest expense SGD	Foreign exchange movement SGD	Other SGD	
2021					
Loan from a related party	333,706	-	(24,126)	-	309,580
	<u>333,706</u>	<u>-</u>	<u>(24,126)</u>	<u>-</u>	<u>309,580</u>
2020					
Loan from a related party	301,100	8,105	18,092	6,409	333,706
	<u>301,100</u>	<u>8,105</u>	<u>18,092</u>	<u>6,409</u>	<u>333,706</u>

15. Cash and cash equivalents

	2021 SGD	2020 SGD
Cash and bank balances	554,547	1,431,003
	<u>554,547</u>	<u>1,431,003</u>

At the reporting date, the carrying amounts of cash and cash equivalents approximate their fair value.

Cash and cash equivalents are denominated in Singapore Dollars.

For the purposes of the statement of cash flows, the cash and cash equivalents comprised the following:

	2021 SGD	2020 SGD
Cash and cash equivalents (as above)	554,547	1,431,003
Cash and cash equivalents per statement of cash flows	<u>554,547</u>	<u>1,431,003</u>

16. Trade and other payables

	2021 SGD	2020 SGD
Trade payables:		
- related entities	1,082,430	329,076
Other payables:		
- third parties	325,277	238,722
- holding company	685,466	478,369
Accrued operating expenses	1,151,985	1,251,411
	<u>3,245,158</u>	<u>2,297,578</u>

Trade payables are non-interest bearing and the credit period is 30 days (2020: 30 days).

Due to holding company is unsecured, interest-free and repayable on demand.

At the reporting date, the carrying amounts of trade and other payables approximate their fair value.

Trade and other payables are denominated in the following currencies:

	2021 SGD	2020 SGD
Euro	1,088,417	806,801
Indian Rupees	(3,661)	8,527
Philippines Peso	-	3,626
Singapore Dollars	1,580,610	1,386,694
Swiss Franc	39,675	-
Thai Baht	4	4
US Dollars	540,113	91,926
	<u>3,245,158</u>	<u>2,297,578</u>

17. Borrowings

	2021 SGD	2020 SGD
Current:		
Lease liabilities	47,415	120,951
Total current borrowings	47,415	120,951
Non-current:		
Lease liabilities	-	53,802
Total non-current borrowings	-	53,802
	<u>47,415</u>	<u>174,753</u>

(a) Currency risk

Total borrowings are denominated in Singapore Dollars.

(b) Reconciliation of liabilities arising from financing activities

	Beginning of financial year SGD	Principal and interest payments SGD	Modification of lease liabilities SGD	Non-cash changes			End of financial year SGD
				Addition SGD	Rent concessions SGD	Interest expense SGD	
2021							
Lease liabilities	174,753	(97,802)	(34,477)	-	-	4,941	47,415
	<u>174,753</u>	<u>(97,802)</u>	<u>(34,477)</u>	<u>-</u>	<u>-</u>	<u>4,941</u>	<u>47,415</u>
2020							
Lease liabilities	248,329	(180,833)	(70,723)	171,666	(7,867)	14,181	174,753
	<u>248,329</u>	<u>(180,833)</u>	<u>(70,723)</u>	<u>171,666</u>	<u>(7,867)</u>	<u>14,181</u>	<u>174,753</u>

18. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

Movement in deferred income tax liabilities account is as follows:

	2021 SGD	2020 SGD
Beginning of financial year	8,338	6,749
Tax charged to profit or loss	5,711	1,589
End of financial year	<u>14,049</u>	<u>8,338</u>

Deferred income tax liabilities represent the following:

	2021 SGD	2020 SGD
Accelerated tax depreciation	14,840	8,338
Provision	(791)	-
	<u>14,049</u>	<u>8,338</u>

19. Share capital

	2021 SGD	2020 SGD
100,000 ordinary shares issued and fully paid	<u>100,000</u>	<u>100,000</u>

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

20. Related party transactions

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

20.1 The following transactions took place between the Company and related parties at terms agreed between the parties:

	2021 SGD	2020 SGD
Revenue:		
Revenue charged to related entities	5,193,538	5,331,863
Loan interest charged to a related entity	21,100	1,197
Expenses:		
Expenses charged by holding company	225,456	309,953
Expenses charged by related entities	1,210,082	414,102
Loan interest charged by holding company	8,102	8,105
Others:		
Sales of property, plant and equipment to related entity	<u>1,164</u>	<u>-</u>

Balances with related parties at the reporting date are set out in Notes 13, 14 and 16.

20.2 Key management personnel compensation is as follows:

	2021 SGD	2020 SGD
Directors of the Company:		
Salaries and other short-term employee benefits	644,554	240,900
Post-employment benefits - contribution to CPF	17,340	17,340
	<u>661,894</u>	<u>258,240</u>

21. Holding company

The holding company is Nielsen+Partner Unternehmensberater GmbH, incorporated in Germany.

22. Financial risk management

The Company's activities expose it to a variety of financial risk.

(i) Foreign currency risk

The Company is exposed to foreign currency risk arising from future commercial transactions, recognised assets and liabilities, primarily with respect to the Australian Dollars, Euro, Hong Kong Dollars, Indian Rupees, Philippine Peso, Swiss Franc, Thai Baht and US Dollars. The Company monitors the foreign currency exchange rate movements closely to ensure that their exposures are minimised.

The Company's currency exposure based on the information provided to key management is as follows:

	2021 SGD	2020 SGD
Australian Dollars:		
Trade and other receivables	18,966	105,454
Loan to a related party	842,945	832,235
Net financial assets	<u>861,911</u>	<u>937,689</u>
Euro:		
Trade and other receivables	5,523	246,015
Trade and other payables	(1,088,417)	(806,801)
Loan from a related party	(309,580)	(333,706)
Net financial liabilities	<u>(1,392,474)</u>	<u>(894,492)</u>
Hong Kong Dollars:		
Trade and other receivables	25,259	-
Net financial assets	<u>25,259</u>	<u>-</u>
Indian Rupees:		
Trade and other payables	3,661	(8,527)
Net financial assets/(liabilities)	<u>3,661</u>	<u>(8,527)</u>
Philippine Peso:		
Trade and other receivables	905	-
Trade and other payables	-	(3,626)
Net financial assets/(liabilities)	<u>905</u>	<u>(3,626)</u>
Swiss Franc:		
Trade and other payables	(39,675)	-
Net financial liabilities	<u>(39,675)</u>	<u>-</u>
Thai Baht:		
Trade and other receivables	86	-
Loan to a related party	41,022	-
Trade and other payables	(4)	(4)
Net financial assets/(liabilities)	<u>41,104</u>	<u>(4)</u>
US Dollars:		
Trade and other receivables	5,575,295	2,997,168
Trade and other payables	(540,113)	(91,926)
Net financial assets	<u>5,035,182</u>	<u>2,905,242</u>

22. Financial risk management (continued)

(i) Foreign currency risk (continued)

At the reporting date, if the the Australian Dollars, Euro, Hong Kong Dollars, Indian Rupees, Philippine Peso, Swiss Franc, Thai Baht and US Dollars had strengthened/weakened by 10% (2020: 10%) respectively against the Singapore Dollars with all other variables including tax rate being held constant, the effects arising from the net financial asset/liability position will be as follows:

	2021 SGD	2020 SGD
Australian Dollars against Singapore Dollars:		
- strengthened/weakened by	86,191	93,769
Euro against Singapore Dollars:		
- strengthened/weakened by	139,247	89,449
Hong Kong Dollars against Singapore Dollars:		
- strengthened/weakened by	2,526	-
Indian Rupees against Singapore Dollars:		
- strengthened/weakened by	366	853
Philippine Peso against Singapore Dollars:		
- strengthened/weakened by	91	363
Swiss Franc against Singapore Dollars:		
- strengthened/weakened by	3,968	-
Thai Baht against Singapore Dollars:		
- strengthened/weakened by	4,110	-
US Dollars against Singapore Dollars:		
- strengthened/weakened by	<u>503,518</u>	<u>290,524</u>

(ii) Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Company's exposure to cash flow interest rate risks arises mainly from loans from/to related parties at fixed rate.

	2021 Fixed rate SGD	2020 Fixed rate SGD
Financial assets		
Loans to related parties	883,967	832,235
Financial liabilities		
Loan from a related party	<u>309,580</u>	<u>333,706</u>

There is no significant concentration of cash flow interest rate risk.

22. Financial risk management (continued)

(iii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

(a) Risk management

For trade receivables, the Company adopts the policy of dealing only with customers of appropriate credit standing and history, and obtaining sufficient security where appropriate to mitigate credit risk.

For other financial assets, the Company adopts the policy of dealing with financial institutions and other counterparties with high credit ratings.

Credit exposure to an individual customer is restricted by the credit limit approved by the management. Customers' payment profile and credit exposure are continuously monitored by the management and directors.

There are no significant concentration of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

(b) Impairment of financial assets

The Company has applied the simplified approach by using the provision matrix to measure the lifetime expected credit losses for trade receivables.

In determining the expected credit losses of trade receivables, the Company has used historical losses data to determine the loss rate and applied an adjustment against the historical loss rate to reflect the current and forward looking information.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company considers a financial asset as default if the counterparty fails to make contractual payments within 90 days when they fall due, and writes off the financial asset when a debtor fails to make contractual payments greater than 120 days past due. Where receivables are written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

22. Financial risk management (continued)

(iii) Credit risk (continued)

(b) Impairment of financial assets (continued)

The Company's credit risk exposure in relation to trade receivables under FRS 109 as at 31 December 2021 and 31 December 2020 are set out in the provision matrix as follows:

31 December 2021	Current	Within 30 days	More than 30 days	More than 60 days	More than 90 days	Total
	SGD	SGD	SGD	SGD	SGD	SGD
Trade receivables	1,351,541	819,565	577,858	(3,134)	2,560,272	5,306,102
Loss allowance	-	-	-	-	(4,651)	(4,651)
31 December 2020	Current	Within 30 days	More than 30 days	More than 60 days	More than 90 days	Total
	SGD	SGD	SGD	SGD	SGD	SGD
Trade receivables	1,250,795	666,361	603,845	694,340	1,666,444	4,881,785
Loss allowance	-	-	-	-	-	-

Movement in credit loss allowance for financial assets are set out as follows:

	Trade receivables	Total
	SGD	SGD
2021		
Loss allowance made during the financial year	4,651	4,651
Balances as at 31 December 2021	4,651	4,651

(iv) Liquidity risk

The Company adopts prudent liquidity risk management by maintaining sufficient cash and availability of funding from the holding company.

The table below analyses financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Not later than 1 year SGD	Later than 1 year but within 5 years SGD
At 31 December 2021		
Trade and other payables	3,245,158	-
Loan from a related party	309,580	-
Borrowings	47,415	-
	<u>3,602,153</u>	<u>-</u>
At 31 December 2020		
Trade and other payables	2,297,578	-
Loan from a related party	333,706	-
Borrowings	120,951	53,802
	<u>2,752,235</u>	<u>53,802</u>

22. Financial risk management (continued)

(v) Capital risk

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as equity plus net debt.

	2021 SGD	2020 SGD
Net debt	3,047,606	1,375,034
Total equity	<u>5,993,397</u>	<u>5,289,728</u>
Total capital	<u><u>9,041,003</u></u>	<u><u>6,664,762</u></u>
Gearing ratio	<u>0.34</u>	<u>0.21</u>

The Company is in compliance with all externally imposed capital requirements for the financial years ended 31 December 2020 and 2021.

(vi) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

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

	Level 1 SGD	Level 2 SGD	Level 3 SGD	Total SGD
At 31 December 2021				
Assets				
Financial assets, at FVPL	-	4	-	4
Total assets	<u>-</u>	<u>4</u>	<u>-</u>	<u>4</u>
At 31 December 2020				
Assets				
Financial assets, at FVPL	-	4	-	4
Total assets	<u>-</u>	<u>4</u>	<u>-</u>	<u>4</u>

22. Financial risk management (continued)

(vi) Fair value measurements (continued)

The fair value of financial instruments traded in active markets (such as trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long-term debt for disclosure purposes. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the reporting date. These investments are included in Level 2 and comprise debt investments and derivative financial instruments. In infrequent circumstances, where a valuation technique for these instruments is based on significant unobservable inputs, such instruments are included in Level 3.

23. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the directors dated as of 12 April 2022.

DETAILED INCOME STATEMENT
For the financial year ended 31 December 2021

	2021 SGD	2020 SGD
REVENUE		
IT consulting services	12,053,373	12,404,138
LESS: COST OF SALES		
Consulting services costs	<u>1,500,755</u>	<u>1,184,929</u>
GROSS PROFIT	10,552,618	11,219,209
ADD: OTHER INCOME		
Foreign exchange differences (net)	22,137	-
Gain on modification of lease liabilities	908	1,007
Government grant income – Jobs Support Scheme	85,323	485,304
Government grant – others	149,717	65,825
Interest income	21,100	1,197
Rent concessions	-	7,867
Other income	-	1,187
	<u>279,185</u>	<u>562,387</u>
	10,831,803	11,781,596
LESS: EXPENSES (as per schedule)	<u>10,007,726</u>	<u>9,210,754</u>
Profit before income tax	824,077	2,570,842
Income tax expense	<u>(120,408)</u>	<u>(376,424)</u>
Profit for the financial year	<u><u>703,669</u></u>	<u><u>2,194,418</u></u>

This schedule does not form part of the audited statutory financial statements.

DETAILED INCOME STATEMENT
For the financial year ended 31 December 2021

	2021	2020
	SGD	SGD
EXPENSES		
Administrative and service fee	225,456	287,765
Bank charges	5,885	3,744
Consultation fee	449,425	85,688
CPF contributions	381,835	338,719
CPF contributions - director	17,340	17,340
Depreciation of property, plant and equipment	133,617	208,801
Director's allowances	3,600	3,600
Director's remuneration	289,200	237,300
Employee allowances	361,026	497,450
Entertainment	1,656	14,084
Foreign exchange differences (net)	-	207,211
General expenses	110	24,127
Gifts	1,795	4,147
Insurance	181,983	99,131
Interest on lease liabilities	4,941	14,181
Interest on loan	8,102	8,105
IT expenses	94,014	19,389
Loss allowance of trade receivables	4,651	-
Marketing expenses	-	1,466
Medical expenses	6,411	10,716
Meeting expenses	6,027	7,485
Office supply	1,848	720
Penalties	-	19,350
Postage and courier fee	932	751
Printing and stationery	1,543	1,503
Professional fees	362,459	143,233
Recruitment fee	192,900	274,738
Salaries and wages	7,183,672	6,484,229
Short-term leases	-	35,674
Skill development levy	7,847	7,599
Staff welfare and benefits	34,110	26,433
Stamp duty	-	565
Subscription fee	3,484	39
Telephone and fax	4,012	4,408
Transport	274	423
Travelling expenses	35,220	118,262
Withholding tax	2,235	-
Utilities	116	2,378
	<u>10,007,726</u>	<u>9,210,754</u>

This schedule does not form part of the audited statutory financial statements.

NIELSEN&PARTNER PTY. LTD.

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

Nielsen & Partners Pty Ltd

ABN 50 624 699 627

Financial Statements

For the Year Ended 31 December 2021

Nielsen & Partners Pty Ltd

ABN 50 624 699 627

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For the Year Ended 31 December 2021

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Nielsen & Partners Pty Ltd

ABN 50 624 699 627

Directors' Report

31 December 2021

The directors present their report on Nielsen & Partners Pty Ltd for the financial year ended 31 December 2021.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Manuel Brunckhorst

Guillaume Desjonqueres

Nachiket Deshpande

Sandip Ganguly

Appointed 17 June 2021

Madhukar Kulshreshtha

Resigned 27 July 2021

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of Nielsen & Partners Pty Ltd during the financial year was IT consultancy specialising in wealth and asset management, involving the implementation, customization and operation of standard and individual software.

No significant changes in the nature of the Company's activity occurred during the financial year.

2. Operating results and review of operations for the year

Operating results

The loss of the Company after providing for income tax amounted to \$ (616,591) (2020: \$ (58,661)).

Dividends paid or recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Directors' Report

31 December 2021

3. Other items (cont'd)

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Nielsen & Partners Pty Ltd.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purposes of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2021 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: 

Manuel Brunckhorst

Dated 28 March 2022

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Nielsen & Partners Pty Ltd

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2021, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Felsers



Steven Zabeti
Partner

28 March 2022
Sydney

Nielsen & Partners Pty Ltd

ABN 50 624 699 627

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2021

		2021	2020
	Note	\$	\$
Consulting fees	4	1,272,618	2,290,317
Finance income	5	7,354	325
Other income	4	7,200	48,600
Employee benefits expense	6	(1,193,151)	(1,852,600)
Depreciation and amortisation expense	6	(2,572)	(10,792)
Recruitment expenses		-	20,000
Legal expenses		(19,821)	(9,678)
Administration and service expenses		(83,418)	(203,518)
Travel expenses		(2,367)	(38,162)
Freelancer		(300,353)	(234,880)
Other expenses		(100,290)	(137,024)
Finance expenses	5	(57,317)	(53,689)
Loss before income tax		(472,117)	(181,101)
Income tax (expense) / benefit	7	(144,474)	122,440
Loss for the year		(616,591)	(58,661)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		(616,591)	(58,661)

The accompanying notes form part of these financial statements.

Nielsen & Partners Pty Ltd

ABN 50 624 699 627

Statement of Financial Position

31 December 2021

	Note	2021 \$	2020 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	684,470	883,177
Trade and other receivables	9	246,088	870,628
Contract assets	10	271,465	134,866
Other assets	12	775	667
TOTAL CURRENT ASSETS		1,202,798	1,889,338
NON-CURRENT ASSETS			
Property, plant and equipment	11	-	2,572
Deferred tax assets		-	144,475
TOTAL NON-CURRENT ASSETS		-	147,047
TOTAL ASSETS		1,202,798	2,036,385
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	831,695	621,002
Borrowings	14	1,240,289	1,644,144
Employee benefits	15	22,734	46,568
TOTAL CURRENT LIABILITIES		2,094,718	2,311,714
TOTAL LIABILITIES		2,094,718	2,311,714
NET ASSETS		(891,920)	(275,329)
EQUITY			
Issued capital	16	1	1
Retained earnings		(891,921)	(275,330)
TOTAL EQUITY		(891,920)	(275,329)

The accompanying notes form part of these financial statements.

Nielsen & Partners Pty Ltd

ABN 50 624 699 627

Statement of Changes in Equity For the Year Ended 31 December 2021

2021

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 January 2021	1	(275,330)	(275,329)
Loss attributable to members of the parent entity	-	(616,591)	(616,591)
Balance at 31 December 2021	1	(891,921)	(891,920)

2020

	Ordinary Shares	Retained Earnings	Total
	\$	\$	\$
Balance at 1 January 2020	1	(216,669)	(216,668)
Loss attributable to members of the parent entity	-	(58,661)	(58,661)
Balance at 31 December 2020	1	(275,330)	(275,329)

The accompanying notes form part of these financial statements.

Nielsen & Partners Pty Ltd

ABN 50 624 699 627

Statement of Cash Flows For the Year Ended 31 December 2021

	2021	2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,031,621	2,895,222
Payments to suppliers and employees	(1,784,961)	(2,784,724)
Interest received	-	325
Interest paid	(41,512)	(22,362)
Net cash provided by operating activities	<u>205,148</u>	<u>88,461</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	-	(3,526)
Net cash provided by/(used in) investing activities	<u>-</u>	<u>(3,526)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
(Repayment of)/proceeds from borrowings	<u>(403,855)</u>	729,258
Net cash (used in)/provided by financing activities	<u>(403,855)</u>	<u>729,258</u>
Net (decrease)/increase in cash and cash equivalents held	(198,707)	814,193
Cash and cash equivalents at beginning of year	883,177	68,984
Cash and cash equivalents at end of financial year	8 <u><u>684,470</u></u>	<u><u>883,177</u></u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2021

The financial report covers Nielsen & Partners Pty Ltd as an individual entity. Nielsen & Partners Pty Ltd is a for-profit proprietary Company, incorporated and domiciled in Australia.

The functional and presentation currency of Nielsen & Partners Pty Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 28 March 2022.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001*.

Coronavirus (COVID-19) Impact

Within Australia and globally, unprecedented measures have been introduced to control the spread of the COVID-19 outbreak, including travel and trade restrictions, restrictions on public gatherings and temporary business closures. These significant measures have had a sudden and substantial negative impact on global economic activity, with certain industry sectors experiencing unforeseen financial difficulties. Consequently, the functioning of global capital markets has been impaired by increased volatility and negative investor sentiment.

The expected duration and magnitude of the COVID-19 global pandemic and its potential implications on the global economy and financial markets remains unclear. Should these circumstances become severe or prolonged, it is expected to have a material adverse impact on the global and Australian economies, which in turn may have a material adverse impact on the Company's financial performance and position.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (cont'd)

(a) Revenue and other income (cont'd)

Specific revenue streams (cont'd)

Provision of Professional Services

The Company earns revenue from provision of professional services, incorporating consulting advice. Revenue is recognised over time in the accounting period when services are rendered.

Fee arrangements include fixed fee arrangements, unconditional fee for service arrangements ("time and materials") and variable fee arrangements.

For fixed fee arrangements, revenue is recognised based on the stage of completion with reference to the actual services provided as a proportion of the total services expected to be provided under the contract. The stage of completion is tracked on a contract by contract basis using a milestone-based approach.

Estimates of revenues (including interim billing), costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In fee for service contracts, revenue is recognised up to the amount of fees that the Company is entitled to invoice for services performed to date based on contracted rates.

The Company estimates fees for variable fee arrangements using a most likely amount approach on a contract by contract basis. Management makes a detailed assessment of the amount of revenue expected to be received and variable consideration is included in revenue only to the extent that it is highly probable that the amount will not be subject to significant reversal.

Statement of financial position balances relating to revenue recognition

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Company presents the contract as a contract asset, unless the Company's rights to that amount of consideration are unconditional, in which case the Company recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Company presents the contract as a contract liability.

(b) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (cont'd)

(b) Income Tax (cont'd)

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities 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.

Deferred tax assets and liabilities are 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 tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(c) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (cont'd)

(e) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Computer Equipment	50%
--------------------	-----

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

Notes to the Financial Statements For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (cont'd)

(f) Financial instruments (cont'd)

Financial assets (cont'd)

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company 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 Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables and contract assets

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (cont'd)

(f) Financial instruments (cont'd)

Financial assets (cont'd)

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables and borrowings.

(g) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

Notes to the Financial Statements

For the Year Ended 31 December 2021

2 Summary of Significant Accounting Policies (cont'd)

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(i) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

(j) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

(k) Foreign currency transactions and balances

Transaction and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Notes to the Financial Statements

For the Year Ended 31 December 2021

3 Critical Accounting Estimates and Judgments (cont'd)

Key estimates - fair value of financial instruments

The Company has certain financial assets and liabilities which are measured at fair value. Where fair value has not been able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

4 Revenue and Other Income

Revenue from continuing operations

	2021	2020
	\$	\$
Revenue from contracts with customers		
- provision of services	1,272,618	2,290,317
Total Revenue	1,272,618	2,290,317

	2021	2020
	\$	\$
Other income	7,200	48,600

5 Finance Income and Expenses

Finance income

	2021	2020
	\$	\$
Interest income		
- Assets measured at amortised cost	-	325
Gain on exchange differences	7,354	-
Total finance income	7,354	325

Notes to the Financial Statements
For the Year Ended 31 December 2021

5 Finance Income and Expenses (cont'd)

Finance expenses

	2021	2020
	\$	\$
Interest expense	41,512	22,362
Loss on exchange differences	15,805	31,327
Total finance expenses	57,317	53,689

6 Result for the Year

The result for the year includes the following specific expenses:

	2021	2020
	\$	\$
Other expenses:		
Employee benefits expense	1,193,151	1,852,600
Depreciation expense	2,572	10,792
Superannuation contribution	101,495	152,130
Rental outgoings	-	9,039

7 Income Tax Expense

(a) The major components of tax expense (income) comprise:

	2021	2020
	\$	\$
Current tax expense		
Local income tax - current period	-	-
Deferred tax expense		
Origination and reversal of temporary differences	144,474	(122,440)
Total income tax expense	144,474	(122,440)

Nielsen & Partners Pty Ltd

ABN 50 624 699 627

Notes to the Financial Statements For the Year Ended 31 December 2021

7 Income Tax Expense (cont'd)

(b) Reconciliation of income tax to accounting profit:

	2021	2020
	\$	\$
Prima facie tax payable on profit from ordinary activities before income tax at 30% (2020: 30%)	(141,635)	(54,330)
Add:		
Tax effect of:		
- other non-allowable items	141,635	54,330
Less:		
Tax effect of:		
- deferred tax asset - current year movement	(144,474)	122,440
Income tax expense	<u>144,474</u>	<u>(122,440)</u>

8 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank and in hand	<u>684,470</u>	883,177
	<u>684,470</u>	<u>883,177</u>

9 Trade and Other Receivables

	2021	2020
	\$	\$
CURRENT		
Trade receivables	<u>246,088</u>	870,628
Total current trade and other receivables	<u>246,088</u>	<u>870,628</u>

10 Contract Balances

Contract assets and liabilities

The Company has recognised the following contract assets and liabilities from contracts with customers:

	2021	2020
	\$	\$
CURRENT		
Accrued income	271,465	134,866

Nielsen & Partners Pty Ltd

ABN 50 624 699 627

Notes to the Financial Statements For the Year Ended 31 December 2021

11 Property, plant and equipment

	2021	2020
	\$	\$
PLANT AND EQUIPMENT		
Computer equipment		
At cost	30,574	30,574
Accumulated depreciation	(30,574)	(28,002)
Total computer equipment	-	2,572
Total property, plant and equipment	-	2,572

12 Other Assets

	2021	2020
	\$	\$
CURRENT		
Prepayments	775	667

13 Trade and Other Payables

	2021	2020
	\$	\$
CURRENT		
Trade payables	329,538	242,928
GST payable	49,888	93,772
Sundry payables and accrued expenses	30,520	61,853
Other payables	421,749	222,449
	831,695	621,002

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

14 Borrowings

	2021	2020
	\$	\$
CURRENT		
Related party payables	1,240,289	1,644,144
Total current borrowings	1,240,289	1,644,144

Nielsen & Partners Pty Ltd

ABN 50 624 699 627

Notes to the Financial Statements For the Year Ended 31 December 2021

15 Employee Benefits

	2021	2020
	\$	\$
Current liabilities		
Provision for employee benefits	22,734	46,568
	<u>22,734</u>	<u>46,568</u>

16 Issued Capital

	2021	2020
	\$	\$
1 (2020: 1) Ordinary shares	1	1

17 Key Management Personnel Remuneration

No payments were made to key management personnel during the year.

18 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2021 (31 December 2020:None).

19 Related Parties

(a) The Company's main related parties are as follows:

The ultimate parent entity, which exercises control over the Company, is Nielsen+Partner Unternehmensberater GmbH which is incorporated in Germany and owns 100% of Nielsen & Partners Pty Ltd.

Key management personnel - refer to Note 17.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Notes to the Financial Statements

For the Year Ended 31 December 2021

19 Related Parties (cont'd)

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	Purchases	Balance outstanding	
	\$	Owed to the company	Owed by the company
	\$	\$	\$
Parent - 2021			
Intercompany loan	-	-	390,289
Interest	-	-	9,976
Purchases from parent	81,445	27,879	-
Other related parties - 2021			
Purchases from related party	394,821	40,219	459,720
Intercompany loan	-	-	850,000
Interest	-	-	21,250
Parent - 2020			
Intercompany loan	-	-	397,132
Interest	-	-	14,620
Purchases from parent	437,786	-	40,882
Other related parties - 2020			
Purchases from related party	271,134	226,765	178,374
Intercompany loan	-	-	1,247,012
Interest	-	-	7,110

(c) Loans to/from related parties

Unsecured loans are made from the ultimate parent entity, subsidiaries, key management personnel and other related parties on an arm's length basis. Repayment terms are set for each loan, which range from 1 to 3 years. Interest is payable at 2.50% (2020: 2.50%) and monthly principal and interest repayments are made over the terms of the loans. Loans are unsecured and repayable in cash.

	Opening balance	Closing balance	Interest paid/payable
	\$	\$	\$
Loans from ultimate parent & related parties			
2021	1,644,144	1,240,289	41,512
2020	900,006	1,644,144	22,254

Nielsen & Partners Pty Ltd

ABN 50 624 699 627

Notes to the Financial Statements

For the Year Ended 31 December 2021

20 Going Concern

The Company has received a letter of financial support from its parent company, Nielsen+Partner Unternehmensberater GmbH, stating that the parent company is willing to provide financial assistance to the Company in the event that the Company may not be able to meet its debts as they fall due.

21 Events Occurring After the Reporting Date

The financial report was authorised for issue on 28 March 2022 by the board of directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

22 Statutory Information

The registered office and principal place of business of the company is:

Nielsen & Partners Pty Ltd
Level 12, 60 Carrington Street
Sydney NSW 2000

Nielsen & Partners Pty Ltd

ABN 50 624 699 627

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 21, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 31 December 2021 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable with the continuing support of creditors.

This declaration is made in accordance with a resolution of the Board of Directors.

Director 

Manuel Brunckhorst

Dated 28 March 2022

Independent Audit Report to the members of Nielsen & Partners Pty Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Nielsen & Partners Pty Ltd (the Company), which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to the following matter:

(a) the financial report indicates a net loss of \$ (616,591) from operations for the year ended 31 December 2021, while total liabilities exceed total assets by \$891,920 as at year end.

(b) At Note 20, the directors stated that, a letter of financial support has been received from its parent company, Nielsen+Partner Unternehmensberater GmbH and the directors believe the going concern assumption is reasonable and that the company will remain in a position to realise its assets and discharge its liabilities within the normal course of business.

Our opinion is not modified with respect to this matter.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Independent Audit Report to the members of Nielsen & Partners Pty Ltd

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 Australian Auditing Standards 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

Independent Audit Report to the members of Nielsen & Partners Pty Ltd

We communicate with the directors 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 the directors 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, actions taken to eliminate threats or safeguards applied.



Felsers



Steven Zabeti
Partner

Sydney
28 March 2022

NIELSEN&PARTNER COMPANY LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

DIRECTORS' STATEMENT

For the financial year ended 31 December 2021

The directors present their statement to the members together with the audited financial statements of the Company for the financial year ended 31 December 2021

In the opinion of the directors,

- (a) The financial statements together with the notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2021
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Manuel Brunckhorst
Guillaume Philippe Marie Desjonqueres
Nachiket Gopal Deshpande
Andreas Richter

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the director holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations.

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The independent auditor, Synergy AP Audit Co., Ltd., has expressed its willingness to accept re-appointment

On behalf of the directors:



Manuel Brunckhorst
Director
Dated June 9, 2022



Financial statements and auditor's report

NIELSEN&PARTNER CO., LTD.

For the Year Ended 31 December 2021

INDEPENDENT AUDITOR'S REPORT

To The Shareholders of Nielsen&Partner Co., Ltd.

Opinion

I have audited the financial statements of Nielsen&Partner Co., Ltd., which comprise the statements of financial position as at December 31, 2021, the statements of income, and statements of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021, and its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities (TFRS for NPAEs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

Without qualifying my opinion, I draw attention to Note 1 to the financial statements. As at 31 December 2021, the Company has incurred a significant deficits excess capital amounting to Baht 10,641,894.08. This factor raises doubts that the Company might have problem to continue as a going concern. However, the major shareholders still financially support the Company.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Duangkamol Intarpravich
Certified Public Accountant
Registration No. 11127

Bangkok, Thailand

22 March 2022

Nielsen&Partner Co., Ltd.

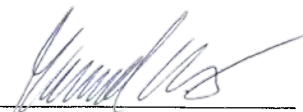
Statement of Financial Position

As at 31 December 2021

Assets

		Baht	
	Notes	2021	2020
Current Assets			
Cash and cash equivalents		4,390,667.93	9,909,771.09
Trade receivables	4	1,213,664.83	3,641,138.11
Other current assets		701,422.46	498,369.60
Total Current Assets		6,305,755.22	14,049,278.80
Non - Current Assets			
Equipment - net	5	995,423.10	-
Other non-current assets		60,097.00	60,097.00
Total Non - Current Assets		1,055,520.10	60,097.00
Total Assets		7,361,275.32	14,109,375.80

Certified Correct



Director

(Mr. Manuel Brunckhorst)

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

Nielsen&Partner Co., Ltd.

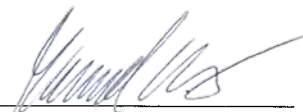
Statement of Financial Position

As at 31 December 2021

Liabilities and Equity

	Notes	Baht	
		2021	2020
Current Liabilities			
Trade and other payables	6	16,077,470.20	20,487,460.54
Short-term loan from related companies	7	1,602,582.32	570,120.90
Other current liabilities		323,116.88	273,604.62
Total Current Liabilities		<u>18,003,169.40</u>	<u>21,331,186.06</u>
Total Liabilities		<u>18,003,169.40</u>	<u>21,331,186.06</u>
Equity			
Authorised share capital			
- 10,000 ordinary shares of Baht 100 each		<u>1,000,000.00</u>	<u>1,000,000.00</u>
Issued and paid-up share capital			
- 10,000 ordinary shares of Baht 100 each		1,000,000.00	1,000,000.00
Deficits		<u>(11,641,894.08)</u>	<u>(8,221,810.26)</u>
Equity - net		<u>(10,641,894.08)</u>	<u>(7,221,810.26)</u>
Total Liabilities and Equity		<u>7,361,275.32</u>	<u>14,109,375.80</u>

Certified Correct



Director
(Mr. Manuel Brunckhorst)

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


Nielsen&Partner Co., Ltd.

Statement of Income

For the year ended 31 December 2021

	Baht	
	2021	2020
Revenues		
Service income	9,473,142.08	17,892,976.05
Other income	24,000.00	61,841.17
Total Revenues	<u>9,497,142.08</u>	<u>17,954,817.22</u>
Expenses		
Cost of services	9,038,676.17	18,474,138.10
Administrative expense	3,861,440.81	5,907,216.05
Total Expenses	<u>12,900,116.98</u>	<u>24,381,354.15</u>
Loss before finance cost	(3,402,974.90)	(6,426,536.93)
Finance cost	17,108.92	11,253.90
Net loss for the year	<u>(3,420,083.82)</u>	<u>(6,437,790.83)</u>

Certified Correct



Director
(Mr. Manuel Brunckhorst)

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

Nielsen&Partner Co., Ltd.


Statement of Changes in Equity

For the year ended 31 December 2021

	Baht		
	Issued and Paid - up		
	share capital	Deficits	Total
Balance as at 1 January 2020	1,000,000.00	(1,784,019.43)	(784,019.43)
Net loss for the year	-	(6,437,790.83)	(6,437,790.83)
Balance as at 31 December 2020	1,000,000.00	(8,221,810.26)	(7,221,810.26)
Net loss for the year	-	(3,420,083.82)	(3,420,083.82)
Balance as at 31 December 2021	1,000,000.00	(11,641,894.08)	(10,641,894.08)



Certified Correct



Director
(Mr. Manuel Brunckhorst)

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

Nielsen&Partner Co., Ltd.

Notes to Financial Statements

For the year ended 31 December 2021

1. General information

Nielsen&Partner Co., Ltd. was registered as a limited company under the Thai Civil and Commercial Code on 28 March 2018 to engage principally in business of digital architecture design services. The address of its registered office is located at 12A Floor Unit B1, B2 Siam Piwat Tower 989 Rama 1 Road, Pathumwan Bangkok, Thailand.

As at 31 December 2021 and 2020, the Company has incurred a significant deficits excess capital amount of Baht 10,641,894.08 and Baht 7,221,810.26, respectively. These factors raise doubts that the Company might have problem to continue as a going concern. However, the Financial Statements under report have been prepared under the going concern basis because the parent company still financially support the Company.

2. Basis of preparation

These financial statements have been prepared in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs) as issued by the Federation of Accounting Professions (FAP).

The financial statements have been prepared under the historical cost convention.

An English version of the company financial statements has been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3. Accounting Policies

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at bank, and all highly liquid investments with an original maturity of 3 months or less and not subject to withdrawal restrictions.

Trade accounts receivable

Trade account receivable are stated at the net realizable value.

Allowance for doubtful accounts is estimated from each receivable that are not expected to be repayable.

Equipment

Equipment is recorded at cost. Cost is measured by the cash or cash equivalent price of obtaining the asset that bring it to the location and condition necessary for its intended use. Equipment is presented in the statements of financial position at cost less accumulated depreciation.

Depreciation of equipment is calculated using the straight-line method over the estimated useful lives of the related assets based on the segregation of components of assets, if each part is significant with different useful lives. Estimate useful lives of the assets as follows:

	<u>Year</u>
Computer	5

Account and other payables

Account and other payables are stated at cost.

Revenue and expense recognition

Revenue is recognized when service is rendered to the customer. Other income and expense are recognized on an accrual basis.

Foreign currency

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities at the Statement of Financial Position date denominated in foreign currencies are translated into Baht at the Bank of Thailand reference exchange rates prevailing at that date. Gains or losses on foreign exchange arising on settlement and translate are recognized as income or expense when incurred.

Income tax

The Company recognized tax obligations on a tax basis described in the Revenue Code.

Use of accounting estimates

Preparation of financial statements in conformity with Thai Financial Reporting Standard (TFRS) for non-publicly accountable entities (NPAEs) requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosures on contingent assets and liabilities. Actual results may differ from those estimates.

Provisions for liabilities and expenses, and contingent assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events with probable outflow of resources to settle the obligation and where a reliable estimate of the amount can be made. The contingent assets will be recognized as separate assets only when the realization is virtually certain.

4. Trade receivables

	Baht	
	2021	2020
Trade receivables	241,192.96	3,641,138.11
Trade receivables - unbilled	972,471.87	-
Total	1,213,664.83	3,641,138.11

5. Equipment - net

	Baht			
	2020	Increase	Decrease	2021
Cost				
Computer	-	997,500.00	-	997,500.00
Total	-	997,500.00	-	997,500.00
Accumulated depreciation				
Computer	-	2,076.90	-	2,076.90
Total	-	2,076.90	-	2,076.90
Net Book Value	-			995,423.10
Depreciation for the year	-			2,076.90

6. Trade and other payables

	Baht	
	2021	2020
Trade payables	14,827,098.23	20,257,153.05
Other payables	1,250,371.97	230,307.49
Total	16,077,470.20	20,487,460.54

7. Short - term loan from related companies

As at 31 December 2021 and 2020, the Company had short - term loan from NIELSEN&PARTNER Unternehmensberater GmbH amount of Baht 574,219.50 (Euro 15,000.00) and Baht 558,867.00 (Euro 15,000.00), respectively. This short-term loan has interest charged at the rate of 2.50% per annum and term at call.

In addition, as at 31 December 2021, the Company had short - term loan from NIELSEN+PARTNER Pte. Ltd. amount of Baht 1,000,000.00. This short-term loan has interest charged at the rate of 1.50% per annum and term at call.

	Baht	
	2021	2020
Short-term loan form NIELSON+PARTNER Unternehmensberater GmbH	574,219.50	558,867.00
<u>Add</u> Interest payable	25,609.39	11,253.90
Short-term loan form NIELSEN+PARTNER Pte. Ltd.	1,000,000.00	-
<u>Add</u> Interest payable	2,753.43	-
Total	1,602,582.32	570,120.90

8. Promotional privileges

The Company has been granted promotional privileges approved by the Board of Investment under the Thai Investment Promotion Act B.E. 2520, for trade and investment supporting, under certificate NO. 61-0785-1-00-1-0 dated 4 July 2018, the Company must comply with the conditions and restrictions provided for the promotional certificate.

9. Approval of the financial statements

These financial statements have been approved by the Company's Director.

LYMBYC SOLUTIONS PRIVATE LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

LYMBYC SOLUTIONS PRIVATE LIMITED

Directors' Report

Dear Members,

The Directors have pleasure in presenting their 10th Annual report of the Company and audited accounts for the year ended March 31, 2022.

1. **FINANCIAL HIGHLIGHTS**

Particulars	(INR in Lakhs)	
	2021-22	2020-21
Total Income	4.19	215.26
Profit / (Loss) before Tax	(178.14)	(146.91)
Less : Tax Expense	(10.84)	(8.39)
Net Profit / (Loss) after Tax	(188.98)	(138.52)
Add: Balance brought forward from previous year	79.19	217.71
Balance to be carried forward	(109.79)	79.19

2. **PERFORMANCE OF THE COMPANY**

The gross sales and other income for the financial year under review were INR 4.19 Lakhs as against INR 215.26 Lakhs for the previous financial year registering a decrease of 98%. The loss was INR 188.98 Lakhs for the financial year under review as against loss of INR 138.52 Lakhs for the previous financial year registering a decrease of 36.42%.

3. **CHANGE IN SHARE CAPITAL**

During the year under review, there was no change in the share capital of the Company.

4. **CAPITAL EXPENDITURE**

As on March 31, 2022, the gross fixed and intangible assets, stood at INR 469.75 Lakhs (previous year INR 469.75 Lakhs) and the net fixed and intangible assets, at INR 96.92 Lakhs (previous year INR 253.51 Lakhs). There was no capital Expenditure during the year under review.

5. **DEPOSITS**

During the year ended March 31, 2022, the Company has not accepted any deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet. Further, in accordance with the provisions of Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014 ('Deposit Rules'), the Company has filed with the Registrar of Companies ('ROC') the return for particulars of transactions by the Company not considered as deposit as per Rule 2(1)(c) of the Deposit Rules.

6. SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

As on March 31, 2022, the Company had one subsidiary - Lymbyc Solutions Inc., USA, details of which are as under:

S.N.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Lymbyc Solutions Inc, USA Add: 97 CEDAR GROVE LANE, SUITE 202SOMERSET, NJ 08873	NA	Wholly owned Subsidiary	100.00	2(87)

There has been no material change in the nature of the business of subsidiary.

A statement containing the salient features of the financial statement of subsidiaries/ associate/ joint venture companies as per form AOC-1 is annexed as **Annexure A** to this Report.

7. TRANSFER TO RESERVES

The Directors do not propose to transfer any amount to reserves during the period under review.

8. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY

The Company has not given any loan, guarantees, security or made any investment during the financial year 2021-22 as specified under section 186 of Companies Act, 2013.

9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the transactions entered with related parties during the financial year 2021-22 were in the ordinary course of business and at arm's length.

10. DIVIDEND

With a view to improve the business performance and conserve financial resources, the Directors have not recommended any dividend on equity shares for the financial year 2021-22.

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

After March 31, 2022 and up to the date of this report, there have been no material changes and commitments affecting the financial positions of the Company.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- A. The operations of the Company are not energy intensive as the Company is not engaged in any manufacturing activity and is not included under the list of industries which should furnish

information as per Rule 8 Companies (Accounts) Rules, 2014.

B. No technology has been developed and / or imported by way of foreign collaboration.

C. Foreign exchange earnings and outgo:

S.N	PARTICULARS	AMOUNT (Rs in Lakhs)	
		31 ST MARCH 2022	31 ST MARCH 2021
1	Earnings in Foreign Exchange during the year	Nil	Nil
2	Expenditure in Foreign Exchange during the year	Nil	Nil

13. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED/RESIGNED DURING THE YEAR

During the year under review, following were changes took place on the Board of the Company:

- (a) Mr. Kedar Krishna Gadgil was appointed as an Additional Non-Executive Director with effect from February 4, 2021, whose appointment was approved at the AGM held on August 26, 2021. He resigned due to personal reasons on May 6, 2022.
- (b) Mr. Anil Rander was appointed as an Additional Non-Executive Director with effect from May 6, 2022, subject to approval of members at the ensuing AGM.

During the year under review, the Company does not have Key Managerial Personnel.

The Notice convening the 10thAGM in 2022 includes appointment of following directors:

- (a) Mr. Nachiket Deshpande is liable to retire by rotation, and being eligible, has offered himself for re-appointment at the ensuing AGM
- (b) Mr. Anil Rander as Non-Executive Director of the Company.

Details of Directors proposed to be appointed as required under Secretarial Standard-2 on General Meetings ('SS-2') is given in the Notice convening the AGM in 2022.

14. DETAILS OF REMUNERATION

The details of remuneration of Directors, proposed to be appointed in the 10th AGM, as required under Secretarial Standard-2 on General Meetings ('SS-2') are as under:

Name of Director	Category	Total Remuneration
Mr. Satyakam Mohanty	Non-Executive Director	Nil
Mr. Anil Rander*	Additional Non-Executive Director	Nil
Mr. Nachiket Deshpande	Non-Executive Director	Nil

Mr. Kedar Gadgil*	Non-Executive Director	Nil
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*Appointed as Additional Non-Executive Director of the Company with effect from May 6, 2022

#Resigned w.e.f. May 6, 2022.

15. MEETINGS OF THE BOARD OF DIRECTORS

The Board Meetings were convened at appropriate intervals with a maximum time gap not exceeding more than 180 days or pursuant to relaxation extended for 2 quarters vide General Circular No. 08/2021 dated May 3, 2021. During the year under review, four meetings of the Board of Directors of the Company were held on April 30, 2021, August 26, 2021, December 10, 2021 and January 17, 2022. Attendance of the Board members at these meeting is as under:

Name of Director	Category	No. of Meetings held during the year vis-à-vis Members Tenure	No. of Meetings Attended
Mr. Satyakam Mohanty	Non-Executive Director	4	4
Mr. Nachiket Deshpande	Non-Executive Director	4	3
Mr. Kedar Krishna Gadgil#	Non-Executive Director	4	4

#Resigned w.e.f. May 6, 2022.

16. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2022, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and they are operating effectively and no material weakness exists. Further, the Company has a process in place to continuously monitor the internal financial controls and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

17. RISK MANAGEMENT POLICY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal. However, Larsen & Toubro Infotech Limited ('LTI'), holding company, has formulated a Risk Management Policy and the Company being wholly-owned subsidiary, is being covered by the Risk Management Policy of LTI.

18. STATUTORY AUDITOR

M/s A. John Morris & Co., Chartered Accountants, were appointed as the Statutory Auditor of the Company at the 8th AGM of the Company held on September 28, 2020 for a period of three years from the conclusion of the 8th AGM of the Company till the conclusion of the 11th AGM of the Company to be held in 2023.

The Auditor's Report on the audited Financial Statements of the Company for the year ended March 31, 2022 does not contain any qualification and therefore do not call for any comments from Directors. Further the Auditors of the Company have not reported any fraud as specified under section 143(12) of the Companies Act, 2013. The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India ('ICAI') and hold a valid certificate issued by the Peer Review Board of the ICAI.

The Auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company and declared that they have not taken up any prohibited non-audit assignments for the Company.

19. FEES TO STATUTORY AUDITOR

Details of total fees for all services paid by the Company, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part, are provided in the Notes to accounts forming part of this Integrated Annual Report.

20. COST AUDITOR

Maintenance of cost records and requirement of cost audit as prescribed under Section 148 of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

21. OTHER DISCLOSURES

- i. Remuneration received by Whole-time Director from subsidiary company: During the financial year, no Whole-time Director received remuneration from any of the subsidiary(ies) of the Company.
- ii. During the year, no corporate insolvency resolution process was initiated under the Insolvency and Bankruptcy Code, 2016, either by or against the Company, before National Company Law Tribunal or other court(s).

22. ANNUAL RETURN

As per the provisions of Section 134(3)(a) of the Companies Act, 2013, since the Company does not have website for Investors, it is not required to upload its Annual Return on the website. A copy of the Annual Return in form MGT-7 shall be filed with the Registrar of Companies.

23. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

24. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The parent company Larsen & Toubro Infotech Limited (LTI) has formulated a policy on 'Protection of Women's Rights at Workplace' which is applicable to all group companies. This has been widely disseminated.

Further, the Company has complied with the provisions relating the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There were no cases of sexual harassment reported to the Company during F.Y. 2021-22.

25. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

26. DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the Annual Accounts on a going concern basis;
- e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

27. **ACKNOWLEDGEMENTS**

The Directors take this opportunity to thank the Company's customers, vendors, management of the Holding Company, Financial Institutions, Banks, Central and State Government authorities, and all other stakeholders for their continued co-operation and support to the Company. The Directors also wish to place on record their appreciation for the employees of the Company for their commendable efforts, teamwork and professionalism.

For and on behalf of the Board of Directors



Mr. Kedar Gadgil
Director
(DIN: 07224639)
Place: Mumbai



Mr. Nachiket Deshpande
Director
(DIN: 08385028)
Place: Mumbai

Date: May 6, 2022

ANNEXURE – A

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules 2014)

**Statement containing salient features of the financial statement of subsidiaries
/associate companies/joint ventures**

S.N	Particulars	Lymbyc Solutions US
1	Date of becoming subsidiary	29-Aug-2019
2	Reporting period for the subsidiary	FY2021-22
3	Reporting currency	USD
4	Exchange rate as on the last date of the relevant financial year	75.79
5	Share capital	USD 60,00,000.00
6	Reserves & surplus	USD (90,00,000.00)
7	Total assets	NIL
8	Total Liabilities	USD 40,00,000.00
9	Investments	NIL
10	Turnover	NIL
11	Profit before taxation	NIL
12	Provision for taxation	NIL
13	Profit after taxation	NIL
14	Proposed Dividend	NA
15	% of shareholding	100

For and on behalf of the Board of Directors



Mr. Kedar Gadgil
Director
(DIN: 07224639)
Place: Mumbai



Mr. Nachiket Deshpande
Director
(DIN: 08385028)
Place: Mumbai

Date: May 6, 2022



UDIN: 22023082AIMNPX1047

INDEPENDENT AUDITOR'S REPORT

To:

The Members of

M/s. Lymbyc Solutions Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial statements of "M/s. Lymbyc Solutions Private Limited" (hereinafter referred to as "the Company"), comprising of the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, including the statement of other comprehensive income and the statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

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

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Standalone Financial Statements' section of our report.

We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are





relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701 are not applicable to the Company as it is an unlisted company.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditors' report thereon.

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

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

Management's Responsibility for The Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Standalone Financial Statements in terms of the requirements of the Companies Act,





2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; 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 Standalone 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 Standalone Financial Statements by the Directors of the Company, as aforesaid.

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

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

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

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

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





- Identify and assess the risks of material misstatement of the Standalone 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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





Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report that:

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

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

(c) The Balance Sheet, the Statement of Profit and Loss including the of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Standalone Financial Statements.

(d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure II" to this report;

(g) The company is a deemed public limited company, hence provisions of section 197 read with schedule V of the companies Act was not applicable. Accordingly, paragraph 3(xi) of the order is not applicable.;

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2021, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. There were no pending litigations which would impact the consolidated financial position of the company;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;





A. JOHN MORIS & CO.,
CHARTERED ACCOUNTANTS

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
- iv. The company has not declared or paid any dividend during the financial year 2021-22.
- v. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

For A. John Moris & Co.,
Chartered Accountants

FRN: 007220 S



CA G Kumar

(Senior Partner)

M. No: 023082

Place: Chennai

Date: 06.05.2022

No.5, Lakshmpuram 1st Street, Deivasigamani Road(Near Music Academy), Royapettah, Chennai - 600 014.
Tel : +91-44-2811 6003-4 / 7667034935 Fax : 044-2811 1712 E-mail : info@ajohnmoris.com, Website : www.ajohnmoris.com

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Thiruvananthapuram/ Thrissur/ Tirunelveli/ Tirupattur/ Tiruppur/ Trichy/ Tuticorin and Visakhapatnam**



ANNEXURE I

TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF LYMBYC SOLUTIONS PRIVATE LIMITED IN ACCORDANCE WITH THE COMPANIES (AUDITORS' REPORT) ORDER 2020

1. In respect of the Company's Property, Plant and Equipment:
 - (a) According to the information and explanations given to us, the company does not have any Property, plant and equipment as on the reporting date.
 - (b) As the company does not have any Property, plant and equipment no physical verification has been done during the year.
 - (c) According to information and explanations given by the management, the title deeds of immovable properties included in other Intangible assets are held in the name of the Company.
 - (d) The company has not revalued its intangible assets during the year.

2. The Company is a service provider and does not deal with Inventory. The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company. Accordingly, paragraph 3 (ii)(a) and (b) of the order is not applicable.

3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company and hence not commented upon.

4. According to the information and explanations given to us and on the basis of our examination of the books of account, it was observed that the Company has not made or diverted any funds by way of loans, investments, guarantees or



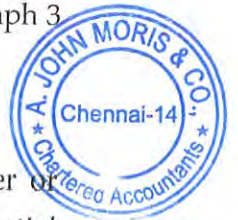


A. JOHN MORIS & CO.,
CHARTERED ACCOUNTANTS

security which are required to be listed in the register maintained under the provisions of section 185 and 186 of the Companies Act, 2013. Hence, the said clause is not applicable.

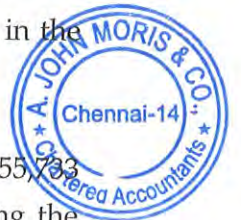
5. During the year, the Company has not accepted any deposits or any amount deemed to be deposits from any person. As the same must be complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Companies Act, 2013 and rules framed there under are not applicable.
6. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for any of the activities of the Company.
7. (a) According to the records, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Investor Education and Protection Funds, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other applicable statutory dues during the year.

(b) According to the information and explanations given to us, there is no undisputed amounts payable in respect of statutory dues referred to in sub-clause (a) that were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
8. According to the records, there are no transactions recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (ix) - (a), (b), (c), (d), (e) and (f) of the order is not applicable.
10. The Company has neither raised any money by way of initial public offer or further public offer (including debt instruments) nor has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.





11. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud/misappropriation on or by the Company has been noticed or reported during the year and no report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
12. The Company is not a chit fund or a Nidhi /mutual benefit fund/society. Accordingly, this paragraph of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by applicable accounting standards.
14. The company is not mandatorily required to appoint an internal auditor (under Sec 138 read with Rule 13), hence this paragraph of the order is not applicable.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with any of its directors or persons connected with them as is mentioned in Section 192 of the Act.
16. According to the information and explanations given to us and based on our examination of the records of the company,
 - a) the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934,
 - b) the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
 - c) the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
17. According to the records, the company has incurred a cash loss of Rs.21,55,733 during the current financial year but has not incurred any cash loss during the immediately preceding financial year.





A. JOHN MORIS & CO.,
CHARTERED ACCOUNTANTS

18. There has not been any resignation of the statutory auditors during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, information and explanations given to us and on the basis of our examination of the books of account, no material uncertainty exists as on the date of the audit report and the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. The company does not fall under the category of companies to which CSR obligations apply as specified in Schedule VII under Sec 135 of the Companies Act, 2013 and hence this paragraph of the order is not applicable.
21. The paragraph 3(xxi) of the order is not applicable to the company as it is only required for Consolidated Financial Statements.

For A. John Moris & Co.,

Chartered Accountants

FRN.: 007220 S



CA G Kumar

Senior Partner

M.No.: 023082

Place: Chennai

Date: 06.05.2022



ANNEXURE II

TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of **M/S. LYMBYC SOLUTIONS PRIVATE LIMITED** ("the Company") as of 31st March 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.





Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that,

- i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. 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 authorizations of management and directors of the company; and
- iii. Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 over Financial Reporting with reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become





A. JOHN MORIS & CO.,
CHARTERED ACCOUNTANTS

inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting with reference to these Standalone Financial Statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A. John Moris & Co.,
Chartered Accountants
FRN.: 007220 S



[Signature]
CA G Kumar
Senior Partner
M.No.: 023082

Place: Chennai
Date: 06.05.2022

Lymbyc Solutions Private Limited

CIN : U74900MH2012PTC340699

Ground Floor, Technology Tower – I, Gate No.5, Near Saki Vihar Road, Powai, Mumbai - 400072

BALANCE SHEET AS AT MARCH 31, 2022

Particulars	Notes	As at Mar 31, 2022	As at Mar 31, 2021
		Amounts (INR) in '000	Amounts (INR) in '000
I. ASSETS			
Non - Current Assets			
(a) Property, Plant and Equipment		-	-
(b) Other Intangible assets	1	9,692	25,351
(c) Intangible assets under development		-	-
(d) Financial Assets			
(i) Investments	2	5,617	5,617
(ii) Other Financial Assets	3	3,884	3,927
(e) Deferred Tax Assets(Net)	4	-	1,015
(f) Other non-current assets	6	13,364	18,920
Total Non-Current Assets		32,557	54,830
Current assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	7	2,121	853
(b) Other current assets	8	-	9
Total Current Assets		2,121	862
TOTAL ASSETS		34,678	55,692
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	9	11,454	11,454
(b) Other Equity	10		
(i) Other Reserves		4,687	4,687
(ii) Retained Earnings		(10,979)	7,919
Total Equity		5,162	24,060
Liabilities			
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	29,314	31,403
(ii) Trade Payables	12		
(A) Total outstanding dues of micro enterprises and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		184	211
(b) Other Current Liabilities	13	18	18
Total Current Liabilities		29,516	31,632
TOTAL EQUITY AND LIABILITIES		34,678	55,692

Notes referred to above form an integral part of Balance sheet

As per our report of even date attached.

For and on Behalf of the Board of Directors

For A. John Moris & Co.,

Chartered Accountants

ICAI Firm Reg.No. 007220 S

G. Kumar
Partner

M.No.: 023082

UDIN: 22023082AIMNPX1047

Place: Chennai

Date: 06-05-2022



(Signature)

Mr. NACHIKET GOPAL DESHPANDE

Director

(DIN : 08385028)

Place: Mumbai

(Signature)

Mr. KEDAR KRISHNA GADGIL

Director

(DIN: 07224639)

Place: Mumbai

Lymbyc Solutions Private Limited

CIN : U74900MH2012PTC340699

Ground Floor, Technology Tower – I, Gate No.5, Near Saki Vihar Road, Powai, Mumbai -400072.

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2022

Particulars	Notes	For the Year ended March 31, 2022	For the Year ended March 31, 2021
		Amounts (INR) in '000	Amounts (INR) in '000
Revenue from Operations			
(i) Sale of services	14	-	18,063
(I) Total Revenue from operations		-	18,063
(II) Other Income	15	419	3,463
(III) Total Income (I+II)		419	21,526
Expenses:			
(i) Employee Benefit Expense		-	-
(ii) Finance costs	16	1,939	2,047
(iii) Depreciation and Amortisation	1	15,658	15,480
(iv) Other expenses	17	636	18,698
(IV) Total Expenses		18,233	36,226
(V) Profit/ (Loss) before Exceptional items and Tax (III-IV)		(17,814)	(14,699)
(VI) Exceptional Items	18	-	9
(VII) Profit/ (Loss) before Tax (V-VI)		(17,814)	(14,691)
(VIII) Tax expense			
Current tax (net)	4	69	176
Deferred Tax	5	1,015	(1,015)
		1,084	(839)
(IX) Profit/(Loss) for the year (VII-VIII)		(18,898)	(13,852)
(X) Other Comprehensive Income		-	-
(XI) Total Comprehensive Income for the year (IX+X)		(18,898)	(13,852)
(XII) Earnings per equity share (Face value of Rs. 10/- each)			
(1) Basic (in Rs)	19	(16.50)	(12.09)
(2) Diluted (in Rs)	19	(16.50)	(12.09)

Notes referred to above form an integral part of Profit & Loss Account

As per our report of even date attached.

For A. John Moris & Co.,

Chartered Accountants

ICAI Firm Reg.No. 007220 S

G. Kumar

Partner

M.No.: 023082

UDIN: 22023082AIMNPX1047

Place: Chennai

Date: 06-05-2022



For and on Behalf of the Board of Directors

(Signature)

MR. NACHIKET GOPAL DESHPANDE

Director

(DIN : 08385028)

Place: Mumbai

(Signature)

MR. KEDAR KRISHNA GADGIL

Director

(DIN: 07224639)

Place: Mumbai

Lymbyc Solutions Private Limited

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CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2022

Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
	Amounts (INR) in '000	Amounts (INR) in '000
A. Cash flow from operating activities		
Profit before tax	(17,814)	(14,691)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	15,658	15,480
Interest expense	1,939	
Operating profit before working capital changes	(217)	790
Adjustments for:		
(Increase)/decrease in trade receivables and unbilled revenue	-	5,322
(Increase)/decrease in other receivables	5,608	3,230
Increase/(decrease) in trade & other payables	43	(15,286)
(Increase)/decrease in working capital	5,651	(6,734)
Cash generated from/(used in) operations	5,434	(5,945)
Direct taxes paid	(68)	-
Net cash from operating activities	5,366	(5,945)
B. Cash flow from investing activities		
Purchase of fixed assets	-	-
Net cash used in/(generated from) investing activities	-	-
C. Cash flow from financing activities		
Proceeds from/(repayment) of borrowings	(2,089)	-
Interest paid	(2,009)	939
Net cash from financing activities	(4,098)	939
D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,268	(5,005)
Opening Cash and cash equivalents	853	5,858
Closing Cash and cash equivalents	2,121	853
Components of Cash and Cash equivalents at the end of the year		
Current account with Banks	2,121	853
Total Cash and Cash Equivalents	2,121	853

Notes referred to above form an integral part of Financial Statement

As per our report of even date attached.

For A. John Moris & Co.,

Chartered Accountants

ICAI Firm Reg.No. 007220 S

G. Kumar

Partner

M.No.: 023082

UDIN: 22023082AIMNPX1047

Place: Chennai

Date: 06-05-2022



For and on Behalf of the Board of Directors

(Signature)

Mr. NACHIKET GOPAL DESHPANDE

Director

(DIN : 08385028)

Place: Mumbai

(Signature)

Mr. KEDAR KRISHNA GADGIL

Director

(DIN : 07224639)

Place: Mumbai

Lymbyc Solutions Private Limited

CIN : U74900MH2012PTC340699

Ground Floor, Technology Tower - I, Gate No.5, Near Saki Vihar Road, Powai, Mumbai -400072.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(A) Equity Share Capital

Particulars	No of Shares	Amounts (INR) in '000
Equity shares of Rs. 10 each issued, subscribed and fully paid up		
Opening Balance as on 1st April 2020	1,145,422	11,454
Add: Shares issued during 2020-21	-	-
Balance as on 31st March 2021	1,145,422	11,454
Add: Shares issued during 2021-22	-	-
Balance as on 31st March 2022	1,145,422	11,454

(B) Other Equity

1 Current reporting period(2021-2022)

Particulars	Reserves & Surplus			Total other Equity (Rs in '000)
	General Reserve (Rs in '000)	Share Premium (Rs in '000)	Retained Earnings (Rs in '000)	
Balance as at 31st March 2021	500	4,187	7,919	12,606
Add: Profit/ (Loss) for the year	-	-	(18,898)	(18,898)
Balance as at 31st March 2022	500	4,187	(10,979)	(6,292)

2 Previous reporting period (2020-2021)

Particulars	Reserves & Surplus			Total other Equity (Rs in '000)
	General Reserve (Rs in '000)	Share Premium (Rs in '000)	Retained Earnings (Rs in '000)	
Balance as at 1st April 2020	500	4,187	21,771	26,458
Add: Profit/ (Loss) for the year	-	-	(13,852)	(13,852)
Balance as at 31st March 2021	500	4,187	7,919	12,606

Notes referred to above form an integral part of Financial Statement

As per our report of even date attached.

For A. John Moris & Co.,

Chartered Accountants

ICAI Firm Reg.No. 007220-S



G. Kumar

Partner

M.No.: 023082

UDIN:22023082AIMNPX1047

Place: Chennai

Date: 06-05-2022

For and on Behalf of the Board of Directors

Mr. NACHIKET GOPAL DESHPANDE

Director

(DIN : 08385028)

Place: Mumbai

Mr. KEDAR KRISHNA GADGIL

Director

(DIN: 07224639)

Place: Mumbai

Lymbyc Solutions Private Limited

CIN : U74900MH2012PTC340699

Ground Floor, Technology Tower - 1, Gate No.5, Near Saki Vihar Road, Powai, Mumbai -400072.

Notes accompanying the Financial Statements for the year ended March 31, 2022

1. Other Intangible assets

Particulars	Gross Block			Depreciation/Amortisation			Net Block			
	As at 1-April-2021 (Rs in '000)	Additions (Rs in '000)	Deductions/ Transfer in '000	As at 31-Mar-2022 (Rs in '000)	As at 1-April-2021 (Rs in '000)	For the year (Rs in '000)	On Deductions (Rs in '000)	As at 31-Mar-2022 (Rs in '000)	As at 31-Mar-2022 (Rs in '000)	As at 31-Mar-21 in '000
Intangible assets Software	46,975	-	-	46,975	21,624	15,658	-	37,282	9,692	25,351
Total intangible assets	46,975	-	-	46,975	21,624	15,658	-	37,282	9,692	25,351



Lymbyc Solutions Private Limited

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Ground Floor, Technology Tower – I, Gate No.5, Near Saki Vihar Road, Powai, Mumbai - 400072

Notes accompanying the Financial Statements for the year ended March 31, 2022

2 Investments

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Investments in Equity instruments	-	-
Long term investment in subsidiaries		
92893 shares of Lymbyc Solutions Inc. USA (State of Texas) @ 1 USD per share	5,617	5,617
	5,617	5,617

3 Other Financial Assets

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Advances recoverable in cash or in kind	3,878	3,839
Security Deposits	5	88
	3,884	3,927

Note: Security deposits reclassified from Loans to Other Financial Assets

4 Current tax (net)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Adjustments of current tax of previous year	69	176
	69	176

5 Deferred Tax Asset

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Opening Deferred Tax Asset / (Liability)	1,015	-
Deferred Tax Expense	(1,015)	1,015
Closing Deferred Tax Asset	-	1,015



Lymbyc Solutions Private Limited

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Ground Floor, Technology Tower - I, Gate No.5, Near Saki Vihar Road, Powai, Mumbai - 400072

Notes accompanying the Financial Statements for the year ended March 31, 2022**6 Other Non-Current Assets**

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Indirect tax receivable	12,017	11,913
Income tax Assets (net)	1,347	7,007
	13,364	18,920

7 Cash & Cash Equivalent

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Cash on hand	-	-
Balances with Bank		
- In current accounts	-	-
Domestic	2,121	853
	2,121	853

8 Other Current Assets

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Prepaid Expenses	-	9
	-	9



Lymbyc Solutions Private Limited

CIN : U74900MH2012PTC340699

Ground Floor, Technology Tower – I, Gate No.5, Near Saki Vihar Road, Powai, Mumbai - 400072

Notes accompanying the Financial Statements for the year ended March 31, 2022

9 Equity Share Capital

I) Particulars	As at Mar 31, 2022		As at Mar 31, 2021	
	No. of shares	INR (Rs in '000)	No. of shares	INR (Rs in '000)
Authorised :				
1,500,000 Ordinary shares of ₹ 10/- each	15,00,000	15,000	15,00,000	15,000
Issued, subscribed and fully paid up				
1,145,422 Ordinary shares of ₹ 10/- each	11,45,422	11,454	11,45,422	11,454
Total Equity	11,45,422	11,454	11,45,422	11,454

II) Reconciliation of the number of equity shares and share capital issued, subscribed and paid-up:

Particulars	As at Mar 31, 2022		As at Mar 31, 2021	
	No. of shares	INR (Rs in '000)	No. of shares	INR (Rs in '000)
At the beginning of the year	11,45,422	11,454	11,45,422	11,454
Issued during the year as fully paid up	-	-	-	-
At the end of the year	11,45,422	11,454	11,45,422	11,454

III) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

IV) Shareholders holding more than 5% of equity shares as at the end of the year:

Particulars	As at Mar 31, 2022		As at Mar 31, 2021	
	No. of shares	% of Shares	No. of shares	% of Shares
L & T Infotech Limited	11,45,421	100.00%	11,45,421	100.00%
	11,45,421	100.00%	11,45,421	100.00%

V) L & T Infotech Limited is the promoter of the Company and holds 100% of the share capital at the beginning and at the end of the year.

Shares held by the promoter at the end of the year			% Change during the year
Promoter Name	No. of shares	% of total shares	
L & T Infotech Limited	11,45,421	100.00%	NIL
	11,45,421	100.00%	



Lymbyc Solutions Private Limited

CIN : U74900MH2012PTC340699

Ground Floor, Technology Tower - I, Gate No.5, Near Saki Vihar Road, Powai, Mumbai - 400072

Notes accompanying the Financial Statements for the year ended March 31, 2022

10 Other Equity

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
General reserve		
Opening balance	500	500
Addition during the year	-	-
Closing Balance	500	500
Security premium reserve		
Opening balance	4,187	4,187
Addition during the year	-	-
Closing Balance	4,187	4,187
Retained Earnings		
Opening balance	7,919	21,771
Add: Loss for the year	(18,898)	(13,852)
Closing Balance	(10,979)	7,919
Less: Appropriation		
(a) General Reserve	-	-
(b) Dividend	-	-
Balance to be carried forward	(10,979)	7,919

11 Borrowings

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Loan from Related Party - Unsecured		
Unsecured Loan from Holding Company	28,180	30,000
Interest on Loan Payable (LTI)	1,134	1,403
Total	29,314	31,403

12 Trade Payable

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
(A) Total outstanding dues of micro enterprises and small enterprises	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	185	211
Total	185	211

* Annexure given separately with ageing

13 Other Current Liabilities

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
TDS Payable	18	18
	18	18



Annexure to 12. Trade payables ageing

Particulars	Unbilled(Rs in '000)	Not Due (Rs in '000)	Outstanding for following periods from due date of payment#				Total in INR (Rs in '000)	credit period
			Less than 1 year (Rs in '000)	1-2 years (Rs in '000)	2-3 years (Rs in '000)	More than 3 years (Rs in '000)		
(i) MSME	-	-	-	-	-	-	-	
(ii) Others in INR Total	13.5	-	-	8.5	12	-	34	60 days
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-	
(iv) Disputed Dues - Others	-	-	-	-	-	-	-	



Lymbyc Solutions Private Limited

CIN : U74900MH2012PTC340699

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Notes accompanying the Financial Statements for the year ended March 31, 2022**14 Revenue from Operations**

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Sale of Services	-	18,063
	-	18,063

15 Other Income

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Interest received on Income Tax	419	76
Liabilities Written off	-	23
Other Income	-	2,775
Surrender of Group Medclaim Insurance	-	465
Reversal of Provision for Bad & Doubtful Debts	-	125
	419	3,463

16 Finance Cost

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Int Paid on EPC / Others	1,935	2,040
Bank Charges	4	7
	1,939	2,047



Lymbyc Solutions Private Limited

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Ground Floor, Technology Tower – I, Gate No.5, Near Saki Vihar Road, Powai, Mumbai -400072.

Notes accompanying the Financial Statements for the year ended March 31, 2022**17 Other Expenses**

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Legal and Professional Charges	484	17,745
Audit fee	15	23
Trade Mark Expenses	-	58
Printing & Stationary	1	-
Travelling and conveyance	1	7
Communication expenses	106	565
Laptop Rental expenses	-	80
Membership fee & Subscription	20	87
Rates and taxes	5	71
Interest and Late fees	5	48
Other miscellaneous expenses	-	15
	636	18,698

18 Exceptional Items

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Reversal of Bank Charges (18-19)	-	9
	-	9



Lymbyc Solutions Private Limited

CIN : U74900MH2012PTC340699

Ground Floor, Technology Tower – I, Gate No.5, Near Saki Vihar Road, Powai, Mumbai -400072.

Notes accompanying the Financial Statements for the year ended March 31, 2022

19 Disclosure pursuant to Ind AS 33 "Earnings per share"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 "Earnings per share".

Particulars		For the Year ended March 31, 2022	For the Year ended March 31, 2021
		Amounts (INR) in '000	Amounts (INR) in '000
Earnings per equity share:			
Profit/ (Loss) for the year attributable to owners of the Company for calculating basic earnings per share (₹ in '000)	A	(18,898)	(13,852)
Weighted average number of equity shares outstanding for calculating basic earnings per share	B	11,45,422	11,45,422
Basic and diluted earnings per equity share (₹)	A / B	(16.50)	(12.09)
Diluted earnings per equity share:			
Profit/ (Loss) for the year attributable to owners of the Company for calculating basic earnings per share (₹ in '000)	A	(18,898)	(13,852)
Add : Interest on convertibles (net of tax)	B	-	-
Profit for the year attributable to owners of the Company for the calculating of diluted earnings per share (₹ in '000)	C = A+B	(18,898)	(13,852)
Weighted average number of equity shares outstanding for calculating basic earnings per share	D	11,45,422	11,45,422
Add : Shares deemed to be issued for no consideration in respect of :	E	-	-
Compulsorily convertible preference share capital	F	-	-
Compulsorily convertible debentures	G	-	-
Weighted average number of equity shares outstanding for calculating diluted earnings per share	H = D + E	11,45,422	11,45,422
Diluted earnings per equity share (₹)		(16.50)	(12.09)
Face value per equity share (₹)		10.00	10.00



Lymbyc Solutions Private Limited

CIN : U74900MH2012PTC340699

Ground Floor, Technology Tower – I, Gate No.5, Near Saki Vihar Road, Powai, Mumbai -400072.

Notes accompanying the Financial Statements for the year ended March 31, 2022

A1(a) Corporate Information

Lymbyc Solutions Private Limited ("the Company") is a wholly owned subsidiary by Larsen & Toubro Infotech Limited from July 31, 2019. The Company is a specialist AI, machine learning and advanced analytics company with their proprietary product 'Leni'. The platform has a combination of natural language processing, data visualization and predictive analytics capabilities.

As per the new amendments in schedule 3 dated 24th March, 2021, the figures appearing in the financial statements are rounded off to the nearest thousands.

(b) Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from COVID-19 on the recoverable values of its financial and non-financial assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements

A2 Significant Accounting Policies

a. Basis of accounting

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. Further the guidance notes or announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered wherever applicable.

Preparation of financial statements in conformity with Accounting Standards requires management of the Company to make estimates and assumptions that affect the income and expense reported for the period and assets, liabilities and disclosures reported as of the date of the financial statements. Examples of such estimates include useful lives of tangible and intangible assets, provision for doubtful debts, future obligations in respect of retirement benefit plans, etc. Actual results could vary from these estimates.

Amount in financial statements are presented in Indian INR as permitted by schedule III to the companies Act, 2013.

b. Presentation of financial statements

The statement of financial position and the statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013. The cash flow statement has been prepared and presented as per the requirements of Ind AS 7 "Cash Flow Statements". The disclosure requirements with respect to items in the balance sheet and statement of profit and loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

c. Property, plant and equipment

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

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from disposal of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is disposed.

d. Intangible assets

Computer softwares are stated at cost less accumulated depreciation, amortisation and impairment.



Lymbyc Solutions Private Limited

CIN : U74900MH2012PTC340699

Ground Floor, Technology Tower - I, Gate No.5, Near Saki Vihar Road, Powai, Mumbai -400072.

Notes accompanying the Financial Statements for the year ended March 31, 2022

e. Depreciation/Amortization

Intangible assets

The estimated useful life of an identifiable intangible asset is based on the number of factors including the effects of obsolescence, demand, competition and other economic factor and the level of maintenance expenditure required to obtain the expected future cash flows from the asset.

Sl No.	Particulars	Useful Life
1	Computer Software	Upto 3 years

f. Functional and presentation currency

The functional and presentation currency of the company is the Indian Rupee as it is the currency of primary economic environment in which the company operates.

g. Foreign currency transactions and balances

Foreign currency transactions are initially recorded at the rates prevailing on the date of transaction. At the balance sheet date, foreign currency monetary item are reported using the closing rate.

h. Impairment of Assets

As at each balance sheet date, assets are tested for impairment so as to determine, the provision for impairment loss, if any, and the reversal of impairment loss recognised in previous periods, if any.

An impairment loss, if any, is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

i. Current and Non-current classification

An asset or a liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be realized/settled, or is intended for sale or consumption, in the Company's normal operating cycle; or
- ii. it is held primarily for the purpose of being traded; or
- iii. it is expected to be realized/due to be settled within twelve months after the reporting date; or
- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date; or
- v. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

j. Income Tax

Current tax

The current income tax charge is calculated on the basis of taxable income and tax credits computed in accordance with the provisions of the Income-tax Act 1961, any amendments / rules that have been enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted as on the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax for the year

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



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Notes accompanying the Financial Statements for the year ended March 31, 2022

k. Leases

Operating Lease:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Lease rentals are charged to the profit and loss account on accrual basis.

The company after assessing the impacts of "INDAS 116 - Leases" have concluded that all the lease agreement fall under short term lease agreements & hence it does not have any impact on financials.

l. Financial Instruments

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

i) Financial assets

Initial recognition and measurement

The Company classifies its investments and financial assets in the following measurement categories:

- those to be measured at cost (investment in subsidiaries)
- those to be measured subsequently at fair value through other comprehensive income, and
- those to be measured subsequently at fair value through profit and loss

In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value of those financial assets.

Subsequent measurement

• Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

• Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities on the basis of the operating cycle of the Company.

Subsequent measurement

Fair value through profit or loss (FVTPL): Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. All changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

m. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, balances with banks.



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Notes accompanying the Financial Statements for the year ended March 31, 2022

n. Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from contracts priced on time and material basis is recognised when services are rendered and related costs are incurred.

Effective April 1, 2019, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers". The adoption of the standard does not have any material impact on the financial results of the Company for the year ended March 31, 2020.

o. Other Income

I) Interest income is accrued at applicable interest rate.

II) Other items of income are accounted as and when the right to receive arises.

p. Provisions, contingent liabilities and contingent assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

I) the Company has a present obligation as a result of a past event;

II) a probable outflow of resources is expected to settle the obligation; and

III) the amount of the obligation can be reliably estimated

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of,

I) a present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation; or

II) a possible obligation unless the probability of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

r. Segment accounting

The Company have only one segment and segment reporting is not applicable.

s. Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow is reported using indirect method as per the requirements of Ind AS 7 ("Cash flow statements").



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Notes accompanying the Financial Statements for the year ended March 31, 2022

A3 Dues to micro enterprises and small enterprises

The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier and vendors of the company. Based on the information available with the Company, as at the year end, no vendors are classified as MSMED.

A4 Disclosure of Related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

a) List of related parties

Holding Company :	1. Larsen & Toubro Infotech Canada Limited
LTI Subsidiaries:	2. Larsen & Toubro Infotech GmbH
	3. Larsen & Toubro Infotech LLC
	4. L&T Infotech Financial Services Technologies Inc.
	5. Larsen And Toubro South Africa (Pty) Limited
	6. L&T Information Technology Services (Shanghai) Co. Ltd.
	7. L&T Information Technology Spain, Sociedad Limitada
	8. L&T Infotech S. DE. R.L. DE C.V.
	9. Larsen & Toubro Infotech Norge AS
	10. LTI Middle East FZ - LLC
	11. L&T Infotech UK Limited
	12. Syncordis S.A., Luxembourg
	13. Syncordis France SARL
	14. Syncordis Limited, UK
	15. Syncordis Support Services S.A., Luxembourg
	16. Ruletronics Systems Inc., USA
	17. Ruletronics Limited, UK
	18. Nielsen + Partner Unternehmensberater GmbH, Germany
	19. Nielsen + Partner Unternehmensberater AG, Switzerland
	20. Nielsen + Partner Pte Ltd, Singapore
	21. Nielsen & Partner Pty Ltd, Australia
	22. Nielsen + Partner Co Ltd, Thailand
	23. Lymbyc Inc., USA
	24. Cuelogic Technologies Inc
Key Managerial Persons:	Mr. SATYAKAM MOHANTY
	Mr. KEDAR KRISHNA GADGIL
	Mr. NACHIKET GOPAL DESHPANDE



Lymbyc Solutions Private Limited

CIN : U74900MH2012PTC340699

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Notes accompanying the Financial Statements for the year ended March 31, 2022

b) Details of Related Party Transactions

Particulars	Year ended March31, 2022	Year ended March31, 2021
	Amounts (INR) in '000	Amounts (INR) in '000
Transactions During the Year		
M/s. Larsen and Toubro Infotech Limited:		
Sale of Services - Consultancy Income	-	-
Purchases of Services - Professional Charges	-	16,257
Placement Fee and Overheads Incurred Reimbursed	-	701
Reimbursement of Expenses	-	1,910
Sale of Assets	-	-
Loan repaid during the year	2,089	-
Interest on Loan from Holding Company	1,740	2,039
Interest on Loan- repaid during the year (Net of TDS)	2,009	-
M/s. Larsen and Tourbo Limited		
Professional Charges	-	26

d) Amount due to and due from related parties(net):

Particulars	Amounts due (to)/from	
	As at 31-03-2022	As at 31-03-2021
	Amounts (INR) in '000	Amounts (INR) in '000
Larsen & Toubro Infotech Limited - Loan	28,180	30,000
Interest on above Loan	1,134	1,403
Larsen & Toubro Infotech Limited -Trade Payables	154	154
Lymbyc Solutions Inc, USA - Other Receivables	3,878	3,839

e) Terms and conditions of transactions with related parties:

- The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.
- Loan from parent is taken at 7% rate of interest while other trade outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash
- There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2021: Amounts (INR) Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

A5 Previous year's figures have been regrouped/reclassified wherever applicable to facilitate comparability.



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Notes accompanying the Financial Statements for the year ended March 31, 2022

A6 Financial Instruments

Disclosure of Financial Instruments by Category

Financial instruments by categories	31.03.2022			31.03.2021		
	FVTPL	FVTOCI	Amortized cost (Rs in '000)	FVTPL	FVTOCI	Amortized cost (Rs in '000)
Financial asset						
Other financial assets	-	-	3,884	-	-	3,927
Cash and cash equivalents	-	-	2,121	-	-	853
Total Financial Asset	-	-	6,005	-	-	4,780
Financial liability						
Loans from related parties	-	-	29,314	-	-	31,403
Trade Payables	-	-	185	-	-	211
Total Financial Liabilities	-	-	29,499	-	-	31,614



A 7. In exercise of the powers conferred by sub-section (1) of section 467 of the Companies Act, 2013 (18 of 2013), the Central Government hereby has made the following further amendments in Schedule III to the said Act with effect from 1st day of April, 2021

Ratio	Numerator	Denominator	Year ended March 31, 2022	Year ended March 31, 2021	Variance %	Reason for variance
Current Ratio	Total current assets	Total current liabilities	0.07	0.03	164%	In the current year the company has received income tax refund
Debt-Equity Ratio	Debt consists of borrowings and lease liabilities	Total equity	5.68	1.31	335%	The company has incurred loss during the period resulting in reduction of Equity
Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service=Interest and lease payments + Principal repayments	(0.32)	3.02	-111%	since the company does not have source of revenue, this ratio has deteriorated
Return on Equity Ratio	Profit for the year less Preference dividend (if any)	Average total equity	(3.66)	(0.58)	536%	The company has incurred loss substantially in the absence of nil revenue hence the comparative year ratio is more than 25%
Trade payables turnover ratio	Operating expenses + Other expenses	Average trade payables	3.45	88.46	-96%	from the proceeds of income tax refund certain payables are paid resulting in reduction
Net capital turnover ratio	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	-	0.63	-100%	There is no revenue in the current year
Net profit ratio	Profit for the year	Revenue from operations	-	(0.81)	-100%	There is no revenue in the current year
Return on Capital employed	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	(0.25)	(0.15)	71%	Due to increase in loss there is a drop beyond 25%
Return on investment	Income generated from invested funds	Average invested funds in treasury investments	-	-	-	There is no income generated from any investments



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Notes accompanying the Financial Statements for the year ended March 31, 2022

A8 Disclosure pursuant to Ind AS 12 - "Income taxes"

The major components of income tax expense for years ended 31 March 2022 and 31 March 2021 are :

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
	Amounts (INR) in '000	Amounts (INR) in '000
Current income Tax :		
Current income tax charge	-	-
Adjustments of current tax of previous year	69	176
Deferred Tax		
Relating to origination and reversal of temporary differences	1,015	(1,015)
Relating to rate change or imposition of new taxes	-	-
Arising due to a write down of a deferred tax asset	-	-
Income tax reported in the statement of profit and loss	1,084	(839)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2021:

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
	Amounts (INR) in '000	Amounts (INR) in '000
Accounting profit before tax	(17,814)	(14,691)
Applicable tax rate	25.17%	34.94%
Profit before tax * Applicable tax rate	(4,483)	(5,134)
(Short) / Excess Provision	69	176
Deferred tax not created on losses	5,498	4,119
Income tax expense reported in the statement of profit and loss	1,084	(839)

A9 Events occurring after the reporting period

The financial statements were approved by the Board of Directors on April 20, 2022, and there are no significant events occurring after Balance sheet date.

A10 Investor Education and Protection Fund

The Company is not required to transfer any amount to Investor Education and Protection Fund.

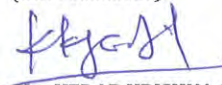
As per our report attached
For **A. John Moris & Co.,**
Chartered Accountants
ICAI Firm Reg.No. 007220 S

G. Kumar
Partner
M.No.: 023082
UDIN:22023082AIMNPX1047
Place: Chennai
Date: 06-05-2022



For and on Behalf of the Board of Directors


Mr. NACHIKET GOPAL DESHPANDE
Director
(DIN : 08385028)


Mr. KEDAR KRISHNA GADGIL
Director
(DIN: 07224639)

LYMBYC SOLUTIONS INC.

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

BOARD'S REPORT

Dear Members,

The Sole Director of the Company has pleasure in presenting their Annual report and Audited Accounts for the year / period ended 31st March 2022.

1. FINANCIAL HIGHLIGHTS:

Particulars	2022	2021
	USD	USD
Revenue from Business operations	Nil	Nil
Total Expenditure	500	2009
Operating Profit / (Loss)	(500)	(2009)
Add: Interest Income	Nil	Nil
Less: Finance Costs	Nil	Nil
Profit / (Loss) before Tax	(500)	(2009)
Less : Tax	0	0
Net Profit / (Loss) after Tax	(500)	(2009)

2. State of Company Affairs / Business Prospects:

The revenue is yet to be generated from Lymbyc Solutions Inc.

3. Dividend:

In order to conserve the resources for future business growth, the Director does not recommend any dividend for the year under review.

4. Material changes and commitments affecting the financial position of the company, between the end of the financial year and the date of the report:

There were no Material changes and commitments affecting the financial position of the company, between the end of the financial year and the date of the report.

5. Reporting of Frauds:

The Auditors of the Company have not reported any fraud committed against the Company by its officers or employees.

6. Details of Directors and Key Managerial Personnel appointed/resigned during the year:

During the year under review, there was no change in the Board of Directors & Key Managerial Personnel.

7. Financial Statements:

The Auditors report to the shareholders does not contain any qualification, observation or adverse comment.

8. Auditors:

There is no mandatory requirement of Audit for the Company as per US Law, however, the transactions are audited by the Statutory Auditors of Lymbyc, India - M/s. A John Moris & Associates. They will continue to audit the financials of the Company for the ensuing financial year.

9. Directors Responsibility Statement:

The Sole Director of the Company confirms:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Director has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) The Director has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the local statutes for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Director has prepared the Annual Accounts on a going concern basis;
- e) The Director has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

10. Acknowledgement

The Director takes this opportunity to thank the customers, supply chain partners, employees, Financial Institutions, Banks and all the various stakeholders for their continued co-operation and support to the Company.

**For Lymbyc Solutions Inc.
on behalf of the Board**

**Satyakam Mohanty
Director**

Date : 18 April, 2022
Place : Bangalore



UDIN: 22023082AHHMGG8757

INDEPENDENT AUDITOR'S REPORT

To the Members of Lymbyc Solutions Inc., USA

Opinion

We have audited the financial statements of Lymbyc Solutions Inc., USA, which comprise the balance sheet as at March 31st 2022, and the profit and loss account, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the entity as at March 31, 2022, and of its financial performance for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of the entity in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

For A. John Moris & Co.,
Chartered Accountants
FRN : 007220S

**GOPALA
N KUMAR** Digitally signed
by GOPALAN
KUMAR
Date: 2022.04.18
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CA G Kumar
Senior Partner
M.No.: 023082

Place: Chennai
Date: 18-04-2022

LYMBYC SOLUTIONS INC., USA
VBC & Company CPA's PC
97 Cedar Grove Lane
Suite 202, Somerset, NJ 08873
BALANCE SHEET AS AT 31st March, 2022

Particulars	Note No	As at 31st March, 2022 (In USD)	As at 31st March, 2022 (In INR)	As at 31st March, 2021 (In USD)	As at 31st March, 2021 (In INR)
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	1	92,893	5,617,458	92,893	5,617,458
(b) Reserves and Surplus	2	(151,296)	(10,065,939)	(150,796)	(9,876,817)
(2) Current Liabilities					
(a) Other current liabilities	3	58,403	4,298,537	57,903	4,259,359
Total		-	-	-	-
II. ASSETS					
(1) Current assets					
(a) Cash and Bank Balances	4	-	-	-	-
Total		-	-	-	-

Summary of Significant Accounting Policies and Notes to Accounts-1 to 7
The notes referred to above form an integral part of the financial statements

In terms of our report attached.

For A. John Moris & Co.,
Chartered Accountants
FRN : 007220 S

GOPALA N KUMAR Digitally signed by
GOPALAN KUMAR
Date: 2022.04.18
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G. Kumar
Partner

M. No: 023082

UDIN: 22023082AHHMGG8757

Place : Chennai

Date : 18-Apr-2022

For and on behalf of the Board,

SATYAKAM MOHANTY Digitally signed by
SATYAKAM MOHANTY
Date: 2022.04.18
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SATYAKAM MOHANTY
Director
(DIN : 06366166)

LYMBYC SOLUTIONS INC., USA
VBC & Company CPA's PC
97 Cedar Grove Lane
Suite 202, Somerset, NJ 08873

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED ON 31st March, 2022

Particulars	Note No	For the year ended 31st March, 2022 (In USD)	For the year ended 31st March, 2022 (In INR)	For the year ended 31st March, 2021 (In USD)	For the year ended 31st March, 2021 (In INR)
Income:					
Revenue from operations		-	-	-	-
Profit on Forex (Reinstatement profit)			-		103,405
Other Income		-	-	-	-
Total Revenue		-	-	-	103,405
Expenses:					
Employee benefit expense		-	-	-	-
Loss on forex (Reinstatement loss)		-	149,944	-	-
Other expenses	5	500	39,179	2,009	149,124
Total Expenses		500	189,122	2,009	149,124
Loss before tax		(500)	(189,122)	(2,009)	(45,719)
Tax expense:					
(a) Current tax		-	-	-	-
(b) Deferred tax		-	-	-	-
Loss after tax		(500)	(189,122)	(2,009)	(45,719)
Earning per share:	7				
(a) Basic		(0.01)	(2.04)	(0.02)	(0.49)
(b) Diluted		(0.01)	(2.04)	(0.02)	(0.49)

Summary of Significant Accounting Policies and Notes to Accounts-1 to 7

The notes referred to above form an integral part of the financial statements

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For and on behalf of the Board,

For A. John Moris & Co.,

Chartered Accountants

FRN : 007220 S

GOPALA Digitally signed
by GOPALAN
N KUMAR
KUMAR Date: 2022.04.18
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G. Kumar

Partner

M. No: 023082

UDIN: 22023082AHMGG8757

Place : Chennai

Date : 18-Apr-2022

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MOHANTY SATYAKAM MOHANTY
Date: 2022.04.18
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SATYAKAM MOHANTY

Director

(DIN : 06366166)

LYMBYC SOLUTIONS INC., USA
Accompanying notes to the financial statements
For the year ended March 31, 2022

Note : 1

Share Capital

Particulars	As at 31st March, 2022 (In USD)	As at 31st March, 2022 (In INR)	As at 31st March, 2021 (In USD)	As at 31st March, 2021 (In INR)
Authorised Share Capital (1,00,000 common shares of USD 1 each)	100,000	-	100,000	-
Paidup Share capital (92,893 common Shares of USD 1 each)	92,893	5,617,458	-	5,617,458
	92,893	5,617,458	92,893	5,617,458

i) Share Holders holding more than 5% of Share capital

Name of the shareholders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares Held	% of Shares	No. of Shares Held	% of shares
Lymbyc Solutions Pvt Ltd	92,893	100%	92,893	100%

ii) Reconciliation of number of shares

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Number	(In INR)	Number	(In INR)
Shares outstanding at the beginning of the year	92,893	5,617,458	92,893	5,617,458
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	92,893	5,617,458	92,893	5,617,458

Note :2

Reserves and Surplus

Particulars	As at 31st March, 2022 (In USD)	As at 31st March, 2022 (In INR)	As at 31st March, 2021 (In USD)	As at 31st March, 2021 (In INR)
Profit and Loss Account (Dr)				
Opening Balance of Profit and Loss	(150,796)	(9,876,817)	(148,787)	(9,831,098)
Loss during the Current Year	(500)	(189,122)	(2,009)	(45,719)
Add: Reinstatement Loss				
Total	(151,296)	(10,065,939)	(150,796)	(9,876,817)

Note : 3

Other Current Liabilities

Particulars	As at 31st March, 2022 (In USD)	As at 31st March, 2022 (In INR)	As at 31st March, 2021 (In USD)	As at 31st March, 2021 (In INR)
Other Payables				
Reimbursement of expenses - Holding company	58,403	4,298,537	57,903	4,259,359
Salary & other reimbursements	-	-	-	-
Total	58,403	4,298,537	57,903	4,259,359

LYMBYC SOLUTIONS INC., USA
 Accompanying notes to the financial statements
 For the year ended 31st March, 2022

Note : 4

Cash and Bank balance

Particulars	As at 31st March, 2022 (In USD)	As at 31st March, 2022 (In INR)	As at 31st March, 2021 (In USD)	As at 31st March, 2021 (In INR)
Balances with Bank	-	-	-	-
Cash on Hand	-	-	-	-
Total	-	-	-	-

Note : 5

Other Expenses

Particulars	For the year ended 31st March, 2022 (In USD)	For the year ended 31st March, 2022 (In INR)	For the year ended 31st March, 2021 (In USD)	For the year ended 31st March, 2021 (In INR)
Rent		-	1,370	101,692
Bank Charges	-	-	-	-
Tax filing fees	500	39,179	639	47,432
Total	500	39,179	2,009	149,124

LYMBYC SOLUTIONS INC., USA
Accompanying notes to the financial statements
For the year ended 31st March, 2022

Note 6 Related Party Disclosure and Transactions

A. Details of Related parties:

Description of Relationship	Names of related parties
Director Key Managerial Personnel	Mr. Satyakam Mohanty
Holding Company	M/s. Lymbyc Solutions Private Limited
Note: Related parties have been identified by the management.	

B. Details of related party transactions during the year and balance outstanding as on 31st March, 2021

Particulars	As at 31st March, 2022 (In INR)	As at 31st March, 2021 (In INR)
Transactions during the year:		
Reimbursement of Expenses		
Lymbyc Solutions Pvt Ltd	39,179	312,414
Outstanding balances:		
Share Capital		
Lymbyc Solutions Pvt Ltd	5,617,458	5,617,458
Reimbursement of Expenses to Holding Company		
Lymbyc Solutions Pvt Ltd	4,298,537	4,213,640

Note 7 Earnings Per Share

Particulars	As at 31st March, 2022 (In INR)	As at 31st March, 2021 (In INR)
Net Profit After Tax	(189,122)	(45,719)
Weighted average No. of equity shares for basic/ diluted EPS (Nos.)	92,893	92,893
Nominal Value of equity per share (in Rs.)	10	10
Basic/ diluted Earnings Per Share (in Rs.)	(2.04)	(0.49)

**POWERUPCLOUD TECHNOLOGIES
PRIVATE LIMITED**

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

POWERUPCLOUD TECHNOLOGIES PRIVATE LIMITED

(CIN: U74900MH2012PTC340699)

Registered Office: Ground Floor, Technology Tower – I, Gate 5, Near Saki Vihar Road, Powai,
Mumbai, Maharashtra, India, 400072

Email : sales@powerupcloud.com, **Website :** www.powerupcloud.com, **Phone:** 022- 6776 6776

Directors' Report

Dear Members,

The Directors have pleasure in presenting their 7th Annual report of the Company and audited accounts for the year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS

(in Lakhs)

Particulars	2021-22	2020-21
Total Income	1426.41	3102.70
Profit / (Loss) before Tax	190.83	(89.69)
Less : Provision for Tax	(7.02)	(205.80)
Net Profit / (Loss) after Tax	197.85	(295.49)
Add: Balance brought forward from previous year	(1,787.30)	(1,491.81)
Balance carried forward	(1,589.45)	(1,787.30)

2. PERFORMANCE OF THE COMPANY

The gross sales and other income for the financial year under review were Rs. 1426.41 Lakhs as against Rs. 3102.70 Lakhs for the previous financial year registering a decrease of 54 %. The profit after tax was Rs. 197.85 Lakhs for the financial year under review as against loss after tax Rs. 295.49 Lakhs for the previous financial year.

3. CHANGE IN SHARE CAPITAL

During the year under review, there was no change in the share capital of the company.

4. CAPITAL EXPENDITURE

As on March 31, 2022, the gross fixed and intangible assets, stood at Rs. 26.15 Lakhs (previous year Rs. 168.65 Lakhs) and the net fixed and intangible assets, at Rs. 0.21 Lakhs (previous year Rs. 91.29 Lakhs). Capital Expenditure during the year amounted was NIL.

5. DEPOSITS

During the year ended March 31, 2022, the Company has not accepted any deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet. Further, in accordance with the provisions of Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014 ('Deposit Rules'), the Company has filed with the Registrar of Companies ('ROC') the return for particulars of transactions by the Company not considered as deposit as per Rule 2(1)(c) of the Deposit Rules.

6. SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

The Company does not have any Subsidiary/ Associate/ Joint Venture Companies.

7. TRANSFER TO RESERVES

The Directors do not propose to transfer any amount to reserves during the period under review.

8. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY

The Company has not given any loan, guarantees, security or made any investment during the financial year 2021-22 as specified under section 186 of Companies Act, 2013.

9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the transactions entered with related parties during the financial year 2021-22 were in the ordinary course of business and at arm's length.

10. DIVIDEND

In view of continuing losses and with a view to improve the business performance and conserve financial resources, the Directors have not recommended any dividend on equity shares for the financial year 2021-22.

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

After March 31, 2022 and upto the date of this report, there have been no material changes and commitments affecting the financial positions of the Company.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. The operations of the Company are not energy intensive as the Company is not engaged in any manufacturing activity and is not included under the list of industries which should furnish information as per Rule 8 Companies (Accounts) Rules, 2014.

B. No technology has been developed and / or imported by way of foreign collaboration.

C. Foreign exchange earnings and outgo:

S.N	PARTICULARS	AMOUNT (Rs in Lakhs)	
		31 ST MARCH 2022	31 ST MARCH 2021
1	Earnings in Foreign Exchange during the year	171.94	596.16
2	Expenditure in Foreign Exchange during the year	88.03	38.49

13. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED/RESIGNED DURING THE YEAR

Further, during FY2022 and as on date of this report, following appointment were made:

- Mr. Kedar Krishna Gadgil was appointed as an Additional Non-Executive Director with effect from

February 4, 2021, whose appointment was approved at the AGM held on August 26, 2021. He resigned due to personal reasons on May 6, 2022.

- Mr. Ankit Garg was appointed as an Additional Non-Executive Director with effect from April 28, 2021.
- Mr. Anil Rander was appointed as an Additional Non-Executive Director with effect from May 6, 2022, subject to approval of members at the ensuing AGM.

During the year under review, the Company does not have Key Managerial Personnel.

The Notice convening the 7th AGM in 2022 includes appointment of following directors:

- (a) Mr. Ankit Garg is liable to retire by rotation, and being eligible, has offered himself for re-appointment at the ensuing AGM
- (b) Mr. Anil Rander as Non-Executive Director of the Company.

Details of Directors proposed to be appointed as required under Secretarial Standard 2 on General Meetings ('SS-2') is given in the Notice convening the AGM in 2022.

14. MEETINGS OF THE BOARD OF DIRECTORS

The Board Meetings were convened at appropriate intervals with a maximum time gap not exceeding more than 180 days or pursuant to relaxation extended for 2 quarters vide General Circular No. 08/2021 dated May 3, 2021. During the year under review, 5 meetings of the Board of Directors of the Company were held on April 28, 2021, April 30, 2021, August 26, 2021, October 26, 2021 and January 17, 2022. Attendance of the Board members at these meetings were as under:

Name of Director	Category	No. of Meetings held during the year vis-à-vis Members Tenure	No. of Meetings Attended
Mr. Nachiket Deshpande	Non-Executive Director	5	4
Mr. Kedar Krishna Gadgil	Non-Executive Director	5	5
Mr. Ankit Garg [@]	Whole-time Director	4	4

[@] Appointed as Additional Non-Executive Director of the Company with effect from April 28, 2021.

15. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2022, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and they are operating effectively and no material weakness exists. Further, the Company has a process in place to continuously monitor the internal financial controls and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

16. RISK MANAGEMENT POLICY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal. However, Larsen & Toubro Infotech Limited ('LTI'), holding company, has formulated a Risk Management Policy and the Company being wholly-owned subsidiary, is being covered by the Risk Management Policy of LTI.

17. STATUTORY AUDITOR

M/s Adithya And Vishwas, Chartered Accounts (FRN. 00089435), were appointed as Statutory Auditor of the Company at the 4th AGM of the Company held on September 30, 2019, for a period of five years from the conclusion of 4thAGM till the conclusion of 9thAGM of the Company.

The Auditor's Report on the audited Financial Statements of the Company for the year ended March 31, 2022 does not contain any qualification and therefore do not call for any comments from Directors. Further the Auditors of the Company have not reported any fraud as specified under section 143(12) of the Companies Act, 2013. The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India ('ICAI') and hold a valid certificate issued by the Peer Review Board of the ICAI.

The Auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company and declared that they have not taken up any prohibited non-audit assignments for the Company.

18. FEES TO STATUTORY AUDITOR

Details of total fees for all services paid by the Company, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part, are provided in the Notes to accounts forming part of this Integrated Annual Report.

19. COST AUDITOR

Maintenance of cost records and requirement of cost audit as prescribed under Section 148 of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

20. OTHER DISCLOSURES

- i. Remuneration received by Whole-time Director from subsidiary company: During the financial year, no Whole-time Director received remuneration from any of the subsidiary(ies) of the Company.
- ii. During the year, no corporate insolvency resolution process was initiated under the Insolvency and Bankruptcy Code, 2016, either by or against the Company, before National Company Law Tribunal or other court(s).

21. ANNUAL RETURN

As per the provisions of Section 134(3)(a) of the Companies Act, 2013, since the Company does not have any website, it is not required to upload its Annual Return on the website. A copy of the Annual Return in form MGT-7 shall be filed with the Registrar of Companies.

22. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

23. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The parent company Larsen & Toubro Infotech Limited (LTI) has formulated a policy on 'Protection of Women's Rights at Workplace' which is applicable to all group companies. This has been widely disseminated.

Further, the Company has complied with the provisions relating the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There were no cases of sexual harassment reported to the Company during F.Y. 2021-22.

24. DETAILS OF REMUNERATION

The details of remuneration of Directors, proposed to be appointed in the 7th AGM, as required under Secretarial Standard-2 on General Meetings ('SS-2') are as under:

Name of Director	Category	No. of Meetings held during the year vis-à-vis Members Tenure
Mr. Nachiket Deshpande	Non-Executive Director	NIL
Mr. Anil Rander*	Additional Non-Executive Director	NIL
Mr. Ankit Garg	Non-Executive Director	INR 4,917,601
Mr. Kedar Gadgil#	Non-Executive Director	NIL

*Appointed as Additional Non-Executive Director of the Company with effect from May 6, 2022

#Resigned w.e.f. May 6, 2022.

25. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

26. DIRECTORS RESPONSIBILITY STATEMENT

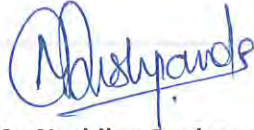
The Board of Directors of the Company confirms:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the Annual Accounts on a going concern basis;
- e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

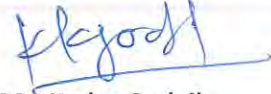
27. **ACKNOWLEDGEMENTS**

The Directors take this opportunity to thank the Company's customers, vendors, management of the Holding Company, Financial Institutions, Banks, Central and State Government authorities, and all other stakeholders for their continued co-operation and support to the Company. The Directors also wish to place on record their appreciation for the employees of the Company for their commendable efforts, teamwork and professionalism.

For and on behalf of the Board of Directors



Mr. Nachiket Deshpande
Director
(DIN: 08385028)
Place: Mumbai



Mr. Kedar Gadgil
Director
(DIN: 07224639)
Place: Mumbai

Date: May 6, 2022



INDEPENDENT AUDITORS' REPORT

To the Members of
POWERUP CLOUD TECHNOLOGIES PRIVATE LIMITED
Report on the audit of the Indian Accounting Standards (Ind AS) financial statements

Opinion

We have audited the accompanying Ind AS Financial statements of **POWERUP CLOUD TECHNOLOGIES PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2022, and the Statement of Profit and Loss (including other comprehensive income) and statement of cash flows and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profits including other comprehensive, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing [SA's] specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those SA's are further described in the auditor's responsibilities for the audit of the Ind AS financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to Note 2.1 of the financial statements with regard to merger of the company with its holding company Larsen and Toubro Infotech Limited. Accordingly, the financial statements for the year ended March 31, 2022 are prepared on a going concern basis.

Our opinion is not modified in respect of this matter.





Information Other than the Standalone Financial Statements and Auditors' Report thereon

The Company's board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Director's Report but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Ind AS financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows and the changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.





Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind As financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit and in





evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.





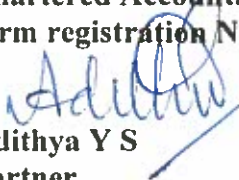
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, no fund (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party





- (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has neither declared nor paid dividend during the year in accordance with Section 123 of the Companies Act, 2013.

For ADITHYA AND VISHWAS
Chartered Accountants
Firm registration No. – 008943S


Adithya Y S
Partner
M No – 209786



Place – Bangalore
Date – 06th May, 2022

This document is certified using UDIN facility of ICAI and can be verified at www.udin.icai.org with reference number: 22209786AIQIFW6961



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the **Annexure A** referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2022, we report the following:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets
 - (a) (i) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

(ii) According to the information and explanations given to us, the Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a regular programme for physical verification of its property, plant and equipment by which the property, plant and equipment are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. In accordance with the programme, the Company has physically verified certain property, plant and equipment during the year and no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the Company does not have any immovable properties other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee and hence the provisions of this clause are not applicable.
 - (d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - (e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
 - (a) The Company is in the business of rendering services and consequently, does not hold any inventory. Accordingly, the reporting under Clause 3(ii)(a) of the Order is not applicable to the Company.
 - (b) The Company has not been sanctioned working capital limits in excess of ₹5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable





- iii. According to the information and explanations given to us, during the year, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties.
- iv. According to the information and explanation provided by the management of the Company, during the year, it has not advanced any loan, or made any investments or given any guarantee and security under Section 185 and 186 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iv) of the said order is not applicable.
- v. According to the information and explanation provided by the management of the Company, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- vi. The Company's operations do not involve processing or manufacturing activities. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year amounts deducted / accrued in the books of account in respect of undisputed statutory dues relating to Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, and other material statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, Service tax and other material statutory dues were in arrears as at 31 March 2022, for a period of more than six months from the date they became payable other than as reported below.

Name of the Statute	Name of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
The Integrated Goods and Services Tax Act, 2017	IGST	31,500	FY 2020-21	20-Sep-21	Not Paid	NA
The Integrated Goods and Services Tax Act, 2017	IGST	31,500	FY 2020-21	20-Sep-21	Not Paid	NA
The Integrated Goods and Services Tax Act, 2017	IGST	31,500	FY 2020-21	20-Sep-21	Not Paid	NA
The Integrated Goods and Services Tax Act, 2017	IGST	2,54,880	FY 2019-20	20-May-21	Not Paid	NA





The Integrated Goods and Services Tax Act, 2017	IGST	65,189	FY 2019-20	20-Feb-21	Not Paid	NA
The Integrated Goods and Services Tax Act, 2017	IGST	24,969	FY 2019-20	20-May-21	Not Paid	NA
The Integrated Goods and Services Tax Act, 2017	IGST	59,136	FY 2019-20	20-Jun-21	Not Paid	NA
The Integrated Goods and Services Tax Act, 2017	IGST	19,712	FY 2019-20	20-Jul-21	Not Paid	NA
The Integrated Goods and Services Tax Act, 2017	IGST	19,712	FY 2020-21	20-Aug-21	Not Paid	NA
The Integrated Goods and Services Tax Act, 2017	IGST	21,846	FY 2020-21	20-Sep-21	Not Paid	NA
The Integrated Goods and Services Tax Act, 2017	IGST	66,380	FY 2019-20	20-Apr-21	Not Paid	NA

(b) According to the information and explanations given to us, there are no dues of Income tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes.

viii. According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

ix. (a) According to the information and explanations given to us, the company has not defaulted in the repayment of loans or borrowings taken from any lender.

(b) According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any term loans or other borrowings during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds have been





raised on short-term basis as at the Balance Sheet date. Accordingly, the reporting under Clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.

(b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us and further represented to us by the management, there are no whistle blower complaints received by the company during the year.

xii. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.





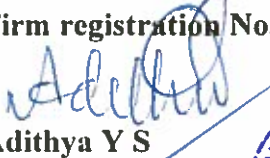
- xiv. In our opinion and according to the information and explanations given to us, provisions relating Internal Audit under Section 138 of the Companies Act, 2013 is not applicable. Accordingly, the reporting under Clause 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding, or subsidiary company or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable
- xvii. In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us, provisions relating to Corporate Social Responsibility under section 135 of the Act is not applicable to the company. Accordingly, the reporting under Clause 3(xx) of the Order is not applicable to the Company.





- xxi. The Company has no subsidiaries and hence, reporting under Clause 3(xxi) of the Order is not applicable.

For ADITHYA AND VISHWAS
Chartered Accountants
Firm registration No. – 008943S


Adithya Y S
Partner
M No – 209786



Place – Bangalore
Date – 06th May, 2022

**This document is certified using UDIN facility of ICAI and can be verified at
www.udin.icai.org with reference number: 22209786AIQIFW6961**



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **POWERUP CLOUD TECHNOLOGIES PRIVATE LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

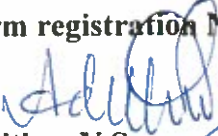




Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For ADITHYA AND VISHWAS
Chartered Accountants
Firm registration No. – 008943S


Adithya Y S
Partner
M No – 209786



Place – Bangalore
Date – 06th May, 2022

This document is certified using UDIN facility of ICAI and can be verified at www.udin.icai.org with reference number: 22209786AIQIFW6961

Powerupcloud Technologies Private Limited
BALANCE SHEET AS AT MARCH 31, 2022

Particulars	Note	As at March 31, 2022	As at March 31, 2021
		(INR in'000)	(INR in'000)
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	1(a)	21	136
(b) Capital work-in-progress	1(b)	-	-
(c) Other Intangible assets	1(c)	-	8,992
(d) Intangible assets under development	1(d)	-	-
(e) Right of Use assets	2	1,617	76,793
(f) Financial Assets			
(i) Other Financial Assets	3	-	4,981
(g) Deferred Tax Assets(Net)	4	3,643	2,888
(h) Other non-current assets	5	3,990	-
Total Non-Current Assets		9,271	93,790
Current assets			
(a) Financial Assets			
(i) Trade receivable	6	37,466	17,168
(ii) Unbilled Revenue	7	9	15,193
(iii) Cash and Cash Equivalents	8	13,557	66,475
(iv) Other Financial Assets	9	3,583	4,235
(b) Income tax assets (Net)	10	21,900	15,079
(c) Other current assets	11	198	5,836
Total Current Assets		76,713	123,986
TOTAL ASSETS		85,984	217,776
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	12	173	173
(b) Other Equity	13		
(i) Other Reserves		223,563	223,720
(ii) Retained Earnings		(158,945)	(178,730)
Total Equity		64,791	45,163
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	2	-	72,914
(b) Provisions	14	-	2,522
Total Non-Current Liabilities		-	75,436
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	-	7,619
(ii) Trade Payables			
Due to Micro medium & Small Enterprises		45	3
Due to others	16	17,731	62,939
(iii) Other Financial Liabilities	17	497	8,245
(iv) Lease liabilities	2	1,965	10,271
(b) Other Current Liabilities	18	955	6,377
(c) Provisions	19	-	1,722
Total Current Liabilities		21,193	97,176
TOTAL EQUITY AND LIABILITIES		85,984	217,776

Notes referred to above form an integral part of Balance sheet

As per our report of even date

For ADITHYA & VISHWAS
Chartered Accountants
Firm Registration No. 0089435

Adithya Y S
Partner
Membership No. 209786

Place: Bangalore
Date : 6th May'22

For and on behalf of Board of Directors of
Powerupcloud Technologies Pvt Ltd

Nachiket Deshpande
Director
DIN: 08385028

Kedar Krishna Gadgil
Director
DIN: 07224639

Place: Mumbai
Date : 6th May'22

Place: Mumbai
Date : 6th May'22



Powerupcloud Technologies Private Limited
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2022

Particulars	Note	2021-22	2020-21
		(INR in'000)	(INR in'000)
Total Income:			
Income from Operations	20	96,357	260,724
Other Income	21	46,284	49,545
		142,641	310,269
Expenses:			
Employee Benefit Expense	22	21,533	110,457
Operating expenses	23	76,225	178,223
Finance costs	24	3,618	8,958
Depreciation and Amortisation	1&2	18,805	15,989
Other expenses	25	3,377	5,611
Total Expenses		123,558	319,238
Profit before tax		19,083	(8,969)
Tax expense			
Current Tax		-	1,327
Deferred tax	A8	(702)	19,253
Total Tax	A11	(702)	20,580
Profit after tax		19,785	(29,549)
NET PROFIT FOR THE YEAR		19,785	(29,549)
OTHER COMPREHENSIVE INCOME	A17	(157)	(498)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		19,628	(30,047)
Basic			
Basic earning per equity share	A9	1,141.74	(1,705.19)
Diluted			
Diluted earning per equity share	A9	1,141.74	(1,705.19)

Notes referred to above form an integral part of Balance sheet

As per our report of even date

For ADITHYA & VISHWAS
Chartered Accountants
Firm Registration No. 008943S


Adithya Y S
Partner
Membership No. 209786

Place: Bangalore
Date : 6th May'22




For and on behalf of Board of Directors of
Powerupcloud Technologies Pvt Ltd



Nachiket Deshpande
Director
DIN: 08385028

Place: Mumbai
Date : 6th May'22



Kedar Krishna Gadgil
Director
DIN: 07224639

Place: Mumbai
Date : 6th May'22

Powerupcloud Technologies Private Limited
CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2022

Particulars	2021-22	2020-21
	(INR in'000)	(INR in'000)
A. Cash flow from operating activities		
Net profit before tax	19,083	(8,969)
Adjustments for:		-
Depreciation and amortisation	18,805	15,989
Net loss on disposal of property, plant and equipment	-	63
Finance cost relating to lease liabilities	3,357	6,396
Interest paid	261	2,562
Gain on Lease Modification	(10,467)	-
Interest on unwinding deposit	(307)	-
Operating profit before working capital changes	30,732	16,041
Changes in working capital		
(Increase)/decrease in trade receivables and unbilled revenue	(5,115)	74,115
(Increase)/decrease in other receivables and assets	10,245	2,560
Increase/(decrease) in trade & other payables	(62,789)	(17,601)
(Increase)/decrease in working capital	(57,659)	59,074
Cash generated from/(used in) operations	(26,926)	75,115
Direct taxes paid	(6,821)	15,864
Net cash from operating activities	(33,747)	90,979
B. Cash flow from investing activities		
Payment for purchase of property, plant and equipment, Capital Work in progress, Intangible assets and other intangible assets under development	-	(7,899)
Proceeds from Sale of property, plant and equipment	3	614
Net cash used in/(generated from) investing activities	3	(7,285)
C. Cash flow from financing activities		
Share capital issued (including premium)		
Proceeds from issue of share capital	-	-
Payment of finance lease obligations	(11,292)	(10,915)
Interest paid	(261)	(2,562)
Proceeds from/(repayment) of borrowings	(7,619)	(19,493)
Net cash from financing activities	(19,172)	(32,970)
Net increase in cash and cash equivalents	(52,918)	50,724
Opening Cash and cash equivalents	66,475	15,751
Closing Cash and cash equivalents	13,557	66,475

As per our report of even date

For ADITHYA & VISHWAS
Chartered Accountants
Firm Registration No. 0089435



Adithya Y S
Partner
Membership No. 209786



Place: Bangalore
Date : 6th May'22

For and on behalf of Board of Directors of
Powerupcloud Technologies Pvt Ltd

Nachiket Deshpande

Nachiket Deshpande
Director
DIN: 08385028

Kedar Krishna Gadgil

Kedar Krishna Gadgil
Director
DIN: 07224639

Place: Mumbai
Date : 6th May'22

Place: Mumbai
Date : 6th May'22

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(INR In'000)

Particulars	No. of Shares	Share Capital	Share capital pending allotment	Share Premium	Other Comprehensive Income	Retained Earnings	Total Equity
Balance as on April 1, 2021	17,329	173	-	225,094	(1,374)	(178,730)	45,163
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as on April 1, 2021	-	173	-	225,094	(1,374)	(178,730)	45,163
Issue of Capital	-	-	-	-	-	-	-
On account of amalgamation	-	-	-	-	-	-	-
Net Profit for the year (April'21 to March'22)	-	-	-	-	-	19,785	19,785
Other Comprehensive Income	-	-	-	-	(157)	-	(157)
Dividends (Including DDT)	-	-	-	-	-	-	-
Other changes/ Trf to general reserve.	-	-	-	-	-	-	-
Balance as on March 31, 2022	17,329	173	-	225,094	(1,531)	(158,945)	64,792

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(INR In'000)

Particulars	No. of Shares	Share Capital	Share capital pending allotment	Share Premium	Other Comprehensive Income	Retained Earnings	Total Equity
Balance as on April 1, 2020	17,329	173	-	225,094	(876)	(149,181)	75,211
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as on April 1, 2020	-	173	-	225,094	(876)	(149,181)	75,211
Issue of Capital	-	-	-	-	-	-	-
On account of amalgamation	-	-	-	-	-	-	-
Net Profit for the year (April'20 to March'21)	-	-	-	-	-	(29,549)	(29,549)
Other Comprehensive Income	-	-	-	-	(498)	-	(498)
Dividends (Including DDT)	-	-	-	-	-	-	-
Other changes/ Trf to general reserve.	-	-	-	-	-	-	-
Balance as on March 31, 2021	17,329	173	-	225,094	(1,374)	(178,730)	45,163

Notes referred to above form an integral part of Balance sheet

As per our report of even date

For ADITHYA & VISHWAS
Chartered Accountants
Firm Registration No. 0489435

Adithya Y S
Partner
Membership No. 209786
Place: Bangalore
Date: 6th May'22



For and on behalf of Board of Directors of
Powerupcloud Technologies Pvt Ltd

Nachiket Deshpande
Director
DIN: 08385028
Place: Mumbai
Date: 6th May'22

Kedar Krishna Gadgil
Director
DIN: 07224639
Place: Mumbai
Date: 6th May'22

Powerupcloud Technologies Private Limited
Notes accompanying the Financial Statements for the year ended March 31, 2022

(INR in '000)

Particulars	Currency	Gross Block				Depreciation/Amortisation				Net Block	
		As at 1- April-21	Additions	Deductions	As at 31-March-22	As at 1- April-21	For the period	On Deductions	As at 31-March-22	As at 31-March-22	As at 31-March-21
1 (a) Property, Plant & Equipment											
Leasehold Improvements	INR	2,454	-	-	2,454	2,454	-	-	2,454	-	-
Computers	INR	1,711	-	1,697	14	1,622	1,697	88	13	1	89
a. Owned	INR	104	-	27	77	64	25	21	60	17	40
b. Leased	INR	13	-	5	8	6	5	4	5	3	7
Office equipments	INR										
Furniture and fixtures	INR										
Total Property, plant & Equipment	INR	4,282	-	1,730	2,553	4,146	1,727	113	2,532	21	136
1 (b) Capital work in progress	INR	-	-	-	-	-	-	-	-	-	-
Total of Capital work in progress	INR	-	-	-	-	-	-	-	-	-	-
1 (c) Intangible assets											
Software	INR	62	-	-	62	60	-	2	62	-	2
Intellectual Property*	INR	2,988	-	2,988	-	900	2,988	2,088	-	-	2,088
Botzer	INR	9,533	-	9,533	-	2,631	9,533	6,902	-	-	6,902
Cloud Ensure	INR										
Total Intangible assets	INR	12,583	-	12,521	62	3,591	12,521	8,992	62	-	8,992
1 (d) Intangible assets under development	INR	-	-	-	-	-	-	-	-	-	-
Total Intangible assets under development	INR	-	-	-	-	-	-	-	-	-	-
Total Intangible assets under development assets	INR	-	-	-	-	-	-	-	-	-	-

* Refer Note A14



Powerupcloud Technologies Private Limited
Notes accompanying the Financial Statements for the year ended March 31, 2021

(INR in '000)

Particulars	Currency	Gross Block				Depreciation/Amortisation			Net Block	
		As at 1-April-20	Additions	Deductions	As at 31-March-21	As at 1-April-20	For the period	On Deductions	As at 31-March-21	As at 31-March-20
1 (a) Property, Plant & Equipment										
Leasehold Improvements	INR	-	2,454	-	2,454	-	2,454	-	-	-
Computers	INR	1,711	-	-	1,711	-	7	-	89	96
a. Owned	INR	-	-	-	-	-	-	-	-	-
b. Leased	INR	1,711	-	-	1,711	-	7	-	89	96
Office equipments	INR	104	-	-	104	-	33	-	40	73
Furniture and fixtures	INR	13	-	-	13	-	3	-	7	10
Total Property, plant & Equipment	INR	1,828	2,454	-	4,282	-	2,497	-	136	180
1 (b) Capital work in progress	INR	1,040	2,091	3,131	-	-	-	-	-	1,040
Total of Capital work in progress	INR	1,040	2,091	3,131	-	-	-	-	-	1,040
1 (c) Intangible assets										
Software	INR	62	-	-	62	-	20	-	2	22
Intellectual Property*	INR	1,990	998	-	2,988	-	898	-	2,088	1,988
Botzer	INR	-	9,533	-	9,533	-	2,631	-	6,902	-
Cloud Ensure	INR	-	-	-	-	-	-	-	-	-
Total Intangible assets	INR	2,052	10,531	-	12,583	-	3,549	-	8,992	2,010
1 (d) Intangible assets under development	INR	4,722	5,809	10,531	-	-	-	-	-	4,722
Total Intangible assets under development	INR	4,722	5,809	10,531	-	-	-	-	-	4,722

* Refer Note A14



Powerupcloud Technologies Private Limited
Notes accompanying the Financial Statements for the year ended March 31, 2022

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022 and March 31, 2021

2 Particulars	As at 'March 31, 2022	As at 'March 31, 2021
	(INR in '000)	(INR in '000)
Balance at the beginning	76,793	83,069
Additions	-	17,771
Impact of Lease Modifications	(65,476)	(14,104)
Depreciation	(9,700)	(9,943)
Total	1,617	76,793

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021

Particulars	As at 'March 31, 2022	As at 'March 31, 2021
	(INR in '000)	(INR in '000)
Current lease liabilities	1,965	10,271
Non-current lease liabilities	-	72,914
Total	1,965	83,185

The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021

Particulars	As at 'March 31, 2022	As at 'March 31, 2021
	(INR in '000)	(INR in '000)
Balance at the beginning	83,185	84,037
Additions during the year	-	17,771
Finance cost accrued during the period	3,357	6,396
Impact of Lease Modifications	(73,285)	(13,424)
Payment of lease liabilities	(11,292)	(11,595)
Total	1,965	83,185

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and as at March 31, 2021 on an undiscounted basis:

Particulars	As at 'March 31, 2022	As at 'March 31, 2021
	(INR in '000)	(INR in '000)
Less than one year	1,968	11,292
One to five years	-	65,517
More than five years	-	29,638
Total	1,968	106,447



Powerupcloud Technologies Private Limited

Notes accompanying the Financial Statements for the year ended March 31, 2022

3	Financial Assets- Other Financial Assets	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
	Security Deposits	-	4,981
	Total	-	4,981
4	Deferred tax Asset	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
	Deferred tax Asset	3,643	2,888
	Total	3,643	2,888
	* Refer Note A8		
5	Other Non Current assets	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
	Advance recoverable in cash or kind including Indirect tax recoverable	3,990	-
	Total	3,990	-
6	Trade receivables	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
	Considered good - Secured	-	-
	Considered good - Unsecured	-	-
	- Due from holding company*	-	-
	- Others	41,487	23,543
	Less : Provision for doubtful debts and Allowance as per ECL matrix	(4,021)	(6,375)
	Total	37,466	17,168
	* Refer Note A4		

Trade Receivables ageing schedule as at 31st March 2022

(INR in'000)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	28,079	9,575	-	-	-	-	37,654
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	1,215	2,618	-	3,833
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Loss Allowance	-	-	-	-	-	-	(4,021)
Total	28,079	9,575	-	1,215	2,618	-	37,466

Trade Receivables ageing schedule as at 31st March 2021

(INR in'000)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	9,109	6,395	1,846	-	-	-	17,350
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	5,413	631	149	6,193
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Loss Allowance	-	-	-	-	-	-	(6,375)
Total	9,109	6,395	1,846	5,413	631	149	17,168



Powerupcloud Technologies Private Limited

Notes accompanying the Financial Statements for the year ended March 31, 2022

7	Unbilled Revenue	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
	Unbilled Revenue	9	15,193
	Total	9	15,193

8	Cash & Cash Equivalent	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
	Cash on hand	8	4
	Balances with Bank - in current accounts Domestic	13,549	66,471
	Total	13,557	66,475

9	Other Financial Current Assets	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
	Security Deposits -Considered good - Unsecured	2,792	2,358
	Others	791	1,877
	Total	3,583	4,235

10	Income tax assets (Net)	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
	TDS receivable (net off Provision for Tax)	21,900	15,079
	Total	21,900	15,079

11	Other Current Assets	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
	Advances Recoverable in cash or kind	-	5,004
	Advances to vendors	198	137
	Prepaid Expenses	-	695
	Total	198	5,836



Powerupcloud Technologies Private Limited

Notes accompanying the Financial Statements for the year ended March 31, 2022

12 Equity Share Capital

i) Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	INR in '000	No. of shares	INR in '000
Authorised : 40,000 Equity shares of Rs. 10/- each	40,000	400	40,000	400
Issued, subscribed and paid up 17,329 Equity shares of Rs. 10/- each	17,329	173	17,329	173
Total	17,329	173	17,329	173

ii) Reconciliation of the number of equity shares and share capital issued, subscribed and paid-up:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	INR in '000	No. of shares	INR in '000
At the beginning of the year	17,329	173	17,329	173
Issued during the year as fully paid up	-	-	-	-
At the end of the year	17,329	173	17,329	173

iii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share.

iv) Shareholders holding more than 5% of equity shares as at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	% of Shares	No. of shares	% of Shares
L & T Infotech Limited	17,328	99.99%	17,328	99.99%
Kedar Gadgil (As nominee shareholder for L & T Infotech Limited)	1	0.01%	1	0.01%
Total	17,329	100.00%	17,329	100.00%

v) The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares 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 its share of the paid-up-equity capital of the Company. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, after distribution of all preferential amounts (if any) in proportion to the number of equity shares held.

vi) The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

vii) No dividend is proposed for the year ending 31st March 2022.

viii) Shareholding Pattern of Promoters

Larsen & Toubro Infotech Limited is the promoter of the company. There is no change in the Shareholding pattern of Promoters during the year



Powerupcloud Technologies Private Limited

Notes accompanying the Financial Statements for the year ended March 31, 2022

13	Other Equity	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
(i)	Other reserves		
	Security Premium Reserve		
	Opening balance	225,094	225,094
	Addition during the year	-	-
		225,094	225,094
	Other Comprehensive Income		
	Opening balance	(1,374)	(876)
	Addition during the year	(157)	(498)
		(1,531)	(1,374)
	Balance to be carried forward	223,563	223,720
(ii)	Retained Earnings		
	Profit and loss account	-	-
	Opening balance	(178,730)	(149,181)
	Add: Profit/(Loss) for the year	19,785	(29,549)
	Balance to be carried forward	(158,945)	(178,730)

*Securities premium is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with the provision of Section 52(2) of Companies Act, 2013.

14	Provisions	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
	Provisions for employee benefits*	-	2,522
	Total	-	2,522

* Refer Note A5

15	Current Borrowings	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
	Financial Liabilities		
	Unsecured Loans		
	Loan from Holding Company*	-	7,619
	Total	-	7,619

* The Loan given by Holding company was repayable within 1 year carrying an interest rate of 6.5%.p.a and is unsecured. The loan is completely repaid in the current year. The company has complied with the covenants under the loan arrangement. Also Refer Note A4(C)(1).



Powerupcloud Technologies Private Limited

Notes accompanying the Financial Statements for the year ended March 31, 2022

16 Trade Payable	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
Due to Holding*	16,562	34,511
Due to Micro & Small Enterprises**	45	3
Due to others	396	4,209
Accrued Expenses	773	24,219
Total	17,776	62,942

* Refer Note A4

** Refer Note A6

Trade Payables ageing schedule as at 31st March 2022

(INR in'000)

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	45	-	-	-	45
(ii) Others	773	405	16,553	-	-	-	17,731
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	773	405	16,598	-	-	-	17,776

Trade Payables ageing schedule as at 31st March 2021

(INR in'000)

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	3	-	-	-	-	3
(ii) Others	24,219	2,859	35,902	191	(232)	-	62,939
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	24,219	2,862	35,902	191	(232)	-	62,942

17 Other Financial Liabilities	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
Liabilities for Employee benefits*	497	8,245
Total	497	8,245

18 Other Current Liabilities	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
Unearned Revenue	-	24
Other payables	955	6,353
Total	955	6,377

19 Short Term Provisions	As at March 31, 2022 (INR in'000)	As at March 31, 2021 (INR in'000)
Provisions	-	-
Provisions for employee benefits*	-	1,722
Total	-	1,722

* Refer note A5



Powerupcloud Technologies Private Limited

Notes accompanying the Financial Statements for the year ended March 31, 2022

20 Revenue from Operations	For the year ended March 31, 2022 (INR in'000)	For the year ended March 31, 2021 (INR in'000)
Sale of Services	96,357	260,724
Total	96,357	260,724

21 Other Income	For the year ended March 31, 2022 (INR in'000)	For the year ended March 31, 2021 (INR in'000)
Interest on Income Tax Refund	44	2,354
Foreign Exchange Gain/(Loss)	(480)	(130)
Miscellaneous income	7,046	2,147
Reimbursement Income*	28,900	43,549
Gain on Lease Modification	10,467	1,217
Unwinding of Rent Deposit	307	408
Total	46,284	49,545

* Refer Note A4(B)(6)

22 Employee Benefit Expense	For the year ended March 31, 2022 (INR in'000)	For the year ended March 31, 2021 (INR in'000)
Salaries and Allowances *	20,432	104,759
Staff welfare	762	1,402
Contribution to provident and other funds	339	4,296
Total	21,533	110,457

* Refer Note A4(B)(1)



Powerupcloud Technologies Private Limited

Notes accompanying the Financial Statements for the year ended March 31, 2022

23 Operating expenses	For the year ended March 31, 2022 (INR in'000)	For the year ended March 31, 2021 (INR in'000)
Travelling and conveyance	7	112
Cost of equipment, Hardware and software packages	1,598	2,659
Communication expenses	2,622	4,692
Consultancy charges	45,161	155,355
Rent and establishment expenses*	3,287	6,572
Telephone charges and postage	988	634
Advertisement	12,628	198
Recruitment expenses	-	930
Repairs and Maintenance	1,189	617
Power and fuel	278	341
Rates and taxes	1,605	673
Loss on sale of fixed assets	-	63
Allowance for doubtful debts and advances	(2,591)	4,795
Bad debts	1,718	-
Miscellaneous expenses	307	583
Customer settlement expenses	7,428	-
Total	76,225	178,223

*Represents lease rentals for short term leases for the current year

24 Finance Cost	For the year ended March 31, 2022 (INR in'000)	For the year ended March 31, 2021 (INR in'000)
Interest Paid- Bank	-	194
Interest Paid- Others	261	2,368
Finance cost/interest expenses IND AS 116	3,357	6,396
Total	3,618	8,958

25 Other expenses	For the year ended March 31, 2022 (INR in'000)	For the year ended March 31, 2021 (INR in'000)
Legal and Professional Charges	3,377	4,383
Books and Periodicals	-	1
Prior Period expenses	-	1,227
Total	3,377	5,611



A1 Corporate Information

Powerupcloud technologies Private Limited ("the Company) is a wholly owned subsidiary by Larsen & Toubro Infotech Limited from October 1, 2019. The Company provides cloud consulting, migration, cloud native application development and managed services and specializes in AWS, Azure and GCP Cloud Platforms.

A2 Basis of preparation

2.1 Basis of Accounting

These financial statements 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 Company is required to prepare its financial statements under Ind AS since the Company was acquired by Larsen and Tubro Limited w.e.f 1st Oct 2019, which is mandatorily required to present its financial statements under Ind AS as per the notification issued by the Ministry of Corporate affairs on 16th February 2015.

The financial statements up to and for the year ended 31 march 2019 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under section 133 of the Act and other relevant provisions of the Act ('Indian GAAP' or 'previous GAAP')
Financial Statements for the Year ended 2020 were the company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS). Ind AS 101, First-time adoption of Indian Accounting Standards has been applied. As explanation of how the transition to Ind AS has affected the previous reported financial position and financial performance of the company is provided in note 3.14

The board of directors at their meeting held on 17th January 2022 have approved the scheme of amalgamation of the Company with its holding company Larsen and Toubro Infotech Limited on a going concern basis and accordingly the financial statements for the year ended March 31, 2022 are prepared using going concern basis

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

2.3 Current versus non-current classification

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

- a. expected to be realised or intended to be sold or consumed in normal operating cycle,
- b. held primarily for the purpose of trading,
- c. expected to be realised within twelve months after the reporting period, or
- d. cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve month after the reporting period

All other assets are classified as non-current

A liability is current when it is :

- a. expected to be settled in normal operating cycle,
- b. held primarily for the purpose of trading,
- c. dues to be settled within twelve months after the reporting period, or
- d. there is no unconditional right to defer the settlement of liability for atleast twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deffered tax assets and liabilities are classifies as non-current assets and laibilities.

The operation 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.

2.4 Basis of Measurement

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

Items	Measurement basis
Liability for equity settled share based plan	Fair Value
Net defined benefit(asset)/liability	Fair value of plan assets less present value of defined benefit obligations

2.5 Use of estimates and judgements

In preparing the 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. They are based on historical experience and other factors and that are believed to be reasonable under the circumstance. Revisions to accounting estimates are recognised prospectively.



2.6 Measurement of fair values

A number of the Company'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 Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then 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.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

A3 Significant accounting policies

3.1 Property, plant and equipment and other intangible assets

i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. The Company believes that the existing useful life as given below represents the best useful estimated lives of these assets.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Useful life
Computer and IT Peripherals	3 Years
Computer software	3 Years
Intellectual Property	3 Years
Office Equipment	5 Years
Leasehold Improvements	1 Year
Furniture and Fixtures	10 Years

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Intangible assets

Assets like customer relationship, computer software, and internally developed software are stated at cost, less accumulated depreciation, amortisation and impairment.

Development expenditure is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset, is considered as an Intangible Asset.

Based on reassessment of useful life of intangible assets it was determined that these assets have no residual useful life and hence accelerated amortisation was charged during the period.



3.2 Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from contracts priced on time and material basis is recognised when services are rendered and related costs are incurred.

Revenue is recognised upon transfer of control of promised products or services to customers. Revenue is measured based on the consideration specified in a contract with a customer, and is reduced for volume discounts, rebates and other similar allowances.

Revenue from contracts priced on time and material basis is recognised when services are rendered and the related costs are incurred.

Revenue from services performed on Fixed Price basis is recognised over the life of the contract using Proportionate Completion Method.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

Interest on deployment of surplus funds is recognised using the time proportionate method based on underlying interest rates.

Dividend income on investment is recognised when the right to receive payment is established

3.3 Leases

The Company's lease asset classes primarily consist of leases for buildings. 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: (1) the contract involves the use of an identified asset (2) the company has substantially of the economic benefits from use of the asset throughout the period of the lease and (3) the company has the right to direct the use of the asset throughout the period of use.

At the date of commencement of the lease, the company 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 company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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 cash flows 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 company 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.

3.4 Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument

a) Recognition and initial measurement

1) Initial measurement Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

b) Classification and subsequent measurement

i) Non-derivative financial assets

A) Financial assets at amortised cost Financial assets at amortised cost are represented by trade receivables, cash and cash equivalents, employee and other advances and eligible current and non current assets.

Financial assets are subsequently measured at amortised cost if: a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and b) the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

B) Financial assets at fair value through other comprehensive income (FVTOCI) Financial assets are subsequently measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both: a) Collecting contractual cash flows and selling financial assets and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



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C) Financial assets at fair value through profit and loss (FVTPL) Fair value through profit and loss is a residual category for financial assets. Any financial asset which does not meet the criteria for categorisation as at amortised cost or as financial asset at fair value through other comprehensive income is classified as financial assets fair valued through profit and loss.

c) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognised from the Company's balance sheet where the obligation specified in the contract is discharged or cancelled or expired

3.5 Impairment

I) Impairment of trade receivables and unbilled receivables:

The Company assesses at each date of statement of financial position whether a financial asset in form of trade receivables and unbilled receivables is impaired. In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable and unbilled receivables. The provision matrix is based on available external and internal credit risk factors such as credit default, credit rating from credit rating agencies and Company's historically observed default rates over the expected life of trade receivable and unbilled receivables. ECL impairment loss allowance (or reversal) recognised during the period as expense/(income) respectively in the statement of profit and loss.

II) Impairment of intangible assets:

Other intangible assets At the end of each reporting period, the Company reviews the carrying amounts of intangible assets to determine if there is any indication of loss suffered. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss.

3.6 Employee benefits

a) Short-term employee benefits

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 if the Company 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.

b) Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service at the vesting date.

c) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which contribution are made to appropriate authorities at a predetermined rates and charged to the statement of profit and loss in the year in which they are incurred.

d) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. Actuarial gains and losses are charged to the statement of profit and loss

e) Compensated absence

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the projected unit credit method as at the reporting date. To the extent the employee has unconditional right to avail the leave, the same has been classified as "current" even though the same is measured as "other long-term employee benefit" as per Ind AS 19.

f) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

3.7 Foreign currency

Foreign currency transactions are initially recorded at the rates prevailing on the date of the transaction. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.



3.8 Income Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

a) 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. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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.

b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. However Deferred tax is not 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 is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

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 Company 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 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.

3.9 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company 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. 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. Expected future operating losses are not provided for.

3.10 Contingent liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

3.11 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.12 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit 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 segregated.

3.13 Earnings per share

In determining the earning per share, the net profit after tax is divided by the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all potential dilutive equity shares. Potential dilutive equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.



3.14 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before Intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.



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A4 Related party

A. Related parties with whom transactions have taken place during the year

Ultimate Parent Company:	Larsen & Toubro Limited
Holding Company:	Larsen & Toubro Infotech Limited (Since October 1, 2019)
LTI Subsidiaries:	Larsen & Toubro Infotech GmbH (LTI GmbH) Larsen & Toubro Infotech Canada Limited Larsen & Toubro Infotech LLC L&T Infotech Financial Services Technologies Inc. Larsen & Toubro Infotech South Africa (Pty) Limited L&T Information Technology Services (Shanghai) Co. Ltd Larsen & Toubro Infotech Austria GmbH L&T Information Technology Spain, SL L&T Infotech S.de. RL. C.V Larsen & Toubro Infotech Norge AS Syncordis S.A. Luxembourg Syncordis SARL, France Syncordis Limited, UK Syncordis PSF S.A. Ruletronics Limited , UK Ruletronics Systems Inc, US Nielsen + Partner Unternehmensberater GmbH, Germany Nielsen + Partner SA, Luxembourg ¹ Nielsen + Partner Unternehmensberater AG, Switzerland Nielsen + Partner Pte Ltd, Singapore Nielsen & Partner Pty Ltd, Australia Nielsen + Partner Co Ltd, Thailand Lymbyc Solutions Private Limited, India Lymbyc Solutions Inc., US Cuelogic Technologies Inc Larsen & Toubro Infotech UK Limited ² LTI Middle East FZ-LLC

1.Nielsen + Partner S.A. has been merged with Syncordis S.A. w.e.f 1st October'20

2.Larsen & Toubro Infotech UK Limited and LTI Middle East FZ-LLC and has been incorporated on 17th August'20 and 25th November'20 resp.

Company in which the KMP is a director/member Powerupcloud Technologies Pte Ltd (w.e.f. 28th April'21)

Key management personnel (KMP)

Whole Time director	Surendra Siva*
Whole Time director	Ankit Garg **
Relative of KMP	Gowtham Selvaraj

* Ceased to be a Whole-time Director w.e.f March 31, 2021

** Ceased to be a Whole-time Director w.e.f October 26, 2019 and has been re-appointed as Additional Director at the position of Whole-time Director w.e.f April 28, 2021

Change in designation from Whole-time Director to Non-Executive Director w.e.f November 30, 2021



B. The following is a summary of related party transactions

(INR in '000)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
1 Expenses		
(i) Larsen & Toubro Infotech Limited		
Purchase of Services	7,731	69,206
Interest on Unsecured Loan	199	1,790
(ii) Larsen & Toubro Limited		
Professional charges - Larsen & Toubro Limited	-	29
(iii) Key management personnel (KMP)		
Salary and remuneration Paid - Surendra Siva	77	9,483
Salary and remuneration Paid - Ankit Garg	4,918	-
Salary and remuneration Paid - Gowtham Selvaraj	-	441
	12,925	80,948
2 Unsecured Loan (Including interest)		
Larsen & Toubro Infotech Limited		
Received during the year	-	10,711
Paid during the year	7,799	29,993
	7,799	40,704
3 Sale of services		
(i) Larsen & Toubro Infotech Limited	11,897	46,226
(ii) Powerupcloud Technologies Pte Ltd	-	-
	11,897	46,226
4 Sale of Fixed Asset		
Larsen & Toubro Infotech Limited	3	547
	3	547
5 Transfer of AWS Credits		
Larsen & Toubro Infotech Limited	-	5,538
	-	5,538
6 Overheads Charged To		
(i) Larsen & Toubro Infotech Limited	28,900	43,549
(ii) Powerupcloud Technologies Pte Ltd	-	-
	28,900	43,549
7 Overheads Charged by		
(i) Larsen & Toubro Infotech Limited	2	8,321
(ii) Powerupcloud Technologies Pte Ltd	958	-
	960	8,321
8 Amount paid to LTI-US on behalf of Powerupcloud	2,038	-
	2,038	-



C. The following is a summary of balances payable to related parties:

Particulars	(INR in '000)	
	As at 31 March 2022	As at 31 March 2021
1 Unsecured Loan- Outstanding Balance		
Larsen & Toubro Infotech Limited	-	7,619
	<u>-</u>	<u>7,619</u>
2 Salary Payable- KMP		
(i) Surendra Siva	-	2,324
(ii) Gowtham Selvaraj	-	-
	<u>-</u>	<u>2,324</u>
3 Trade Receivables/ (Payables)		
(i) Larsen & Toubro Infotech Limited	(16,562)	(34,511)
(ii) Larsen & Toubro Limited	-	29
(iii) Powerupcloud Technologies Pte Ltd	-	-
	<u>(16,562)</u>	<u>(34,482)</u>
4 Other Balances Receivable/ (Payable)-Larsen & Toubro Infotech Limited		
Provision for Expenses	(460)	(14,864)
Expenses Recoverable	436	749
Unbilled Revenue	-	143
	<u>(24)</u>	<u>(13,972)</u>

D. Terms and conditions

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within the credit period allowed as per the policy. None of the balances is secured. No guarantees have been given or received during the year. The loss allowance on loans and trade receivables including those to subsidiaries if any, has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for loans and trade receivables considered good on the basis that credit risk exists even though it may be very low.



A5 Gratuity and other employee benefits

a) Define contribution plan

The amount recognised as an expense towards contribution to provident fund and employee state insurance aggregated to Rs. 338,889/- and Rs. 2,423,494/- for the year ended 31 March 2022 and 31 March 2021 respectively.

b) Define benefit plan

The Company has an unfunded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible to a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet as at 31 March 2022 and 31 March 2021.

c) Statement of reconciliation of present value of defined benefit obligations

(INR in'000)

Particulars	As at	
	31 March 2022	31 March 2021
Balance at the beginning of the year	2,931	5,206
Benefits paid	1,471	-
Transfer Out	1,669	3,930
Current service cost	-	616
Interest cost	-	374
Remeasurements due to :	-	-
change in experience adjustment	-	-
change in demographic assumptions	209	665
changes in financial assumptions	-	-
Balance at the end of the year	-	2,931

d) Net defined benefit liability

(INR in'000)

Particulars	As at	
	31 March 2022	31 March 2021
Non-current	-	2,522
Current	-	409
Total	-	2,931

e) Expense recognised in the statement of profit and loss under employee benefit expenses:

(INR in'000)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Current service cost	-	616
Interest cost	-	374
Total	-	990

f) Remeasurements recognised in other comprehensive income:

(INR in'000)

Particulars	For the year ended	
	31 March 2022	31 March 2021
(Gain)/loss from changes in demographic assumptions	209	665
(Gain)/loss from changes in experience adjustments	-	-
(Gain)/loss from changes in financial assumptions	-	-
Total	209	665



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A6 Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2022 (31 March 2021) has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

Particulars	As at	As at
	31 March 2022 (INR in '000)	31 March 2021 (INR in '000)
The principal amount and the interest due thereon remaining unpaid to any		
(a) (i) Principal	45	3
(ii) Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during the year*;		
(i) Interest	-	-
(ii) Payment	-	-
(c) 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	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
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	-	-
(e) disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006		

* No interest has been paid by the Company during the year.

A7 Unhedged foreign currency exposure

The Company has not taken any hedging instruments to hedge the foreign currency exposure.

	Currency	As at	As at
		31 March 2022 (INR in '000)	31 March 2021 (INR in '000)
Trade receivables	SGD	-	12
	USD	50	50
	Equivalent INR	3,752	4,320
Trade Payable	USD	-	14
	Equivalent INR	-	1,054
Unbilled Revenue	USD	-	66
	Equivalent INR	-	4,809
Pre earned revenue	USD	-	0
	Equivalent INR	-	24

A8 Deferred Tax Asset/Liability

Income Taxes are accrued at the same period in which the related revenue and expense arise. A provision is made for income tax annually based on the tax liability after considering tax allowances and exemptions. The differences that result between the profit offered for income tax and the profit as per the financial statement are identified and thereafter a deferred tax asset or deferred tax liability is recorded for the timing differences.

Major components of Deferred tax liabilities and assets

Particulars	As at	As at
	31-March-2022 (INR in'000)	31-March-2021 (INR in'000)
a) WDV of Assets	2,323	733
b) Other Items (Reversible on subsequent payments)	1,320	2,155
Net Deferred Tax Assets/ (Liabilities)	3,643	2,888



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A9 Disclosure pursuant to Ind AS 33 "Earnings per share"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 "Earnings per share".

Particulars		2021-22	2020-21
		(INR in '000)	(INR in '000)
Earnings per equity share:			
Profit for the year attributable to owners of the Company for calculating basic earnings per share (')	A	19,785	(29,549)
Weighted average number of equity shares outstanding for calculating basic earnings per share	B	17	17
Basic and diluted earnings per equity share (')	A / B	1,141.74	(1,705.19)
Diluted earnings per equity share:			
Profit for the year attributable to owners of the Company for calculating basic earnings per share (')	A	19,785	(29,549)
Add : Interest on convertibles (net of tax)	B	-	-
Profit for the year attributable to owners of the Company for the calculating of diluted earnings per share (')	C = A+B	19,785	(29,549)
Weighted average number of equity shares outstanding for calculating basic earnings per share	D	17	17
Add : Shares deemed to be issued for no consideration in respect of :	E	-	-
Compulsorily convertible preference share capital	F	-	-
Compulsorily convertible debentures	G	-	-
Weighted average number of equity shares outstanding for calculating diluted earnings per share	H = D + E	17	17
Diluted earnings per equity share (')		1,141.74	(1,705.19)
Face value per equity share (')		10.00	10.00



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Notes accompanying the Financial Statements for the year ended March 31, 2022

A10 Financial Instruments

Disclosure of Financial Instruments by Category

(INR in '000)

Financial instruments by categories	Note no.	31-Mar-22			31-Mar-21		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset							
Security Deposits- Non Current	3	-	-	-	-	-	4,981
Security Deposits- Current	9			2,792			2,358
Trade receivables	6	-	-	37,466	-	-	17,168
Unbilled Revenue	7			9			15,193
Cash and cash equivalents	8	-	-	13,557	-	-	66,475
Other Financial Assets	9	-	-	791	-	-	1,877
Total Financial Assets		-	-	54,615	-	-	108,052
Financial liability							
Borrowings- Current	15	-	-	-	-	-	7,619
Trade Payables	16	-	-	17,776	-	-	62,942
Other Financial Liabilities	17	-	-	497	-	-	8,245
Lease Liabilities	2	-	-	1,965	-	-	83,185
Total Financial Liabilities		-	-	20,238	-	-	161,991



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A11 Disclosure pursuant to Ind AS 12 - "Income taxes"

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2021:

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
	(INR in '000)	(INR in '000)
Accounting profit before tax	19,083	(8,969)
Applicable tax rate	25.17%	25.17%
Profit before tax * Applicable tax rate	4,803	(2,258)
Net effect of Allowable/Disallowable expenses and tax losses	(4,803)	2,257
Prior Period Tax	-	1,327
Effect of Deferred Taxes	(702)	19,253
Income tax expense reported in the statement of profit and loss	(702)	20,580

A12 Events occurring after the reporting period

The financial statements were approved by the Board of Directors on 6th May' 22 and there are no significant events occurring after Balance sheet date.

A13 Investor Education and Protection Fund

The Company is not required to transfer any amount to Investor Education and Protection Fund.

A14 Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from COVID-19 on the recoverable values of its financial and non-financial assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

A15 Segment reporting

SEGMENT REPORTING Segments have been identified in accordance with Indian Accounting Standards ("Ind AS") 108 on Operating Segments, considering the risk or return profiles of the business. As required under Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on analysis of various performance indicators.

Segmental reporting of revenues on the basis of the geographical location of the customers is as under:

Geography	For the year ended 31 March 2022	For the year ended 31 March 2021
	(INR in '000)	(INR in '000)
India	80,255	201,260
United States	14,939	24,640
Poland	1,329	11,473
Others	(167)	23,352
Total	96,357	260,724



A16 Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i. Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company's revenues are principally in INR. The Company does not enter into hedge transactions.

ii. Interest rate risk

Company does not have financial instrument with exposure to interest risk

iii. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses. servicing of financial obligations.

iv. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The principal credit risk that the Company exposed to is non-collection of trade receivable and late collection of receivable leading to credit loss. The risk is mitigated by reviewing creditworthiness of the prospective customers prior to entering into contract and post contracting, through continuous monitoring of collections by a dedicated team.

In addition, for delay in collection of receivable, the Company has made a provision for Expected Credit loss ("ECL") based on an ageing analysis of its trade receivables, finance leases and unbilled revenue. For trade receivables and finance leases, these range from 1.2% for dues outstanding up to six months to 13.8% for dues outstanding for more than 36 months for 2021-22 (Previous year 1.5% and 15.7% for dues outstanding up to 6 months and for more than 36 months respectively) and for unbilled revenue 1.2% for dues outstanding up to six months to 3.4% for dues outstanding for more than 12 months for 2021-22 (Previous year 1.4% for dues outstanding up to six months to 3.9% for dues outstanding for more than 12 months).

ECL allowance/(reversal) for non-collection and delay in collection of receivable, on a combined basis is ₹ 5,079/- for the financial year 2021-22. The movement in allowance for doubtful debts comprising provision for both non-collection and delay in collections of receivable.



Powerupcloud Technologies Private Limited
Notes accompanying the Financial Statements for the year ended March 31, 2022

A17 Other Comprehensive Income	As at March 31, 2022 (INR in '000)	As at March 31, 2021 (INR in '000)
Items that will not be reclassified to profit or loss		
Remeasurements of the net defined benefit Plans	(209)	(665)
Income tax relating to Remeasurements of the net defined benefit Plans	53	167
	(157)	(498)
Items that will be reclassified to profit or loss		
Effective portion of (gains) / losses on hedging instruments in a cash flow hedges	-	-
Tax relating-Effective portion of gains/losses on hedging instruments in CF hedge	-	-
Foreign Currency Translation Reserve	-	-
TOTAL	(157)	(498)

A18 Ratios

Ratios	Numerator	Denominator	FY22	FY21	% Variance	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	3.62	1.28	184%	Increase is due to repayment of liabilities
Debt-Equity Ratio	Debt	Equity	0.03	2.01	-98%	Repayment of Borrowings and reduction in Lease Liabilities due to short closure of Lease
Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service = Interest + Installments	1.66	(0.18)	-1038%	Increase in ratio due to increase profitability
Return on Equity Ratio	Net Profit after taxes - Preference Dividend	Average total equity	36%	-49%	-173%	Increase in ratio due to increase profitability
Inventory turnover Ratio	COGS	Average Inventory	N. A	N. A	N.A	
Trade Receivables turnover Ratio	Revenue from operations	Average Trade Receivables	3.53	5.61	-37%	Reduction in average receivable during the year
Trade payables turnover Ratio	Operating expenses + Other expenses	Average Account Payables	1.97	3.07	-36%	Decrease in Operating expenses in 2022
Net capital turnover Ratio	Revenue from operations	Average Working Capital	2.34	8.46	-72%	Decrease in revenue in 2022
Net profit Ratio	Net Profit for the year	Revenue from operations	20.5%	-11.3%	-281%	Increase in ratio due to increase profitability
Return on Capital employed	Profit before tax and Finance Costs	Capital Employed	36.0%	-0.01%	-400695%	Increase in ratio due to increase profitability
Return on investment	Income generated from invested funds	Average Invested funds in treasury investments	N. A	N. A	N.A	

A19 Previous year's figures are re-grouped/re-classified wherever considered necessary to make them comparable with current year's figures.

For ADITHYA & VISHWAS
Chartered Accountants
Firm Registration No. 0089435

Adithya Y S
Partner
Membership No. 209786

Place: Bangalore
Date: 6th May'22



For and on behalf of Board of Directors of
Powerupcloud Technologies Pvt Ltd

Nachiket Deshpande Yedar Krishna Gadgil
Director Director
DIN: 08385028 DIN: 07224639

Place: Mumbai
Date: 6th May'22

Place: Mumbai
Date: 6th May'22

**CUELOGIC TECHNOLOGIES PRIVATE
LIMITED**

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Directors' Report

Dear Members,

The Directors have pleasure in presenting their 13th Annual report of the Company and audited accounts for the year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS

(INR in Lakhs)

Particulars	2021-22	2020-21
Total Income	5,771	4,097
Profit / (Loss) before Tax	5	484
Add/(Less): Provision for Tax	13	(106)
Net Profit / (Loss) after Tax	18	378
Add: Balance brought forward from previous year	1,344	1,216
Add/(Less) : Dividend	0	(250)
Balance to be carried forward	1,362	1,344

Particulars	2021-22	2020-21
	Rs.	Rs.
Profit / (Loss) Before Depreciation, exceptional items & Tax	334	718
Less: Depreciation, amortization, impairment and obsolescence	329	234
Profit / (Loss) before exceptional items and tax	5	484
Add: Exceptional Items	0	0
Profit / (Loss) before tax	5	484
Less: Provision for tax	13	(106)
Profit for the period carried to the Balance Sheet	18	378
Add: Balance brought forward from previous year	1,344	1,216
Less: Dividend paid for the year	0	(250)
Add: Gain / (Loss) on re-measurement of the net defined benefit plans	0	0
Balance available for disposal (which the Directors appropriate as follows)	0	0

Debiture Redemption Reserve	0	0
Balance to be carried forward	1,362	1,364

2. PERFORMANCE OF THE COMPANY

The gross sales and other income for the financial year under review were Rs. 5,771 Lakhs as against Rs. 4,097 Lakhs for the previous financial year registering an increase of 41%. The profit after tax was Rs. 18 Lakhs for the financial year under review as against profit after tax Rs. 378 Lakhs for the previous financial year.

3. CHANGE IN SHARE CAPITAL

During the year under review, there was no change in the share capital of the company.

4. CAPITAL EXPENDITURE

As on March 31, 2022 the gross fixed and intangible assets including leased assets, stood at Rs. 1.58 crore and the net fixed and intangible assets, including leased assets, at Rs. 0.23 crore. Capital Expenditure during the year amounted to Rs. 0.25 crore.

5. DEPOSITS

During the year ended March 31, 2022, the Company has not accepted any deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet. Further, in accordance with the provisions of Rule 16 of the Companies (Acceptance of Deposits) Rules, 2014 ('Deposit Rules'), the Company has filed with the Registrar of Companies ('ROC') the return for particulars of transactions by the Company not considered as deposit as per Rule 2(1)(c) of the Deposit Rules.

6. SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

As on March 31, 2022, the Company has one subsidiary - Cuelogic Technologies Inc., USA, details of which are as under:

S. N.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	Cuelogic Technologies Inc., USA Add: Iselin, New Jersey, 08830, USA	NA	Wholly owned Subsidiary	100.00	2(87)

There has been no material change in the nature of the business of subsidiary.

A statement containing the salient features of the financial statement of subsidiaries/ associate/ joint venture companies and their contribution to the overall performance of the Company as per form AOC-1 is annexed as **Annexure A** to this Report.

7. TRANSFER TO RESERVES

The Directors do not propose to transfer any amount to reserves during the period under review.

8. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY

The Company has not given any loan, guarantees, security or made any investment during the financial year 2021-22 as specified under section 186 of Companies Act, 2013.

9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the transactions entered with related parties during the financial year 2021-22 were in the ordinary course of business and at arm's length.

10. DIVIDEND

The Board of Directors do not recommend any dividend for the financial year under review.

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

After March 31, 2022 and upto the date of this report, there have been no material changes and commitments affecting the financial positions of the Company.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- A. The operations of the Company are not energy intensive as the Company is not engaged in any manufacturing activity and is not included under the list of industries which should furnish information as per Rule 8 Companies (Accounts) Rules, 2014.
- B. No technology has been developed and / or imported by way of foreign collaboration.
- C. Foreign exchange earnings and outgo:

S.N	PARTICULARS	AMOUNT (Rs in Lakhs)	
		31 ST MARCH 2022	31 ST MARCH 2021
1	Earnings in Foreign Exchange during the year	3,273.1	2,617.3
2	Expenditure in Foreign Exchange during the year	207.70	261.75

13. RISK MANAGEMENT POLICY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal. However, Larsen & Toubro Infotech Limited ('LTI'), holding company, has formulated a Risk Management Policy and the Company being wholly-owned subsidiary, is being covered by the Risk Management Policy of LTI.

14. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED/RESIGNED DURING THE YEAR

During the year under review, following were the changes in the Board Members:

- (a) Mr. Vikrant Vasant Labde, Executive Director of the Company stepped down from the Board of Directors with effect from July 7, 2021. The Board placed on record its appreciation for the services rendered by Mr. Vikrant Vasant Labde during his tenure of directorship.
- (b) The Board appointed Mr. Nachiket Gopal Deshpande and Mr. Anil Rander as Additional Directors of the Company with effect from July 7, 2021, who hold office upto the ensuing Annual General meeting ('AGM') of the Company to be held in 2022.

During the year under review, the Company does not have Key Managerial Personnel.

The Notice convening the 9thAGM in 2022 includes appointment of following directors:

(a) Mr. Nikhil Subhash Ambekar, Director of the Company, is retiring by rotation at the ensuing AGM of the Company and being eligible, offers himself for re-appointment.

Details of Directors proposed to be appointed as required under Secretarial Standard-2 on General Meetings ('SS-2') is given in the Notice convening the AGM in 2022.

15. DETAILS OF REMUNERATION

The details of remuneration of Directors, proposed to be appointed in the 13th AGM, as required under Secretarial Standard-2 on General Meetings ('SS-2') are as under:

Name of Director	Category	Total Remuneration
Mr. Vikrant Vasant Labde*	Executive Director	INR 29,02,050
Mr. Nikhil Subhash Ambekar	Executive Director	INR 29,02,050
Mr. Nachiket Gopal Deshpande [#]	Non-Executive Director	NIL
Mr. Anil Rander [#]	Non-Executive Director	NIL

*Ceased to be a Director of the Company with effect from July 7, 2021.

[#]Appointed as Additional Non-Executive Director of the Company with effect from July 7, 2021.

16. MEETINGS OF THE BOARD OF DIRECTORS

The Meetings of the Board are held at regular intervals. Additional Meetings of the Board of Directors are held when necessary. During the year under review 9 meetings were held on May 28, 2021, June 15, 2021, June 19, 2021, June 26, 2021, June 28, 2021, July 7, 2021, August 19, 2021, December 16, 2021 and January 17, 2022.

The Agenda of the Meeting is circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors are circulated amongst the Members of the Board for their perusal.

Attendance of the Board members at these meeting is as under:

Name of Director	Category	No. of Meetings held during the year vis-à-vis Members Tenure	No. of Meetings Attended
Mr. Vikrant Vasant Labde *	Executive Director	6	6
Mr. Nikhil Subhash Ambekar	Executive Director	9	9
Mr. Nachiket Gopal Deshpande [#]	Non-Executive Director	3	3
Mr. Anil Rander [#]	Non-Executive Director	3	2

*Ceased to be a Director of the Company with effect from July 7, 2021.

[#]Appointed as Additional Non-Executive Directors of the Company with effect from July 7, 2021.

17. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2022, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and they are operating effectively and no material weakness exists. Further, the Company has a process in place to continuously monitor the internal financial controls and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

18. DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the Annual Accounts on a going concern basis; and
- e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

19. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

20. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The parent company Larsen & Toubro Infotech Limited (LTI) has formulated a policy on 'Protection of Women's Rights at Workplace' which is applicable to all group companies. This has been widely disseminated.

Further, the Company has complied with the provisions relating the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There were no cases of sexual harassment reported to the Company during F.Y. 2021-22.

21. STATUTORY AUDITORS AND AUDITORS REPORT

M/s KPCA & Co, Chartered Accountants, were appointed as the Statutory Auditor for a period of five continuous years from the conclusion of 11th AGM of the Company held on October 9, 2020 till the conclusion of 16th AGM to be held in 2025.

The Auditor's Report on the audited Financial Statements of the Company for the year ended March 31, 2022 does not contain any qualification and therefore do not call for any comments from Directors. Further the Auditors of the Company have not reported any fraud as specified under section 143(12) of the Companies Act, 2013. The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India ('ICAI') and hold a valid certificate issued by the Peer Review Board of the ICAI.

The Auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with the Company and declared that they have not taken up any prohibited non-audit assignments for the Company.

22. FEES TO STATUTORY AUDITOR

Details of total fees for all services paid by the Company, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part, are provided in the Notes to accounts forming part of this Integrated Annual Report.

23. COST AUDITOR

Maintenance of cost records and requirement of cost audit as prescribed under Section 148 of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

24. OTHER DISCLOSURES

- i. Remuneration received by Whole-time Director from subsidiary company: During the financial year, no Whole-time Director received remuneration from any of the subsidiary(ies) of the Company.
- ii. During the year, no corporate insolvency resolution process was initiated under the Insolvency and Bankruptcy Code, 2016, either by or against the Company, before National Company Law Tribunal or other court(s).

25. **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

26. **ANNUAL RETURN**

As per the provisions of Section 134(3)(a) of the Companies Act, 2013, since the Company does not have any website, it is not required to upload its Annual Return on the website. A copy of the Annual Return in form MGT-7 shall be filed with the Registrar of Companies.

27. **ACKNOWLEDGEMENTS**

Your Directors take this opportunity to thank the Company's customers, supply chain partners, management of the Holding Company, Financial Institutions, Banks, Central and State Government authorities, and all other stakeholders for their continued co-operation and support to the Company. Your Directors also wish to record their appreciation for the employees of the Company for their commendable efforts, teamwork and professionalism.

For and on behalf of the Board of Directors
Cuelogic Technologies Private Limited



Mr. Nachiket Deshpande
Director
(DIN: 08385028)

Place: Mumbai



Mr. Anil Rander
Director
(DIN:09222599)

Place: Mumbai

Date: May 6, 2022

ANNEXURE – A

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules 2014)

**Statement containing salient features of the financial statement of subsidiaries
/associate companies/joint ventures**

S.N	Particulars	Cuelogic Technologies Inc
1	Date of becoming subsidiary	07-July-2021
2	Reporting period for the subsidiary	FY2021-22
3	Reporting currency	USD
4	Exchange rate as on the last date of the relevant financial year	75.79
5	Share capital	Nil
6	Reserves & surplus	USD 10,00,000.00
7	Total assets	USD 30,00,000.00
8	Total Liabilities	USD 20,00,000.00
9	Investments	NIL
10	Turnover	8,10,00,000
11	Profit before taxation	80,00,000
12	Provision for taxation	20,00,000
13	Profit after taxation	60,00,000
14	Proposed Dividend	NA
15	% of shareholding	100

For and on behalf of the Board of Directors

Mr. Nachiket Deshpande
Director
(DIN: 08385028)
Place: Mumbai

Mr. Anil Rander
Director
(DIN:09222599)
Place: Mumbai

Date: May 6, 2022

Independent Auditors' Report

To the Members of Cuelogic Technologies Private Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Cuelogic Technologies Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fairview in conformity with the Indian Accounting Standards as prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701 are not applicable to the Company.

Information Other than the Standalone Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures, but does not include the Standalone Financial Statements and our auditors' report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in

doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, 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 financial 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 system 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

report to the related disclosures in the Standalone 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in :

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

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

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

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

(d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

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

(f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

(g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 11 of Annexure A to the Independent Auditors' Report.

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

(i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements - Refer Note 35 to the Standalone Financial Statements;

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

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

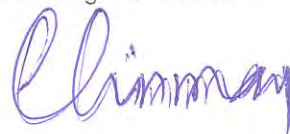
(iv)(iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign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

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

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

(v) No dividend is declared/paid during the year by the Company.

For KPCA & Co.
Firm Reg. No. 142977W



Chinmay D. Kelkar
Partner
Membership No.122799
Place: Pune

Date: 06th May, 2022
UDIN: 22122799AIRNRH6179



ANNEXURE A REFERRED TO PARAGRAPH 1 OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS ON THE ACCOUNTS OF CUELOGIC TECHNOLOGIES PRIVATE LIMITED FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022.

On the basis of such checks as were considered appropriate and in accordance with the information and explanations given to us, We report that:

(i) Property Plant & Equipments:

- (a) A. The company has maintained proper records showing full particulars including quantitative details and situation of Property Plant & Equipments.
B. The company has maintained proper records showing full particulars of intangible assets.
- (b) The Property Plant & Equipments have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the Property Plant & Equipments has been physically verified by the management during the year and material discrepancies between the books records and the physical Property Plant & Equipments have been properly dealt with in the books of account.
- (c) According to information and explanations given to us, the Company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) and hence the provisions of this clause are not applicable. During the previous year company has not revalued any of its assets. Thus this clause is not applicable to the company.
- (d) As informed to us by the management and based on audit procedures performed by us no proceedings related to Benami Transactions (Prohibition) Act, 1988, have been initiated or pending against the company.

(ii) Inventory:

The Company is a service company, primarily rendering software services. Accordingly, it does not hold any Operations related inventories also any inventory of stationery, is not maintained by the company. Thus, paragraph 3(ii)(a) of the Order is not applicable to the Company.

(iii) Loans granted or taken:

According to the information and explanations given to us and based on audit procedures performed by us, the Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iv) Loans, Investments, Guarantees and Security by Company:

In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security. The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(v) Acceptance of Deposits :

The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

(vi) Cost Records :

The Central Government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the business in which the Company is engaged.

(vii) Payment of Statutory Dues :

a) According to the records of the Company, the Company in general, is regular in depositing with appropriate authorities, undisputed statutory dues including Income Tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Goods & Service Tax, Custom Duty, cess were outstanding as at 31st March, 2021 for a period of more than six months from the date those became payable.

b) According to the records of the Company, there are no dues of Income Tax, Goods & Service Tax, Custom Duty, cess which have not been deposited on account of any dispute.

(viii) As per information provided to us there is not transaction which has not been recorded in the books of account and has been surrendered or disclosed as income during the financial year in the tax assessment under the Income Tax Act, 1961.

(ix) Repayment of Borrowings:

In our opinion and according to the information and explanations given to us, during the year, Company has not taken any borrowing from any financial institutions during the year. There are no dues payable to banks or governments and company has not raised funds through debentures.

(x) Utilization of IPO and Further Public Offer :

Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (x) (a) of the Order are not applicable to the Company and hence not commented upon.

Preferential Allotment and Private Placement of Shares :

Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (x)(b) of the Order are not applicable to the Company and hence not commented upon.

(xi) Reporting of Fraud:

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company or any other fraud has been noticed or reported during the year. Thus, as per guidance note paragraph 3(xi)(b) and 3(xi)(c) of the Order is not applicable to the Company.

(xii) Nidhi Companies :

In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

(xiii) Related Parties Transactions:

In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) Internal Audit System

Considering the size and nature of the company, company has as internal audit system commensurate with the size and nature of its business and reports of Internal auditor were considered by us.

(xv) Non-Cash Transactions with Related Parties:

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi) Registration for Non-Banking Finance Company:

In our opinion and based on information made available to us, the company has not conducted any Non-Banking Financial or Housing Finance activity during the financial year covered in this audit. Therefore, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

(xvii) Cash Loss:

The company has not incurred any financial loss in the financial year or has not incurred any cash loss in the immediately preceding financial year.

(xviii) Resignation of Auditor

During the financial year there is not resignation of auditor so provisions of clause 3 (xviii) are not applicable to the company.

(xix) No Material Uncertainty

In our opinion, and after considering the financial ratios, ageing, expected date of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and after understanding management plans, no material uncertainty exists as on the date of report regarding meeting the liabilities which are falling due within a period of one year from the balance sheet date of the company.

(xx) CSR Activity

In our opinion, Section 135 is not applicable to the company, thus provisions of clause 3(xx) are not applicable to the company.

For KPCA & Co.
Firm Reg. No. 142977W

Chinmay



Chinmay D Kelkar
Partner
Membership No. 122799
Place: Pune
Date: 06th May, 2022
UDIN: 22122799AIRNRH6179

**ANNEXURE B REFERRED TO IN PARAGRAPH 2(f) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS'
SECTION OF OUR REPORT OF EVEN DATE**

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

We have audited the internal financial controls with reference to financial statements of Cuelogic Technologies Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 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 Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to 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 control 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating with reasonable effectiveness as at March 31, 2022, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KPCA & Co.
Firm Reg. No. 142977W




Chinmay D Kelkar
Partner
Membership No. 122799
Place: Pune
Date: 06th May, 2022
UDIN: 22122799AIRNRH6179

CUELOGIC TECHNOLOGIES PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2022

Particulars	Note	INR'000		
		As at March 31, 2022 Amount (INR)	As at March 31, 2021 Amount (INR)	As at April 1, 2020 Amount (INR)
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	1(a)	2,238	13,196	7,448
(b) Capital work-in-progress	1(b)	-	-	2,814
(c) Other Intangible assets	1(c)	27	10,852	12,254
(d) Right of Use assets	2	-	14,248	30,031
(e) Financial Assets				
(i) Investments	3	76	73	75
(ii) Other Financial Assets	4	-	8,168	7,656
(f) Deferred Tax Assets(Net)	5	8,984	4,072	3,480
(g) Income tax Assets (net)	6	24,979	11,729	11,755
(h) Other non-current assets	7	28,293	-	-
Total Non-Current Assets		64,597	62,339	75,513
Current assets				
(a) Financial Assets				
(i) Investments	8	-	28,720	18,337
(ii) Trade receivable	9	78,552	74,305	41,163
(iii) Cash and Cash Equivalents	10	74,684	51,956	31,099
(iv) Other bank balances	11	59,700	-	15,000
(v) Other Financial Assets	12	11,503	50	50
(b) Other current assets	13	2,232	7,394	9,028
Total Current Assets		226,671	162,425	114,677
TOTAL ASSETS		291,268	224,764	190,190
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	14	100	100	100
(b) Other Equity	15			
(i) Retained Earnings		136,163	134,400	121,555
Total Equity		136,263	134,500	121,655
Liabilities				
Non-current liabilities				
(a) Lease liabilities	2	-	-	14,350
Total Non-Current Liabilities		-	-	14,350
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	-	1,672	2,818
(ii) Trade Payables				
Due to Micro medium & Small Enterprises	17	37	36	36
Due to others		147,603	24,661	3,432
(iii) Other Financial Liabilities	18	250	35,325	23,944
(b) Lease liabilities	2	-	14,673	14,673
(c) Other Current Liabilities	19	7,115	8,787	5,858
(d) Provisions	20	-	5,110	3,424
Total Current Liabilities		155,005	90,264	54,185
TOTAL EQUITY AND LIABILITIES		291,268	224,764	190,190

Notes referred to above form an integral part of Balance sheet

As per our report of even date

For KPCA & Co
Chartered Accountants
Firm Registration No. 142977W

Chinmay D Kelkar
Partner
Membership No. 122799

Place: Pune
Date : 06th May'2022
UDIN : 22122799AIRNRH6179

For and on behalf of Board of Directors of
Cuelogic Technologies Private Limited

Nachiket Deshpande
Director
DIN : 08385028

Place: Mumbai
Date : 06th May'2022

Anil Rander
Director
DIN : 09222599

Place: Mumbai
Date : 06th May'2022

CUELOGIC TECHNOLOGIES PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2022

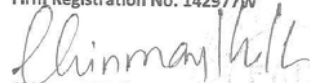
INR'000

Particulars	Note	2021-22	2020-21
		Amount (INR)	Amount (INR)
Total Income:			
Revenue from Operations	21	574,486	399,266
Other Income	22	2,570	10,464
		577,056	409,730
Expenses:			
Employee Benefit Expense	23	198,693	265,496
Operating expenses	24	338,455	57,254
Finance costs	25	460	1,616
Depreciation and Amortisation	1&2	32,931	23,416
Other expenses	26	6,087	13,546
Total Expenses		576,626	361,328
Profit before exceptional items & tax		430	48,402
Profit before tax		430	48,402
Prior Years short/excess provision			
Current tax (net)		(964)	(1,696)
Deferred tax		4,543	12,845
Tax expense		(4,912)	(592)
		(1,333)	10,557
Profit after tax		1,763	37,845
NET PROFIT FOR THE YEAR		1,763	37,845
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,763	37,845

Notes referred to above form an integral part of Profit and Loss

As per our report of even date

For KPCA & Co
Chartered Accountants
Firm Registration No. 142977W



Chinmay D Kelkar
Partner
Membership No. 122799

Place: Pune
Date : 06th May'2022
UDIN : 22122799AIRNRH6179

For and on behalf of Board of Directors of
Cuelogic Technologies Private Limited



Nachiket Deshpande Anil Rander
Director Director
DIN : 08385028 DIN : 09222599

Place: Mumbai Place: Mumbai
Date : 06th May'2022 Date : 06th May'2022

CUELOGIC TECHNOLOGIES PRIVATE LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2022		
Particulars	INR'000	
	2021-22 Amount (INR)	2020-21 Amount (INR)
A. Cash flow from operating activities		
Net profit before tax	430	48,402
Adjustments for:		
Depreciation and amortisation	32,931	23,416
Income from current investment in mutual funds	(1,819)	(2,814)
Net gain on disposal of property, plant and equipment	(587)	-
Finance cost relating to lease liabilities	420	1,428
Interest paid	40	189
Interest on unwinding deposit	(496)	(513)
Unrealised foreign exchange (gain)/loss	(2)	2
Gain on sale of Mutual funds	(799)	(8,779)
Dividend received	(13)	(77)
Operating profit before working capital changes	30,105	61,254
Changes in working capital		
(Increase)/decrease in trade receivables and unbilled revenue	(4,246)	(33,143)
(Increase)/decrease in other receivables and assets	(25,920)	1,634
Increase/(decrease) in trade & other payables	81,085	37,225
(Increase)/decrease in working capital	50,919	5,716
Cash generated from/(used in) operations	81,024	66,970
Direct taxes paid	(16,828)	(11,123)
Net cash from operating activities	64,196	55,847
B. Cash flow from investing activities		
Payment for purchase of property, plant and equipment, Capital Work In progress, Intangible assets and other intangible assets under development	(2,503)	(9,166)
Sale of fixed assets	6,189	-
(Purchase)/sale of current investments	(30,980)	13,397
Dividend received	13	77
Income from current investment in mutual funds	2,617	2,814
Interest received		
Net cash used in/(generated from) investing activities	(24,664)	7,122
C. Cash flow from financing activities		
Payment of lease Liabilities	(15,092)	(15,778)
Interest paid	(40)	(189)
Proceeds from/(repayment) of borrowings	(1,672)	(1,146)
Dividend paid (Net of Tax)	-	(25,000)
Net cash from financing activities	(16,804)	(42,113)
Net increase in cash and cash equivalents	22,728	20,857
Opening Cash and cash equivalents	51,956	31,099
Increase in Cash and Cash Equivalents due to previous year adjustments	-	-
Closing Cash and cash equivalents	74,684	51,956

As per our report of even date

For KPCA & Co
Chartered Accountants
Firm Registration No. 142977W

Chinmay D Kelkar
Partner
Membership No. 122799

Place: Pune
Date : 06th May'2022
UDIN : 22122799AIRNRH6179

For and on behalf of Board of Directors of
Cuelogic Technologies Private Limited

Nachiket Deshpande Anil Rander
Director Director
DIN : 08385028 DIN : 09222599

Place: Mumbai Place: Mumbai
Date : 06th May'2022 Date : 06th May'2022

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Statement of Changes in Capital employed

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

INR'000

Particulars	No. of Shares	Share Capital	Retained Earnings	Total Equity
Balance as on April 1, 2021	10,000	100	134,400	134,500
Change in Accounting Policy (Ind As 116)			-	-
Restated Balance as on April 1, 2021	10,000	100	134,400	134,500
Net Profit for the year			1,763	1,763
Other Comprehensive Income			-	-
Dividends (Including DDT)			-	-
Other changes/ Trf to general reserve.			-	-
Balance as on March 31, 2022	10,000	100	136,163	136,263

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

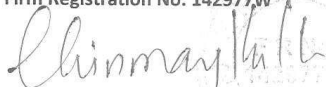
INR'000

Particulars	No. of Shares	Share Capital	Retained Earnings	Total Equity
Balance as on April 1, 2020	10,000	100	119,320	119,420
Ind AS Transition Impact			2,235	2,235
Change in Accounting Policy (Ind As 116)			-	-
Net Profit for the year			37,845	37,845
Other Comprehensive Income			-	-
Dividends (Including DDT)			25,000	25,000
Other changes/ Trf to general reserve.			-	-
Balance as on March 31, 2021	10,000	100	134,400	134,500

Notes referred to above form an integral part of Balance sheet

As per our report of even date

For KPCA & Co
Chartered Accountants
Firm Registration No. 142977W


Chinmay D Kelkar
Partner
Membership No. 122799

Place: Pune
Date : 06th May'2022
UDIN : 22122799AIRNRH6179

For and on behalf of Board of Directors of
Cuelogic Technologies Private Limited


Nachiket Deshpande
Director
DIN : 08385028

Place: Mumbai
Date : 06th May'2022


Anil Rander
Director
DIN : 09222599

Place: Mumbai
Date : 06th May'2022

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

First time adoption

(i) (a) Reconciliation of equity as at date of transition (April 1, 2020)

Particulars	INR'000		
	As per iGAAP Amount (INR)	Ind AS Adjustments Amount (INR)	As per Ind AS Amount (INR)
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	7,448	-	7,448
(b) Capital work-in-progress	2,814	-	2,814
(c) Right of Use assets	-	30,031	30,031
(d) Other Intangible assets	12,254	-	12,254
(e) Financial Assets			
(i) Investments	75	-	75
(ii) Other Financial Assets	8,664	(1,008)	7,656
(f) Deferred Tax Assets(Net)	3,480	-	3,480
(g) Income tax assets (Net)	11,755	-	11,755
Total Non-Current Assets	46,490	29,023	75,513
Current assets			
(a) Financial Assets			
(i) Investments	15,122	3,215	18,337
(ii) Trade receivable	42,142	(980)	41,163
(iii) Cash and Cash Equivalents	31,099	-	31,099
(iv) Other bank balances	15,000	-	15,000
(v) Other Financial Assets	50	-	50
(b) Income tax assets (Net)	-	-	-
(c) Other current assets	9,029	-	9,029
Total Current Assets	112,443	2,235	114,678
TOTAL ASSETS	158,933	31,258	190,190
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	100	-	100
(b) Other Equity	-	-	-
(i) Retained Earnings	119,320	2,235	121,555
Total Equity	119,420	2,235	121,655
Liabilities			
Non-current liabilities			
(a) Lease liabilities	-	14,350	14,350
Total Non-Current Liabilities	-	14,350	14,350
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	2,818	-	2,818
(ii) Trade Payables	-	-	-
Due to Micro medium & Small Enterprises	36	-	36
Due to others	3,432	-	3,432
(ii) Other Financial Liabilities	23,944	-	23,944
(b) Lease liabilities	-	14,673	14,673
(c) Other Current Liabilities	5,858	-	5,858
(d) Provisions	3,424	-	3,424
Total Current Liabilities	39,513	14,673	54,185
TOTAL EQUITY AND LIABILITIES	158,933	31,258	190,190

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

First time adoption

(i) (b) Reconciliation of equity as at 31 March 2021

Particulars	INR '000		
	As per iGAAP Amount (INR)	Ind AS Adjustments Amount (INR)	As per Ind AS Amount (INR)
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	13,196	-	13,196
(b) Right of Use assets	30,031	(15,782)	14,248
(c) Other Intangible assets	10,852	-	10,852
(d) Financial Assets			
(i) Investments	73	-	73
(ii) Other Financial Assets	7,656	513	8,168
(e) Deferred Tax Assets(Net)	4,072	-	4,072
(j) Income tax Assets (net)	11,729	-	11,729
Total Non-Current Assets	77,608	(15,270)	62,339
Current assets			
(a) Financial Assets			
(i) Investments	19,941	8,779	28,720
(ii) Trade receivable	74,647	(342)	74,305
(ii) Unbilled Revenue	-	-	-
(iii) Cash and Cash Equivalents	51,956	-	51,956
(iv) Other financial assets	50	-	50
(b) Income tax assets (Net)	-	-	-
(c) Other current assets	7,394	-	7,394
Total Current Assets	153,989	8,437	162,425
TOTAL ASSETS	231,597	(6,833)	224,764
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	100	-	100
(b) Other Equity			
(i) Retained Earnings	126,883	7,517	134,400
Total Equity	126,983	7,517	134,500
Liabilities			
Non-current liabilities			
(a) Lease liabilities	14,350	(14,350)	-
Total Non-Current Liabilities	14,350	(14,350)	-
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings			
(i) Trade Payables	1,672	-	1,672
Due to Micro medium & Small Enterprises	36	-	36
Due to others	24,661	-	24,661
(ii) Other Financial Liabilities	35,325	-	35,325
(b) Lease liabilities	14,673	-	14,673
(c) Other Current Liabilities	8,787	-	8,787
(d) Provisions	5,110	-	5,110
Total Current Liabilities	90,264	-	90,264
TOTAL EQUITY AND LIABILITIES	231,597	(6,833)	224,764

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

First time adoption

(ii) Reconciliation of total comprehensive income for the year ended 31 March 2021

Particulars	Note	INR'000		
		As per iGAAP Amount (INR)	Ind AS Adjustments Amount (INR)	As per Ind AS Amount (INR)
Total Income:				
Revenue from Operations	21	399,266	-	399,266
Other Income	22	1,173	9,291	10,464
		400,439	9,291	409,730
Expenses:				
Employee Benefit Expense	23	265,496	-	265,496
Operating expenses	24	72,556	(15,436)	57,121
Finance costs	25	189	1,428	1,616
Depreciation and Amortisation	18&2	7,634	15,782	23,416
Other expenses	26	13,679	-	13,679
Total Expenses		359,554	1,775	361,328
Profit before tax		40,885	7,517	48,402
Tax expense				
Current tax (net)		12,845	-	12,845
Prior period Tax		(1,696)		(1,696)
Deferred tax		(592)		(592)
		10,557	-	10,557
Profit after tax		30,328	7,517	37,845
Profit from discontinued operations after tax				
NET PROFIT FOR THE YEAR		30,328	7,517	37,845
OTHER COMPREHENSIVE INCOME				
		-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		30,328	7,517	37,845

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

CUELOGIC TECHNOLOGIES PRIVATE LIMITED
Notes accompanying the Financial Statements for the year ended March 31, 2022

Particulars	Currency	Gross Block			Depreciation/Amortisation			Net Block		INR'000
		As at 1- April-21	Additions	Deductions	As at 31-March-22	As at 1- April-21	For the period	On Deductions	As at 31-March-22	
1 (a) Tangible Assets										
Leasehold Improvements	INR	2,814	-	2,814	-	656	2,159	2,814	-	2,159
a. Owned	INR	21,000	1,840	10,555	12,286	14,555	5,437	9,861	10,132	6,445
Office equipments	INR	7,182	-	6,405	777	6,040	223	5,570	692	1,142
Furniture and fixtures	INR	6,545	-	6,545	-	6,329	55	6,384	-	216
Vehicles	INR	10,610	-	10,610	-	7,376	-	7,375	1	3,234
Total Property, plant& Equipment	INR	48,151	1,840	36,929	13,063	34,956	7,873	32,004	10,825	13,196
1 (b) Capital work in progress	INR	-	-	-	-	-	-	-	-	-
Total of Capital work in progress	INR	-	-	-	-	-	-	-	-	-
1 (c) Intangible assets										
Software	INR	15,910	663	13,833	2,740	5,058	10,609	13,154	2,713	10,852
Total intangible assets	INR	15,910	663	13,833	2,740	5,058	10,609	13,154	2,713	10,852

CUELOGIC TECHNOLOGIES PRIVATE LIMITED
Notes accompanying the Financial Statements for the year ended March 31, 2022

1	Particulars	Currency	Gross Block			Depreciation/Amortisation			Net Block		
			As at 1- Apr-20	Additions	Deductions	As at 31-March-21	As at 1- Apr-20	For the period	On Deductions	As at 31-March-21	As at 31-March-20
	1 (a) Property, Plant & Equipment										
	Leasehold Improvements	INR	-	2,814	-	2,814	-	656	656	2,159	-
	Computers	INR	0	0	-	0	-	-	-	-	-
	a. Owned	INR	14,015	6,985	-	21,000	-	1,984	14,555	6,445	1,445
	Office equipments	INR	6,347	835	-	7,182	-	784	6,040	1,142	1,091
	Furniture and fixtures	INR	6,545	-	-	6,545	-	-	6,329	216	714
	Vehicles	INR	10,610	-	-	10,610	-	965	7,376	3,234	4,199
	Sub total tangible assets	INR	37,517	10,635	-	48,151	-	4,887	34,956	13,196	7,448
	Capital work in progress	INR	-	-	-	-	-	-	-	-	2,814
	Total Property, plant& Equipment	INR	37,517	10,635	-	48,151	-	4,887	34,956	13,196	10,263
	1 (c) Intangible assets										
	Software	INR	14,565	1,345	-	15,910	-	2,747	5,058	10,852	12,254
	Total Intangible assets	INR	14,565	1,345	-	15,910	-	2,747	5,058	10,852	12,254
	Total of intangible assets	INR	14,565	1,345	-	15,910	-	2,747	5,058	10,852	12,254

INR'000

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022 and March 31, 2021

2 Particulars	INR'000		
	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
Balance at the beginning	14,248	30,031	-
Addition	-	-	30,031
Depreciation	(14,248)	(15,782)	-
Balance at the end	-	14,248	30,031

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021

Particulars	INR'000		
	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
Current lease liabilities	-	14,673	14,673
Non-current lease liabilities	-	-	14,350
Total	-	14,673	29,023

The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021

Particulars	INR'000		
	As at March 31, 2022	As at March 31, 2021	Year ended April 01, 2020
Balance at the beginning	14,674	29,023	-
Additions during the year	-	-	29,023
Finance cost accrued during the period	420	1,428	-
Payment of lease liabilities	(15,092)	(15,778)	-
Balance at the end	1	14,674	29,023

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 and as at March 31, 2021 on an undiscounted basis:

Particulars	INR'000		
	As at March 31, 2022	As at March 31, 2021	As at April 01, 2020
Less than one year	-	15,092	15,778
One to five years	-	-	15,092
Total undiscounted lease liabilities at year end	-	15,092	30,870

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

		INR'000		
	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	
3	Investments			
	Investment in Cuelogic Inc	76	73	75
		76	73	75
4	Other Financial Assets			
	Security Deposits	-	8	8
		-	8	8
5	Income tax assets (Net)			
	Income tax assets	INR 24,979	INR 11,729	INR 11,755
	Total	24,979	11,729	11,755
6	Deferred tax Asset			
	Deferred tax Asset	8,984	4,072	3,480
		8,984	4,072	3,480
	* Refer Note A8			
7	Other Non Current assets			
	Considered good			
	Advance recoverable in cash or kind including Indirect tax recoverable	28,293	-	-
		28,293	-	-
8	Current investments			
	Current investments	-	28,720	18,337
		-	28,720	18,337
9	Trade receivables			
	Considered good - Secured			
	Considered good - Unsecured			
	-Due from Subsidiary	19,749	25,141	1,422
	- Others	60,367	50,486	40,720
	Less : Allowance as per ECL matrix	(1,565)	(1,322)	(980)
		78,552	74,305	41,163
	* Refer Note A4 & A11			
10	Cash & Cash Equivalent			
	Cash on hand	153	851	1,537
	Balances with Bank	-	-	-
	- in current accounts	-	-	-
	Domestic	74,530	51,105	29,563
		74,684	51,956	31,099

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

		INR'000		
11 Other bank balance	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	
Other Bank Balance				
- Fixed Deposit with bank with more than 3 months but less than 12 months maturity	59,700	-		15,000
	59,700	-		15,000

		INR'000		
12 Other Financial Current Assets	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	
Advances Recoverable in cash or kind				
Advances to Employees	-	50		50
Interest Receivable others	994	-		-
Security Deposit	8,664	-		-
Others	1,845	-		-
	11,503	50		50

		INR'000		
13 Other Current Assets	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	
Prepaid Expenses	2,232	4,903		3,650
Advance to Vendors	-	1,104		4,736
Other Current Assets	-	1,387		642
Total	2,232	7,394		9,028

CUELOGIC TECHNOLOGIES PRIVATE LIMITED
Notes accompanying the Financial Statements for the year ended March 31, 2022

14 Equity Share Capital

i) Particulars	As at March 31, 2022		As at March 31, 2021		As at April 1, 2020	
	No. of shares	INR'000	No. of shares	INR'000	No. of shares	INR'000
Authorised : 10,000 Ordinary shares of Rs. 10/- each	10,000	100	10,000	100	10,000	100
Issued, paid up and subscribed 1 Ordinary shares at no par value	10,000	100	10,000	100	10,000	100
	10,000	100	10,000	100	10,000	100

ii) Reconciliation of the number of equity shares and share capital issued, subscribed and paid-up:

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 1, 2020	
	No. of shares	INR'000	No. of shares	INR'000	No. of shares	INR'000
At the beginning of the year	10,000	100	10,000	100	10,000	100
Issued during the year as fully paid up						
At the end of the year	10,000	100	10,000	100	10,000	100

iii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

iv) Shareholders holding more than 5% of equity shares as at the end of the year:

Particulars	As at March 31, 2022		As at March 31, 2021		As at April 1, 2020	
	No. of shares	% of Shares	No. of shares	% of Shares	No. of shares	% of Shares
Nikhil Ambekar	-	-	4,250	42.50%	4,250	42.50%
Vikrant Labde	-	-	4,250	42.50%	4,250	42.50%
Neel Vartikar	-	-	1,500	15.00%	1,500	15.00%
Larsen & Toubro Infotech Limited*	9,999	99.99%	-	-	-	-
Kedar Gadgil (As nominee shareholder for L & T Infotech Limited)	1	0.01%	-	-	-	-
	10,000	100.00%	10,000	100.00%	10,000	100.00%

*w.e.f 7th July' 2021, Shares are held by Larsen & Toubro Infotech Limited and Kedar Gadgil

v) The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares 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 its share of the paid-up-equity capital of the Company. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, after distribution of all preferential amounts (if any) in proportion to the number of equity shares held.

vi) The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

vii) No dividend is proposed for the year ending 31st March' 2022

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

		INR'000		
15	Other Equity	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
	Retained Earnings			
	Profit and loss account			
	Opening balance	134,400	121,555	111,764
	Add: IND AS Transition Impact	-	-	2,235
	Add: Ind AS 116 adjustment	-	-	-
	Add: Profit/(Loss) for the year	1,763	37,845	13,574
	Add: Other Comprehensive Income	-	-	-
		136,163	159,400	127,573
	Less: Appropriation			
	(a) General Reserve	-	-	-
	(b) Dividend	-	25,000	5,000
	(c) Tax on dividend	-	-	1,018
	Balance to be carried forward	136,163	134,400	121,555

		INR'000		
16	Current Borrowings	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
	Financial Liabilities			
	Unsecured Loans			
	loans from banks	-	1,672	2,818
	Total	-	1,672	2,818

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

		INR'000		
17 Trade Payable	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	
Due to Holding Company	116,470	-	-	
Due to Micro & Small Enterprises	37	36	36	
Due to others	2,463	19,811	1,388	
Accrued Expenses - Holding company	27,277	-	-	
Accrued Expenses - Others	1,393	4,850	2,044	
Total	147,640	24,697	3,468	

* Refer Note A6 & A11

		INR'000		
18 Other Financial Liabilities	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	
Liabilities for Employee benefits	250	35,325	23,944	
	250	35,325	23,944	

		INR'000		
19 Other Current Liabilities	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	
Unearned Revenue	-	-	-	
Other payables	-	1,014	-	
	7,115	7,773	5,858	
Total	7,115	8,787	5,858	

		INR'000		
20 Short Term Provisions	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020	
Provisions				
Provisions for employee benefits	-	5,110	3,424	
Total	-	5,110	3,424	

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

		INR'000	
21 Revenue from Operations	For the year ended March 31, 2022	For the year ended March 31, 2021	
Sale of Services	574,486	399,266	
	574,486	399,266	

		INR'000	
22 Other Income	For the year ended March 31, 2022	For the year ended March 31, 2021	
Foreign Exchange Gain/(Loss)	(1,018)	(1,808)	
Gain on sale of Mutual funds	799	8,779	
Interest Income	1,819	2,335	
Miscellaneous income*	463	569	
Dividend income	13	77	
Unwinding of Rent Deposit	496	513	
	2,570	10,464	

		INR'000	
23 Employee Benefit Expense	For the year ended March 31, 2022	For the year ended March 31, 2021	
Salaries including overseas staff expenses	191,026	249,098	
Staff welfare	526	5,720	
Contribution to provident and other funds	7,142	10,678	
	198,693	265,496	

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

		INR'000	
24 Operating expenses	For the year ended March 31, 2022	For the year ended March 31, 2021	
Travelling and conveyance	210	746	
Communication expenses	5,522	3,036	
Consultancy charges	317,892	34,234	
Rent and establishment expenses*	2,036	3,856	
Telephone charges and postage	1,652	1,483	
Advertisement	8	974	
Repairs and Maintenance	4,084	5,178	
Power and fuel	1,443	1,607	
Rates and taxes	8	417	
Recruitment Expense	5,078	2,994	
Loss/(profit) on sale of fixed assets	(587)	-	
Allowance for doubtful debts and advances	243	342	
Miscellaneous expenses	866	2,255	
	338,455	57,121	

*Represents lease rentals for short term leases for the current year

		INR'000	
25 Finance Cost	For the year ended March 31, 2022	For the year ended March 31, 2021	
Int Paid to Bank	40	189	
Finance cost/interest expenses IND AS 116	420	1,428	
	460	1,616	

		INR'000	
26 Other expenses	For the year ended March 31, 2022 INR	For the year ended March 31, 2021 INR	
Legal and Professional Charges	6,087	13,546	
	6,087	13,546	

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

A1 Corporate Information

Cuelogic Technologies Private Limited ("the Company") is a wholly owned subsidiary by Larsen & Toubro infotech Limited from July 1, 2021. The Company is a digital engineering Company who specialize in product development capabilities and expertise in scaling exponential technologies. Cuelogic's primary focus is on building and modernizing digital products leveraging cloud native methodologies across web and mobile.

A2 Basis of preparation

2.1 Basis of Accounting

These financial statements 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 Company is required to prepare its financial statements under Ind AS since the Company was acquired by Larsen and Tubro Limited w.e.f 1st July 2021, which is mandatorily required to present its financial statements under Ind AS as per the notification issued by the Ministry of Corporate affairs on 16th February 2015.

The financial statements up to and for the year ended 31st March 2020 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under section 133 of the Act and other relevant provisions of the Act ('Indian GAAP' or 'previous GAAP') As these are the company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS). Ind AS 101, First-time adoption of Indian Accounting Standards has been applied. As explanation of how the transition to Ind AS has affected the previous reported financial position and financial performance of the company is provided in note 3.14

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

2.3 Current versus non-current classification

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

- a. expected to be realised or intended to be sold or consumed in normal operating cycle,
- b. held primarily for the purpose of trading,
- c. expected to be realised within twelve months after the reporting period, or
- d. cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve month after the reporting period

All other assets are classified as non-current

A liability is current when it is :

- a. expected to be settled in normal operating cycle,
 - b. held primarily for the purpose of trading,
 - c. dues to be settled within twelve months after the reporting period, or
 - d. there is no unconditional right to defer the settlement of liability for atleast twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

Deffered tax assets and liabilities are classifies as non-current assets and liabilities.

The operation 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.

2.4 Basis of Measurement

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, provisions as prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)

2.5 Use of estimates and judgements

In preparing the 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. They are based on historical experience and other factors and that are believed to be reasonable under the circumstance. Revisions to accounting estimates are recognised prospectively.

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

2.6 Measurement of fair values

A number of the Company'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 Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then 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.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

A3 Significant accounting policies

3.1 Property, plant and equipment and other intangible assets

i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. The Company believes that the existing useful life as given below represents the best useful estimated lives of these assets.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

<u>Asset</u>	<u>Useful life</u>
Computer and IT Peripherals	3 Years
Computer software	3 Years
Office Equipment	5 Years
Furniture and Fixtures	10 Years

Leasehold improvements are depreciated over the lease term

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Intangible assets

Assets like computer software, and internally developed software are stated at cost, less accumulated depreciation, amortisation and impairment.

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

3.2 Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from contracts priced on time and material basis is recognised when services are rendered and related costs are incurred.

Revenue is recognised upon transfer of control of promised products or services to customers. Revenue is measured based on the consideration specified in a contract with a customer, and is reduced for volume discounts, rebates and other similar allowances.

Revenue from contracts priced on time and material basis is recognised when services are rendered and the related costs are incurred.

Revenue from services performed on Fixed Price basis is recognised over the life of the contract using Proportionate Completion Method.

Interest on deployment of surplus funds is recognised using the time proportionate method based on underlying interest rates.

Dividend income on investment is recognised when the right to receive payment is established

3.3 Leases

The Company's lease asset classes primarily consist of leases for buildings. 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: (1) the contract involves the use of an identified asset (2) the company has substantially all of the economic benefits from use of the asset throughout the period of the lease and (3) the company has the right to direct the use of the asset throughout the period of use.

At the date of commencement of the lease, the company 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 company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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 cash flows 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 company 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.

Transition

Effective April 1, 2020, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2020 using the retrospective method on the date of initial application. Consequently, the company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2021 have been retrospectively adjusted.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 30,030,717 and a lease liability of ₹ 29,022,418. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2020 is 6.70%.

3.4 Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument

a) Recognition and initial measurement

1) Initial measurement Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

b) Classification and subsequent measurement

i) Non-derivative financial assets

A) Financial assets at amortised cost Financial assets at amortised cost are represented by trade receivables, cash and cash equivalents, employee and other advances and eligible current and non current assets.

Financial assets are subsequently measured at amortised cost if: a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and b) the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

B) Financial assets at fair value through other comprehensive income (FVTOCI) Financial assets are subsequently measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both: a) Collecting contractual cash flows and selling financial assets and b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

C) Financial assets at fair value through profit and loss (FVTPL) Fair value through profit and loss is a residual category for financial assets. Any financial asset which does not meet the criteria for categorisation as at amortised cost or as financial asset at fair value through other comprehensive income is

c) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognised from the Company's balance sheet where the obligation specified in the contract is discharged or cancelled or expired

3.5 Impairment

I) Impairment of trade receivables and unbilled receivables:

The Company assesses at each date of statement of financial position whether a financial asset in form of trade receivables and unbilled receivables is impaired. In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable and unbilled receivables. The provision matrix is based on available external and internal credit risk factors such as credit default, credit rating from credit rating agencies and Company's historically observed default rates over the expected life of trade receivable and unbilled receivables. ECL impairment loss allowance (or reversal) recognised during the period as expense/(income) respectively in the statement of profit and loss.

II) Impairment of intangible assets:

Other intangible assets At the end of each reporting period, the Company reviews the carrying amounts of intangible assets to determine if there is any indication of loss suffered. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss.

3.6 Employee benefits

a) Short-term employee benefits

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 if the Company 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.

b) Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service at the vesting date

c) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which contribution are made to appropriate authorities at a predetermined rates and charged to the statement of profit and loss in the year in which they are incurred.

d) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. Actuarial gains and losses are charged to the statement of profit and loss

e) Compensated absence

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the projected unit credit method as at the reporting date. To the extent the employee has unconditional right to avail the leave, the same has been classified as "current" even though the same is measured as "other long-term employee benefit" as per Ind AS 19

f) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

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Notes accompanying the Financial Statements for the year ended March 31, 2022

3.7 Foreign currency

Foreign currency transactions are initially recorded at the rates prevailing on the date of the transaction. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

3.8 Income Tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

a) 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. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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.

b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts 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 is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction.

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 Company 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 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.

3.9 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company 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. 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. Expected future operating losses are not provided for.

3.10 Contingent liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

3.11 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.12 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit 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 segregated.

3.13 Earnings per share

In determining the earning per share, the net profit after tax is divided by the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all potential dilutive equity shares. Potential dilutive equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earning per share, only potential equity shares that are dilutive i.e. which reduces earnings per share or increases loss per share are included.

CUELOGIC TECHNOLOGIES PRIVATE LIMITED
Notes accompanying the Financial Statements for the year ended March 31, 2022

3.14 First time adoption

As stated in Note 2.1, these are the Company's first standalone financial statements prepared in accordance with Ind AS. For the year ended 31 March 2020, the Company had prepared its separate financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP' or 'Indian GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable as at and for the year ended 31 March 2022 together with the comparative period data as at and for the year ended 31 March 2021 and in the preparation of an opening Ind AS balance sheet as at 1 April 2020 (the Company's transition date) as described in the summary of significant accounting policies. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2020 and the financial statements as at and for the year ended 31 March 2021.

Optional exemptions availed and mandatory exceptions

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A Optional exemptions availed:

1. Property plant and equipment and intangible assets

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets also. The Company has disclosed the net carrying amount of property, plant and equipment and intangible assets as its deemed cost as at the date of transition.

B Mandatory exceptions:

1. Classification and measurement of financial assets

The Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively.

2. Estimates

The Company has concluded that there was no necessity to revise such estimates under Ind AS, other than those required due to application of Ind AS.

3. De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the derecognition requirements of Ind AS 109 prospectively to transactions occurring on or after the date of transition. However, it also allows the first-time adopter that wants to apply the derecognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing may only do so, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has chosen to avail the exception to apply the derecognition provisions of Ind AS 109 prospectively from the date of transition.

3.15 Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

CUELOGIC TECHNOLOGIES PRIVATE LIMITED
Notes accompanying the Financial Statements for the year ended March 31, 2022

A4 Related party

(A) List of Related Parties

Holding Company:	Larsen & Toubro Infotech Limited (Since July 1, 2021)
LTI Subsidiaries:	Larsen & Toubro Infotech GmbH (LTI GmbH) Larsen & Toubro Infotech Canada Limited Larsen & Toubro Infotech LLC L&T Infotech Financial Services Technologies Inc. Larsen & Toubro Infotech South Africa (Pty) Limited L&T Information Technology Services (Shanghai) Co. Ltd L&T Information Technology Spain, SL L&T Infotech S.de. RL. C.V Larsen & Toubro Infotech Norge AS Syncordis S.A. Luxembourg Syncordis SARL, France Syncordis Limited, UK Syncordis PSF S.A. Ruletronics Limited , UK Ruletronics Systems Inc, US Nielsen + Partner Unternehmensberater GmbH, Germany Nielsen + Partner Unternehmensberater AG, Switzerland Nielsen + Partner Pte Ltd, Singapore Nielsen & Partner Pty Ltd, Australia Nielsen + Partner Co Ltd, Thailand Lymbyc Solutions Private Limited, India Lymbyc Solutions Inc., US Powerupcloud Technologies Pte Ltd Cuelogic Technologies Inc

Company in which the KMP is a
(B) director/member

Cuelogic Technologies Inc

(C) Key management personnel (KMP)

Mr. Nikhil Ambekar
Mr. Vikrant Labde*
Mr. Nachiket Deshpande#
Mr. Anil Rander#

*ceased to be director w.e.f 1st July' 2021
#appointed as directors w.e.f 1st July' 2021

(D) The following is a summary of related party transactions

Particulars	INR'000	
	For the year ended 31 March 2022	For the year ended 31 March 2021
1. Expenses/Income		
Remuneration - Nikhil Ambekar	2,902	4,200
Remuneration - Vikrant Labde	2,902	4,200
Commission - Nikhil Ambekar	-	4,250
Commission - Vikrant Labde	-	4,250
Sales of assets - Nikhil Ambekar	2,483	-
Sales of assets - Vikrant Labde	1,883	-
Sales Commission - Cuelogic Technologies Inc	10,809	7,987
Interest Income - Cuelogic Technologies Inc	-	347
	<u>20,978</u>	<u>25,233</u>
2. Sale of services		
Larsen and Toubro Infotech Limited	488	-
Cuelogic Technologies Inc	107,851	80,033
	<u>108,339</u>	<u>80,033</u>
3. Purchase of services		
Larsen and Toubro Infotech Limited	278,088	-
	<u>278,088</u>	<u>-</u>
4. Reimbursement of expenses (Net)		
Larsen & Toubro Infotech Limited	3,349	-
	<u>3,349</u>	<u>-</u>

(E) The following is a summary of balances of related parties:

Particulars	INR'000	
	As at 31 March 2022	As at 31 Mar 2021
1. Receivables - Cuelogic Technologies Inc		
Trade receivables	19,749	25,141
Interest Income receivable	-	347
	<u>19,749</u>	<u>25,487</u>
2. Payables - Larsen & Toubro Infotech Limited		
Trade Payables	116,470	-
Accrued expenses	27,277	-
	<u>143,747</u>	<u>-</u>
3. Payables to Directors		
Remuneration - Nikhil Ambekar	-	293
Remuneration - Vikrant Labde	-	317
	<u>-</u>	<u>610</u>

(G) Terms and conditions

All outstanding balances with these related parties are priced on an arm's length basis and are to be settled in cash within the credit period allowed as per the policy. None of the balances is secured. No guarantees have been given or received during the year. The loss allowance on loans and trade receivables including those to subsidiaries if any, has been computed on the basis of Ind AS 109, Financial Instruments, which requires such allowance to be made even for loans and trade receivables considered good on the basis that credit risk exists even though it may be very low.

A5 Gratuity and other employee benefits**a) Define contribution plan**

The amount recognised as an expense towards contribution to provident fund and employee state insurance aggregated to Rs 4,201,141/- and Rs. 5,510,100/- for the year ended 31 March 2022 and 31 March 2021 respectively.

b) Define benefit plan

The Company has a funded defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible to a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The following table summarizes the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet as at 31 March 2022, 31 March 2021

c) Statement of reconciliation of present value of defined benefit obligations

Particulars	INR'000	
	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	15,459	10,842
Benefits paid	915	617
Current service cost	2,592	3,887
Interest cost	-	685
Liability transfer to LTI	17,136	-
Remeasurements due to :	-	-
change in experience adjustment	-	-
change in demographic assumptions	-	-
changes in financial assumptions	-	662
Balance at the end of the year	-	15,459

d) Statement of changes in fair value of Plan assets

Particulars	INR'000	
	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	2,794	-
Contributions/adjustments	-	3,519
Expected return on plan assets	-	71
Mortality Charges and Taxes	34	199
Benefits paid	915	591
Actuarial Gain / (Loss) on plan assets	-	4
Balance at the end of the year	1,845	2,794

d) Net defined benefit liability /(asset)

Particulars	INR'000	
	As at 31 March 2022	As at 31 March 2021
Non-current liability/(asset)	-	-
Current liability/(asset)	(1,845)	12,665
	(1,845)	12,665

e) Expense recognised in the statement of profit and loss under employee benefit expenses:

Particulars	INR'000	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	2,592	3,887
Interest cost	-	685
	2,592	4,572

f) Remeasurements recognised in other comprehensive income:

Particulars	INR'000	
	For the year ended 31 March 2022	For the year ended 31 March 2021
(Gain)/loss from changes in demographic assumptions	-	-
(Gain)/loss from changes in experience adjustments	-	-
(Gain)/loss from changes in financial assumptions	-	-
	-	-

g) Actuarial assumptions

The weighted-average assumptions used to determine benefit obligations are set out below:

Particulars	INR'000	
	For the year ended 31 March 2022	For the year ended 31 March 2021
Discount rate	-	6.10%
Salary increase	-	8.00%
Plan assets rate of return	-	7.25%
Retirement age	-	58.00
Mortality rate	-	IALM(2012-14) ult

Notes:

(i) The discount rate of 6.10% is based on reference to market yields on Government bonds as on 31 03 2021

(ii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(iii) The expected return on plan assets is based on market expectations, at the beginning of the period, for returns over the entire life of the related obligation.

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Notes accompanying the Financial Statements for the year ended March 31, 2022

A6 Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2020 (31 March 2019) has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

Particulars	INR'000	
	As at 31 March 2022	As at 31 Mar 2021
The principal amount and the interest due thereon remaining unpaid to any		
(a) (i) Principal	37	36
(ii) Interest	-	-
(b) The amount of interest paid by the Company in terms of Section 16 of the		
(i) Interest	-	-
(ii) Payment	-	-
(c) The amount of interest due and payable for the period of delay in making	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the	-	-
(e) The amount of further interest remaining due and payable even in the	-	-

* No interest has been paid by the Company during the year.

A7 Unhedged foreign currency exposure

The Company has not taken any hedging instruments to hedge the foreign currency exposure.

Currency	INR'000	
	As at 31 March 2022	As at 31 March 2021
Trade receivables		
USD	559	689
Equivalent INR	42,296	50,469
Trade Payable		
USD	145	142
Equivalent INR	10,986	10,397

A8 Deferred Tax Asset/Liability

Income Taxes are accrued at the same period in which the related revenue and expense arise. A provision is made for income tax annually based on the tax liability after considering tax allowances and exemptions. The differences that result between the profit offered for income tax and the profit as per the financial statement are identified and thereafter a deferred tax asset or deferred tax liability is recorded for the timing differences.

Major components of Deferred tax liabilities and assets

Particulars	INR'000	
	As at 31-March-2022	As at 31-March-2021
a) WDV of Assets	1,409	2,906
b) Other Items (Reversible on subsequent payments)	7,574	1,166
Net Deferred Tax Assets/ (Liabilities)	8,984	4,072

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Notes accompanying the Financial Statements for the year ended March 31, 2022

A9 Disclosure pursuant to Ind AS 33 "Earnings per share"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 "Earnings per share".

Particulars		INR'000	
		2021-22	2021-20
Earnings per equity share:			
Profit for the year attributable to owners of the Company for calculating basic earnings per share (₹)	A	1,763	37,845
Weighted average number of equity shares outstanding for calculating basic earnings per share	B	10,000	10,000
Basic and diluted earnings per equity share (₹)	A / B	0.18	3.78
Diluted earnings per equity share:			
Profit for the year attributable to owners of the Company for calculating basic earnings per share (₹)	A	1,763	37,844.5
Add : Interest on convertibles (net of tax)	B	-	-
Profit for the year attributable to owners of the Company for the calculating of diluted earnings per share (₹)	C = A+B	1,763	37,845
Weighted average number of equity shares outstanding for calculating basic earnings per share	D	10,000	10,000
Add : Shares deemed to be issued for no consideration in respect of :	E	-	-
Compulsorily convertible preference share capital	F	-	-
Compulsorily convertible debentures	G	-	-
Weighted average number of equity shares outstanding for calculating diluted earnings per share	H = D + E	10,000	10,000
Diluted earnings per equity share (₹)		0.18	3.78
Face value per equity share (₹)		10.00	10.00

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Notes accompanying the Financial Statements for the year ended March 31, 2022

A10 Financial Instruments

Disclosure of Financial Instruments by Category

Financial instruments by categories	Note no.	March 31, 2022			March 31, 2021		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
		INR'000					
Financial asset							
Investments	3	-	-	76	28,720	-	73
Security Deposits- Non Current	4	-	-	-	-	-	8
Trade receivables	9	-	-	78,552	-	-	74,305
Cash and cash equivalents	10	-	-	74,684	-	-	51,956
Other Bank Balances	11	-	-	59,700	-	-	-
Other Financial Assets	12	-	-	11,503	-	-	50
Total Financial Asset		-	-	224,514	28,720	-	126,393
Financial liability							
Borrowings- Current	16	-	-	-	-	-	1,672
Trade Payables	17	-	-	147,640	-	-	24,697
Other Financial Liabilities	18	-	-	250	-	-	35,325
Total Financial Liabilities		-	-	147,890	-	-	61,694

CUELOGIC TECHNOLOGIES PRIVATE LIMITED

Notes accompanying the Financial Statements for the year ended March 31, 2022

A11 (a) Trade Receivables ageing

Trade receivables ageing as at 31st March, 2022

INR'000

Particulars	Outstanding for following periods from due date of payment			
	Not Due	Less than 6 months	6 months -1 year	Total
(i) Undisputed Trade receivables — considered good	56,294	4,073	-	60,367
(i) Undisputed Trade receivables — considered good - Related Parties	-	-	19,749	19,749
Less : Allowance as per ECL matrix	(1,100)	(106)	(512)	(1,565)
Total	55,194	3,968	19,237	78,552

Trade receivables ageing as at 31st March, 2021

INR'000

Particulars	Outstanding for following periods from due date of payment			
	Not Due	Less than 6 months	6 months -1 year	Total
(i) Undisputed Trade receivables — considered good	29,969	20,518	-	50,486
(i) Undisputed Trade receivables — considered good - Related Parties	2,365	22,776	-	25,141
Less : Allowance as per ECL matrix	(565)	(757)	-	(1,322)
Total	31,768	42,537	-	74,305

Trade receivables ageing as at 1st April, 2020

INR'000

Particulars	Outstanding for following periods from due date of payment			
	Not Due	Less than 6 months	6 months -1 year	Total
(i) Undisputed Trade receivables — considered good	20,958	4,878	-	25,836
(i) Undisputed Trade receivables — considered good - Related Parties	6,203	10,104	-	16,306
Less : Allowance as per ECL matrix	(631)	(348)	-	(980)
Total	26,529	14,633	-	41,163

A11 (b) Trade Payables ageing

Trade payables ageing as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment			
	Not Due	Less than 6 months	6 months -1 year	Total
(i) MSME	37	-	-	37
(ii) Others	2,456	7	-	2,463
(iv) Related Parties	43,768	72,702	-	116,470
(iii) Accrued Expense	1,393	-	-	1,393
(iv) Accrued Expense - Related Parties	27,277	-	-	27,277
Total	74,930	72,710	-	147,640

Trade payables ageing as at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment			
	Not Due	Less than 6 months	6 months -1 year	Total
(i) MSME	36	-	-	36
(ii) Others	19,755	-	56	19,811
(iv) Related Parties	-	-	-	-
(iii) Accrued Expense	4,850	-	-	4,850
(iv) Accrued Expense - Related Parties	-	-	-	-
Total	24,641	-	56	24,697

Trade payables ageing as at 1st April, 2020

Particulars	Outstanding for following periods from due date of payment			
	Not Due	Less than 6 months	6 months -1 year	Total
(i) MSME	34	-	-	34
(ii) Others	1,388	2	-	1,390
(iv) Related Parties	-	-	-	-
(iii) Accrued Expense	2,044	-	-	2,044
(iv) Accrued Expense - Related Parties	-	-	-	-
Total	3,466	2	-	3,468

CUELOGIC TECHNOLOGIES PRIVATE LIMITED
Notes accompanying the Financial Statements for the year ended March 31, 2022

A16 Ratios

Ratio	Numerator	Denominator	Year ended March 31, 2022	Year ended March 31, 2021	Variance %	Reason for variance
Current Ratio	Total current assets	Total current liabilities	1.5	1.8	-19%	
Debt-Equity Ratio	Debt consists of borrowings and lease liabilities	Total equity	-	-	-	
Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service=Interest and lease payments + Principal repayments	2.1	3.7	-43%	
Return on Equity Ratio	Profit for the year less Preference dividend (if any)	Average total equity	1.3%	29.5%	-96%	Reduction in ROE is due to drop in Profitability
Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	7.5	6.9	9%	
Trade payables turnover ratio	Operating expenses + Other expenses	Average trade payables	4.0	4.2	-5%	
Net capital turnover ratio	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	5.6	5.5	1%	
Net profit ratio	Profit for the year	Revenue from operations	0.3%	9.5%	-97%	Reduction in Net profit ratio is due to drop in Profitability
Return on Capital employed (ROCE)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	0.7%	34.5%	-98%	Reduction in ROCE is due to drop in Profitability
Return on investment	Income generated from invested funds	Average invested funds in treasury investments	5.9%	10.3%	-42%	

CUELOGIC TECHNOLOGIES PRIVATE LIMITED
Notes accompanying the Financial Statements for the year ended March 31, 2022

A13 Segment reporting

"In accordance with requirements of Ind AS 108, considering the risk or return profiles of the business, the chief operating decision maker monitors its principle business segment i.e. "information technology and consultancy services"

Segmental reporting of revenues on the basis of the geographical location of the customers is as under:

Geography	INR'000	
	2021-22	2020-21
India	247,179	138,047
Singapore	3,001	10,011
Europe	2,857	3,031
United States	321,449	248,177
Total	574,486	399,266

A14 Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i. Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's revenues are principally in INR. The Company does not enter into hedge transactions.

ii. Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

iii. Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The company measures risk through sensitivity analysis.

iv. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

v. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The principal credit risk that the Company exposed to is non-collection of trade receivable and late collection of receivable leading to The Company makes adequate provision for non-collection of trade receivable and unbilled receivables. Further, the Company has not suffered significant payment defaults by its customers.

In addition, for delay in collection of receivable from parties other than related parties, the Company has made provision for Expected Credit loss ("ECL") based on analysis of its trade receivable. For trade receivables (other than related parties), these range from 1.5% for dues outstanding up to six months to 19.2% for dues outstanding for more than 36 months for 2021-22.

ECL allowance for non-collection and delay in collection of receivable, on a combined basis is ₹ 243,332 & ₹ 342,045 for the financial year 2021-22 & 2020-21 respectively. The movement in allowance for doubtful debts comprising provision for both non-collection and delay in collections of receivable.

CUELOGIC TECHNOLOGIES PRIVATE LIMITED
Notes accompanying the Financial Statements for the year ended March 31, 2022

A15 Disclosure pursuant to Ind AS 12 - "Income taxes"

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2021:

Particulars	INR'000	
	As at 31-Mar-2022	As at 31-Mar-2021
Accounting profit before tax	430	48,402
Applicable tax rate	25.17%	27.82%
Profit before tax * Applicable tax rate	108	13,465
Net effect of Allowable/Disallowable expenses and short/excess of tax of previous years	3,471	(2,316)
Deferred Taxes of previous years	(4,912)	(592)
Income tax expense reported in the statement of profit and loss	(1,333)	10,557

A16 Events occurring after the reporting period

The financial statements were approved by the Board of Directors on May 06, 2022 and there are no significant events occurring after Balance sheet date.

A17 Investor Education and Protection Fund

The Company is not required to transfer any amount to Investor Education and Protection Fund.


A18 Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from COVID-19 on the recoverable values of its financial and non-financial assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements

Notes referred to above form an integral part of Balance sheet

As per our report of even date

For KPCA & Co
Chartered Accountants
Firm Registration No. 142977W


Chinmay D Kelkar
Partner
Membership No. 122799

Place: Pune
Date : 06th May'2022
UDIN : 22122799AIRNRH6179



For and on behalf of Board of Directors of
Cuelogic Technologies Private Limited


Nachiket Deshpande
Director
DIN : 08385028

Place: Mumbai
Date : 06th May'2022


Anil Rander
Director
DIN : 09222599

Place: Mumbai
Date : 06th May'2022

CUELOGIC TECHNOLOGIES INC.

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

BOARD'S REPORT

Dear Members,

The Board have pleasure in presenting their Annual report and Audited Accounts for the year / period ended 31st March 2022

1. FINANCIAL RESULTS/FINANCIAL HIGHLIGHTS:

Particulars	31-March-22	31-March-21
	USD	USD
Revenue from Business operations	1,451,002	1,085,265
Total Expenditure	1,464,989	1,172,253
Operating Profit / (Loss)	(13,987)	(86,988)
Add: Other Income	145,100	108,527
Less: Finance Costs	0	0
Profit / (Loss) before Tax	131,113	21,539
Less : Tax	39,227	8,243
Net Profit / (Loss) after Tax	91,886	13,296
Add: Balance b/f from previous year	29,662	16,366
Balance available for disposal which directors appropriate as follows:	-	-
Dividend	-	-
Transfer to Reserves	-	-
Balance to be carried forward	121,548	29,662

2. Capital Expenditure:

As at 31st March 2022, the gross fixed and intangible assets including leased Assets, stood at Nil.

3. State of Company Affairs:

The total income for the financial year under review were USD 1,596,102 as against USD 1,193,792 for the previous financial year registering an increase of 33.70%. The profit / (loss) before tax was USD 131,113 and the profit / (loss) after tax was USD 91,886 for the financial year under review as against USD 21,539 and USD 13,296 respectively for the previous financial year, registering an increase of 508.72% and 591.08% respectively.

4. Dividend:

In order to conserve the resources for future business growth, the Directors do not recommend any dividend for the year under review.

5. Material changes and commitments affecting the financial position of the company, between the end of the financial year and the date of the report:

There were no Material changes and commitments affecting the financial position of the company, between the end of the financial year and the date of the report.

6. Reporting of Frauds:

The Auditors of the Company have not reported any fraud committed against the Company by its officers or employees.

7. Details of Directors and Key Managerial Personnel appointed/resigned during the year:

During the year under review, there was no change in the Board of Directors & Key Managerial Personnel.

8. Financial Statements:

The Auditors report to the shareholders does not contain any qualification, observation or adverse comment.

9. Auditors:

M/s KPCA & Co., Chartered Accountants are the auditors of the Company. They will continue to be auditors of the Company for the ensuing financial year.

10. Directors Responsibility Statement:

The Board of the Company confirms that:

- a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to

- material departures;
- b) The Board have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
 - c) The Board have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the local statutes for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - d) The Borad have prepared the Annual Accounts on a going concern basis;
 - e) The Board have designed, implemented and maintained internal controls with respect to reporting on financial statements.
 - f) The Board have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

11. Acknowledgement

The Board take this opportunity to thank the customers, supply chain partners, employees, Financial Institutions, Banks and all the various stakeholders for their continued co-operation and support to the Company.

**For and on behalf of the Board of
Cuelogic Technologies Inc.**

**Vikrant Labde
Director**

**Date : 06th May, 2022
Place : USA**

INDEPENDENT AUDITOR'S REPORT

To the Members of Cuelogic Technologies Inc., USA

Opinion

We have audited the financial statements of Cuelogic Technologies Inc., USA, which comprise the Balance Sheet as at March 31st 2022, and the Profit and Loss account, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the entity as at March 31, 2022, and of its financial performance for the year then ended in accordance with the Indian Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of the entity in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

For KPCA & Co.
Firm Reg. No. 142977W


Chinmay D Kelkar
Partner
Membership No. 122799
Place: Pune



Date: 06th May, 2022
UDIN: 22122799AIRNRH6179

CUELOGIC TECHNOLOGIES INC., USA
30 Wall Street, 8th Floor
New York, NY 10005
BALANCE SHEET AS AT 31st March, 2022

Particulars	Note No	As at 31st March, 2022 (In USD)	As at 31st March, 2021 (In USD)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	1,000	1,000
(b) Reserves and Surplus	2	121,548	29,662
(2) Loan Taken			
		-	20,000
(3) Current Liabilities			
(a) Trade payable		445,537	431,956
(b) Other current liabilities	3	69,756	28,090
Total		637,841	510,708
II. ASSETS			
(1) Current assets			
(a) Trade Receivables		287,737	277,678
(b) Cash and Bank Balances	4	242,782	172,293
(c) Other Current Assets	5	107,322	60,737
Total		637,841	510,708

Summary of Significant Accounting Policies and Notes to Accounts-1 to 7
The notes referred to above form an integral part of the financial statements

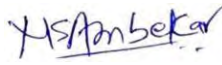
In terms of our report attached.
For KPCA & Co.
Chartered Accountants
FRN : 142977W

Chinmay D Kelkar
Partner
M. No: 122799
UDIN: 22122799AIUXEW9627

Place : Pune
Date : 06th May'2022

For and on behalf of the Board,



Nikhil Ambekar
Director
DIN : 02744934

Place : Pune
Date : 06th May'2022

CUELOGIC TECHNOLOGIES INC., USA
30 Wall Street, 8th Floor
New York, NY 10005

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED ON 31st March, 2022

Particulars	Note No	For the year ended 31st March, 2022 (In USD)	For the year ended 31st March, 2021 (In USD)
Income:			
Revenue from operations		1,451,002	1,085,265
Other Income		145,100	108,527
Total Revenue		1,596,102	1,193,792
Expenses:			
Professional Fees - Technical		1,451,002	1,157,265
Other expenses	6	13,987	14,988
Total Expenses		1,464,989	1,172,253
Profit before tax		131,113	21,539
Tax expense:			
(a) Current tax		39,227	8,243
(b) Deferred tax		-	-
Profit after tax		91,886	13,296
Earning per share:			
(a) Basic	7	91.89	13.30
(b) Diluted		91.89	13.30

Summary of Significant Accounting Policies and Notes to Accounts-1 to 7
The notes referred to above form an integral part of the financial statements

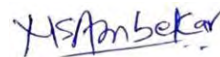
For KPCA & Co.
Chartered Accountants
FRN : 142977W

Chinmay D Kelkar
Partner
M. No: 122799
UDIN: 22122799AIUXEW9627

Place : Pune
Date : 06th May'2022

For and on behalf of the Board,



Nikhil Ambekar
Director
DIN : 02744934

Place : Pune
Date : 06th May'2022

CUELOGIC TECHNOLOGIES INC., USA
Accompanying notes to the financial statements
For the year ended March 31, 2022

Note : 1

Share Capital

Particulars	As at 31st March, 2022 (In USD)	As at 31st March, 2021 (In USD)
Authorised Share Capital (1,000 common shares of USD 1 each)	1,000	1,000
Paidup Share capital (1,000 common Shares of USD 1 each)	1,000	1,000
	1,000	1,000

i) Share Holders holding more than 5% of Share capital

Name of the shareholders	As at 31st March, 2022	As at 31st March, 2021
	No. of Shares Held	No. of Shares Held
Cuelogic Technologies Private Limited	1,000	1,000

ii) Reconciliation of number of shares

Particulars	As at 31st March, 2022	As at 31st March, 2021
	Number	Number
Shares outstanding at the beginning of the year	1,000	1,000
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	1,000	1,000

Note :2

Reserves and Surplus

Particulars	As at 31st March, 2022 (In USD)	As at 31st March, 2021 (In USD)
<u>Profit and Loss Account (Dr)</u>		
Opening Balance of Profit and Loss	29,662	16,366
Profit/(Loss) during the Current Year	91,886	13,296
Add: Reinstatement Gain/(Loss)	-	-
Total	121,548	29,662

Note : 3

Other Current Liabilities

Particulars	As at 31st March, 2022 (In USD)	As at 31st March, 2021 (In USD)
<u>Other Payables</u>		
Reimbursement of expenses - Holding company	9,837	7,148
Provision for Expenses	4,623	4,873
Federal Tax Payable - Company	55,296	16,069
Total	69,756	28,090

CUELOGIC TECHNOLOGIES INC., USA
 Accompanying notes to the financial statements
 For the year ended 31st March, 2022

Note : 4

Cash and Bank balance

Particulars	As at 31st March, 2022 (In USD)	As at 31st March, 2021 (In USD)
Balances with Bank	242,782	172,293
Cash on Hand	-	-
Total	242,782	172,293

Note : 5

Other Current Assets

Particulars	As at 31st March, 2022 (In USD)	As at 31st March, 2021 (In USD)
Deposit for rent	278	278
Federal and Tax Payment	57,675	10,894
Expenses Paid on Behalf of Cuelogic India	49,369	49,369
Prepaid Expenses		196
Total	107,322	60,737

Note : 6

Other Expenses

Particulars	For the year ended 31st March, 2022 (In USD)	For the year ended 31st March, 2021 (In USD)
Rent	1,870	4,613
Bank Charges	1,315	1,227
Tax filing fees	8,892	3,430
Postage and Franking	722	438
Tools/Hosting Charges	588	523
Audit Fees	600	-
Other Expenses	-	4,757
Total	13,987	14,988

CUELOGIC TECHNOLOGIES INC., USA
Accompanying notes to the financial statements
For the year ended 31st March, 2022

Note 6 Related Party Disclosure and Transactions

A. Details of Related parties:

Description of Relationship	Names of related parties
Director Key Managerial Personnel	Nikhil Ambekar Vikrant Labde
Holding Company	M/s. Cuelogic Technologies Private Limited
Note: Related parties have been identified by the management.	

B. Details of related party transactions during the year and balance outstanding :

Particulars	As at 31st March, 2022 (In USD)	As at 31st March, 2021 (In USD)
Transactions during the year with:		
Cuelogic Technologies Private Limited		
Commission income	145,100	108,527
Interest Income	-	4,677
Reimbursement of Expenses	2,883	2,956
Professional Fees	1,451,002	1,157,265
Outstanding balances:		
Cuelogic Technologies Private Limited		
Share Capital	1,000	1,000
Trade Payables	260,851	336,763
Interest Payable	-	4,677

Note 7 Earnings Per Share

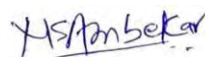
Particulars	As at 31st March, 2022 (In USD)	As at 31st March, 2021 (In USD)
Net Profit After Tax	91,886	13,296
Weighted average No. of equity shares for basic/ diluted EPS (Nos.)	1,000	1,000
Nominal Value of equity per share (in Rs.)	1	1
Basic/ diluted Earnings Per Share (in Rs.)	91.89	13.30

For KPCA & Co.
Chartered Accountants
FRN : 142977W



Chinmay D Kelkar
Partner
M. No: 122799
UDIN: 22122799AIUXEW9627

For and on behalf of the Board,



Nikhil Ambekar
Director
DIN : 02744934

Place : Pune
Date : 06th May'2022

Place : Pune
Date : 06th May'2022

LTI MIDDLE EAST FZ-LLC

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

LTI MIDDLE EAST FZ-LLC

**INDEPENDENT AUDITOR'S REPORT AND
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022**

LTI MIDDLE EAST FZ-LLC

**INDEPENDENT AUDITOR'S REPORT AND
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022**

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Directors' Report

The Directors present the annual report and the audited financial statements for the period ended March 31, 2022.

Legal Aspect

- a) LTI Middle East FZ-LLC, (“the Company”) is registered with Dubai Development Authority, as a Free Zone Limited Liability Company and operates under the License No. 97938 issued on November 25, 2020.

The Company also have branch in Dubai under the License no. 980620 issued by Department of Economic Development on November 23, 2021 and in Abu Dhabi under License no. CN-4052652 issued by Department of Economic Development on July 12, 2021.

- b) The Company is engaged in,
IT Service

- Consultancy
- Customer service
- Developer
- Solution provider
- Support service provider

Software

- Consultancy
- Customer service
- Developer
- Solution provider
- Support service provider

- c) The management of the Company is vested with Mr. Sanjeev Pramod Mulay, General Manager.
- d) The company is formed on November 25, 2020 and this is the first period of its operation.
- e) The registered office is in office is in Premise No: 101, Floor 1, Building 7, Dubai Outsource City, Dubai, UAE.
- f) Authorised, issued and paid-up capital of the Company is as below:

Name of shareholder	Number of shares	Value in AED	%
Larsen and Toubro Infotech Ltd.	1,860	1,860,000	100%
Total	1,860	1,860,000	100%

Financial performance

During the year under review, the Company's summary of financial performance for the period ended March 31, 2022 is as follows:

	<i>Amounts in AED</i>
Revenue	206,485,833
Gross profit	36,494,900
Net Profit/(loss) for the year	8,850,688

Going Concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements. There are no material events affecting the continuation of **LTI Middle East FZ - LLC** and its ability to continue its operations during the next financial year.

Auditors

M & M Al Menhali Auditing, member of MGI Worldwide network, the auditors of the Company, have indicated their willingness to continue in office.

Statement of Director's responsibility

The management is responsible to ensure that the financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB), interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and the requirements of U.A.E Federal Commercial Companies Law No. 2 of 2015, rules and regulations of Dubai Development Authority and the Company's Memorandum and Articles of Association which might have materially affected the financial position of the Company or its financial performance.

Approved by the Board and Signed on its behalf by:


General Manager/ Director,
April 17, 2022





AL MENHALI
AUDITING (DMCC BRANCH)
REGISTERED AND LICENSED AS A FREE ZONE COMPANY
UNDER THE RULES & REGULATIONS OF DMCCA



التحقيق الحسابات (فرع م.د.م.س)
مسجلة ومرخصة كشركة منطقة حرة
طبقاً لقوانين وأنظمة سلطة مركز دبي للسلع المتعددة

INDEPENDENT AUDITOR'S REPORT

To,

The Shareholder,
LTI Middle East FZ-LLC,
Premise No: 101, Floor 1, Building 7,
Dubai Outsource City,
Dubai, UAE.

Report on the Financial Statements

We have audited the accompanying financial statements of **LTI Middle East FZ-LLC**, which is registered under Dubai Development Authority as a Free Zone Limited liability company, Dubai, U.A.E.

What we have audited

The company's financial statements comprising,

- The statement of financial position,
- The statement of income,
- The statement of changes in equity,
- The statement of cash flows,
- The notes to the financial statements, which include a summary of significant accounting policies.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **LTI Middle East FZ-LLC** and of its financial performance and its cash flows for the period ended March 31, 2022. We further confirm that the financial statements have been prepared in accordance with International Financial Reporting Standards and applicable financial framework under UAE Federal law no 2 of 2015 and rules and regulations of Dubai Development Authority.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements of the Company in U.A.E, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for other information. The other information comprises Directors' report set up on page 2 and 3. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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A U D I T I N G (DMCC BRANCH)
REGISTERED AND LICENSED AS A FREE ZONE COMPANY
UNDER THE RULES & REGULATIONS OF DMCCA



لتحقيق الحسابات (فرع د.م.د.س)
مسجلة ومرخصة كشركة منطقة حرة
طبقاً لقوانين وأنظمة سلطة مركز دبي للسلع المتعددة

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

Other matters

This is first year of audit from November 25, 2020 to March 31, 2022.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standard, UAE Federal law no 2 of 2015, rules and regulations of Dubai Development Authority and to implement and monitor such internal control as management determines it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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A U D I T I N G (DMCC BRANCH)
REGISTERED AND LICENSED AS A FREE ZONE COMPANY
UNDER THE RULES & REGULATIONS OF DMCCA



التحقيق المحاسباتي (فرع م.د.م.س)
مسجلة ومُرخصة كشركة منطقة حرة
طبقاً لقوانين وأنظمة سلطة مركز دبي للتسليم المتعددة

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Report on Other Legal and Regulatory Requirements

Further, as required by rules and regulations of Dubai Development Authority, we report that:

- We have obtained all the information we considered necessary for the purposes of our audit.
- The financial statements have been prepared and complied in all material respects, with applicable provisions of rules and regulations of Dubai Development Authority.
- The company has maintained proper books of accounts and the company has not invested nor purchased any shares during the period March 31, 2022.
- Based on information available to us nothing has come to our attention which causes us to believe that the company has contravened, during the financial year ended March 31, 2022, any of the applicable provisions of the rules and regulations of Dubai Development Authority or of its Articles of Association which would materially affect its activities or its financial position as at March 31, 2022.

M&M Al Menhali Auditing,

DocuSigned by:

M&M Al Menhali Auditing

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Mr. Mabkhoot Al Menhali
Auditors' Registration No: 262
Dubai, United Arab Emirates.

April 17, 2022

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LTI Middle East FZ-LLC


Dubai, U.A.E.

Statement of Financial Position**As at March 31, 2022***(In Arab Emirates Dirhams)*

	<i>Schedules</i>	March 31, 2022
Assets		
Non-current assets		
Property, plant and equipments	4	310,810
Intangible asset	5	50,351,160
Contract asset	6	1,991,053
Deposits	7	5,125,000
Total non current assets		57,778,023
Current assets		
Trade and Other receivables	8	94,021,960
Cash and cash equivalents	9	440,960
Contract asset	6	742,025
Total current assets		95,204,945
Total Assets		152,982,968
Equity and Liabilities		
Shareholder's funds		
Share capital		1,860,000
Retained earnings		8,850,688
Total shareholder's funds		10,710,688
Non Current liabilities		
Provision for end of service benefits	10	3,968,962
Borrowings from related parties	11	108,308,400
Total non current liabilities		112,277,362
Current liabilities		
Trade and other payables	12	10,899,596
Amount due to related parties	11	19,095,322
Total current liabilities		29,994,918
Total Liabilities		142,272,280
Total Equity and Liabilities		152,982,968

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

The financial statements, notes and schedules were approved by the Board on April 17, 2022 and signed on its behalf by:


Sanjeev Pramod Mulay
 General Manager



LTI Middle East FZ-LLC


Dubai, U.A.E.

Statement of Comprehensive Income**For the period ended March 31, 2022***(In Arab Emirates Dirhams)*

	<i>Notes</i>	From 25 November 2020 to 31 March 2022
Revenue	<i>13</i>	206,485,833
Cost of revenue	<i>14</i>	(169,990,933)
Gross Profit		36,494,900
General and administrative expenses	<i>15</i>	(11,443,717)
Depreciation	<i>4</i>	(52,421)
Amortisation	<i>5</i>	(12,088,840)
Total Operating Expenses		(23,584,978)
Profit from operating activities		12,909,922
Finance expenses	<i>16</i>	(4,061,112)
Other income		1,878
Net profit for the period		8,850,688

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

The financial statements, notes and schedules were approved by the Board on April 17, 2022 and signed on its behalf by:


Sanjeev Pramod Mulay
General Manager



LTI Middle East FZ-LLC

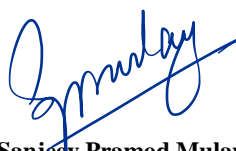
Dubai, U.A.E.

Statement of changes in equity**For the period ended March 31, 2022***(In Arab Emirates Dirhams)*

	Share capital	Retained earnings	Total
Capital introduce	1,860,000	-	1,860,000
Net profit/(loss)	-	8,850,688	8,850,688
Balance at March 31, 2022	1,860,000	8,850,688	10,710,688

The accompanying notes and schedules form an integral part of these financial

The financial statements, notes and schedules were approved by the Board on April 17, 2022 and signed on its behalf by:



Sanjeev Pramod Mulay
General Manager



LTI Middle East FZ-LLC


Dubai, U.A.E.

Statement of Cash Flows**For the period ended March 31, 2022***(In Arab Emirates Dirhams)*

	<u>March 31,</u> <u>2022</u>
Cash flows from/(used in) operating activities:	
Net profit for the period	8,850,688
Adjustments for:	
Employees' service end benefits	3,968,962
Depreciation	52,421
Amortisation of intangible asset	12,088,840
Amortisation of contract asset	165,703
Cash flows before changes in working capital	<u>25,126,614</u>
Trade and other receivables	(94,021,960)
Due to related parties	19,095,322
Trade and other payables	10,899,596
Contract asset	(2,898,781)
Net Cash flows (used in) operating activities	<u>(41,799,209)</u>
Cash flows from/(used in) investing activities:	
Purchase of Plant, property & equipments	(363,231)
Intangible asset	(62,440,000)
Non-current deposits	(5,125,000)
Net Cash flows (used in) investing activities	<u>(67,928,231)</u>
Cash flows from/(used in) financing activities:	
Capital introduced	1,860,000
Borrowings from related parties	108,308,400
Net cash flows from financing activities	<u>110,168,400</u>
Net increase in cash and cash equivalents	440,960
Cash and cash equivalents, beginning of the period	-
Cash and cash equivalents, end of the period	<u>440,960</u>
Represented by:	
Bank Balances	440,960
	<u>440,960</u>

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

The financial statements, notes and schedules were approved by the Board on April 17, 2022 and signed on its behalf by:


Sanjeev Pramod Mulay
 General Manager



LTI Middle East FZ-LLC
DUBAI, U.A.E

Notes to the Financial Statements

For the period November 25, 2020 to March 31, 2022

1. LEGAL STATUS & ACTIVITIES:

- a) **LTI Middle East FZ-LLC**, (“the Company”) is registered with Dubai Development Authority, as a Free Zone Limited Liability Company and operates under the License No. 97938 issued on November 25, 2020.

The Company also have branch in Dubai under the License no. 980620 issued by Department of Economic Development on November 23, 2021 and in Abu Dhabi under License no. CN-4052652 issued by Department of Economic Development on July 12, 2021.

- b) The Company is engaged in,
 IT Service
- Consultancy
 - Customer service
 - Developer
 - Solution provider
 - Support service provider

Software

- Consultancy
- Customer service
- Developer
- Solution provider
- Support service provider

- c) The management of the Company is vested with Mr. Sanjeev Pramod Mulay, General Manager.
- d) The company is formed on November 25, 2020 and this is the first period of its operation.
- e) The registered office is in office is in Premise No: 101, Floor 1, Building 7, Dubai Outsource City, Dubai, UAE.
- f) Authorised, issued and paid-up capital of the Company is as below:

Name of shareholder	Number of shares	Value in AED	%
Larsen and Toubro Infotech Ltd.	1,860	1,860,000	100%
Total	1,860	1,860,000	100%

2. BASIS OF PREPARATION

2.1 Basis of accounting

The financial statements of the entity are prepared in accordance with IFRS for SMEs International Financial Reporting Standards (IFRSs) for SMEs issued by the International Accounting Standards Board (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC), and comply, wherever appropriate, with the rules and regulations of rules and regulations of DMCC company regulations 2020. The requirements of the standards applied have been satisfied in full, and the financial statements therefore provide a true and fair view of the Company net assets, financial position and results of operations.

LTI Middle East FZ-LLC
DUBAI, U.A.E

Notes to the Financial Statements

For the period November 25, 2020 to March 31, 2022

The financial statements consist of Statement of financial position, statement of income, statement of changes on equity, statement of cash flows and notes comprising accounting policies and other information. In order to improve the clarity of presentation, various items in the statement of financial position and in the income statement have been combined. These items are disclosed and explained separately in the Notes.

The financial statements are prepared using accrual basis of accounting. The income statement has been classified in accordance with the nature of expense method. Cash flow has been presented under indirect method. The financial statements are prepared under the historical cost convention modified to incorporate the movements on carrying values of assets and liabilities except those assets and liabilities which are recognized at fair value as required under the relevant accounting policy.

2.2 Authorization date

Authorization date is that on which the financial statements are authorized and approved by the management. The authorization date LTI Middle East FZ-LLC is April 17, 2022.

2.3 Currency

The financial statements are presented in Arab Emirates Dirham (“AED”), which is the functional and presentation currency of the Company.

3. Accounting estimates and judgements

In the preparation of financial statements in accordance with International Financial Reporting Standards for SME (IFRS) management is required to make a number of judgements, estimates and assumptions in the application of certain accounting policies that affect the reported assets, liabilities, income and expenses. These estimates and assumptions are reviewed on an annual basis and are based on historical experiences and other factors, including expectations of future events that are assumed reasonable under the current conditions.

These assumptions and estimation uncertainties to disclose about the information related to the assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment to the financial statements.

In the absence of specific accounting requirement that applies to a particular transaction, as per IFRS for SME, management need to use judgement in developing and applying an accounting policy that results in information that is relevant to the economic decision made by the users and reliable to the financial statements. Therefore, for each transaction, management need to consider the requirement under IFRS for SME and recognition, measurement concepts for assets, liabilities, income and expense in the conceptual framework.

An entity shall change an accounting policy only if the change is required by an IFRS or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity’s financial position, financial performance or cash flows. **A change in accounting policy will be applied retrospectively.**

A change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. **Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors and are applied prospectively.**

LTI Middle East FZ-LLC
DUBAI, U.A.E

Notes to the Financial Statements

For the period November 25, 2020 to March 31, 2022

3.1 Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services, for rentals to others, or for administrative purposes; and are expected to be used for more than one period.

An item of property are recognised as an asset only if there is an economic inflow of benefits associated with the asset and the cost can be measured reliable.

Property, plant and equipment is initially recognised at historical cost which comprises of the purchase price plus all costs necessary to bring the asset to its intended use and an estimate of the costs of dismantling and removing the item, and removing the site, if required. The cost of an item of property, plant and equipment is the cash price equivalent at the recognition date. If the payment is deferred beyond normal credit terms, the cost is the present value of all future payments. After recognition of asset based on cost model then the item of property, plant and equipment is carried at cost less any accumulated depreciation and any impairment losses.

Gains and losses arising from revaluation are transferred to revaluation surplus account.

The management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation charges would be adjusted where the management believes the useful lives differ from previous estimates.

Depreciation is calculated using the straight-line method and the cost or revalued amount is allocated to its residual value using its estimated useful life as follows;

Computer systems	3 Years
------------------	---------

Property, plant and equipment's are subjected to an annual review for any indicators of impairment and if there is an indication the recoverable amount needs to be calculated.

An item of property, plant and equipment cannot be carried at more than its recoverable amount.

A decline in the value of property, plant and equipment could have a significant effect on the amounts recognised in the financial statements. Management assesses the impairment of the property, plant and equipment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Such indicators of impairment may arise from internal sources, external sources or as a result of combination of both.

A plan to dispose of an asset before the previously expected date is an indicator of impairment that triggers the calculation of the asset's recoverable amount for the purpose of determining whether the asset is impaired. **Refer Note: 4.**

3.2 Intangible Assets & Contract Assets

Intangible Assets:

An intangible asset is an identifiable non-monetary asset without physical substance.

Initially Intangible assets are capitalised at cost, only when future economic benefits are probable, and it can be reliably measured. Cost includes the purchase price together with any directly attributable expenditure.

LTI Middle East FZ-LLC
DUBAI, U.A.E

Notes to the Financial Statements

For the period November 25, 2020 to March 31, 2022

The entity assesses the probability of expected future economic benefits using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

An intangible asset shall be regarded by the entity as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. An intangible asset with an indefinite useful life shall not be amortized.

The depreciable amount of an intangible asset with a finite useful life shall be allocated on a systematic basis over its useful life. Amortization shall begin when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortization shall cease at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with IFRS 5 and the date that the asset is derecognized.

As per the agreement dated 2nd Dec 2020, between the company (Licensee) with the vendor (licensor), the licensor has granted a worldwide royalty-free, sub-licensable, perpetual, irrevocable, non-exclusive license to (and to permit the licensee's Affiliates to), use, reproduce, adapt, copy, modify or create derivative works of the Assets and the Records for any purpose the Licensee deems necessary at its discretion. The amount paid under the agreement are amortised on a straight-line basis over their estimated useful lives over 6 years. **Refer Note: 5.**

Contract Assets

During the period, the company incurred transition related expenses which are in the nature of fixed cost payable to suppliers for certain projects. The company has deferred the expenses over the period of service contracts. **Refer Note: 6**

3.3 Trade and Other receivables

Trade receivables

Trade receivables are amounts due from customers for the sale of goods or provision of services and are recognized when invoice has been issued. A receivable is recognised at the undiscounted amount of cash receivable from that entity, which is normally the invoice price. At the end of each reporting period, an assessment is made whether there is an objective evidence of impairment. Estimates of the collectible amount of trade receivable are made when collection of the full amount is no longer probable.

This estimation is performed on an individual basis. Amount which are not individually insignificant, but which are past due, are assessed collectively and an allowance applied accordingly to the length of time past due, based on historical recovery rates.

Other receivables

Other receivables are considered as current assets if they mature not more than 12 months after the balance sheet date; otherwise, they are recognised as non-current asset. It is initially recognised at fair value including transaction costs and carried at amortised cost using the effective interest method.

A prepaid expense is a type of asset that arises on balance sheet as a result of the entity making payments for goods or services to be received in the near future. While prepaid expenses are initially recorded as asset, their value is expensed over time as the benefit is received. **Refer Note: 8.**

LTI Middle East FZ-LLC
DUBAI, U.A.E

Notes to the Financial Statements

For the period November 25, 2020 to March 31, 2022

3.3 Cash and cash equivalents

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to insignificant risk of changes in value. They are held to meet short-term cash commitments instead of for investment or other purposes. They are carried at their principal amount. **Refer Note: 9.**

3.4 Related party transactions

Related party transactions are the transfer of resources, services or obligations between a reporting Company and its related parties. The related party can be a person or entity that is related to the Company a person or close member of that person's family is related to a reporting Company if the person is a member of the key management personnel or has joint control over the Company or has significant influence on the Company.

An entity is related to the reporting Company if the entity and the reporting Company are members of the same group example like subsidiary, fellow subsidiary or parent, or associate, joint venture. **Refer Note: 11.**

Common types of related party transactions for the Company are as follows:

- Transactions with its principal owners
- Transactions between entity under common control or has significant influence

The following are the related party balances for the period:

Name of related parties	Relationship	Nature of transaction	Amount
Larsen and Toubro Infotech Ltd.	Holding Company	Loan taken	55,500,000
Larsen and Toubro Infotech Financial Services Technologies Inc	Group Company	Loan taken	51,089,797
Larsen and Toubro Infotech Ltd.	Holding Company	Payable	18,179,748
Larsen and Toubro Infotech Ltd., Dubai	Group Company	Payable	570,242
Larsen and Toubro Infotech Ltd., Abu Dhabi	Group Company	Payable	281,022
Larsen and Toubro Infotech UK Ltd.	Group Company	Payable	64,310
Forex (gain)/loss on loan from Larsen and Toubro Infotech Financial Services Technologies Inc	Group Company	Loan taken	1,718,603

3.5 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Trade payables are initially recorded at fair value and subsequently measured at amortised cost using the effective interest method.

An accrued expense is an accounting expenses recognised in the accounting records before it is paid for. It is a liability and is current. These expenses are typically periodic and documented on entity's balance sheet due to high probability that they will be paid. **Refer Note: 12.**

LTI Middle East FZ-LLC
DUBAI, U.A.E

Notes to the Financial Statements

For the period November 25, 2020 to March 31, 2022

3.6 Revenue analysis

Revenue is recognised upon transfer of control of promised products or services to customers. Revenue is measured based on the consideration specified in a contract with a customer, and is reduced for volume discounts, rebates and other similar allowances.

Revenue includes gross inflows of economic benefits received or receivable by the entity on its own account. The entity excludes from revenue all amounts collected on behalf of third parties such as sales taxes, goods and services and value added taxes.

The majority of revenue is generated through consultancies related to IT services and software; the company follows below mentioned recognition criteria as outlined by IFRS for SMEs.

Revenue from services performed on fixed-price basis is recognised using the input method as defined in IFRS 15- Revenue from Contracts with customers. The Company uses efforts or cost expended to measure progress towards completion as there is a direct relationship between input and productivity. If the company does not have a sufficient basis to measure the progress of completion or to estimate total contract revenues and costs, revenue is recognised only to the extent of contract cost incurred for which recoverability is probable.

Deferred contract costs are costs to fulfil a contract which are recognised as assets and amortized over the term of the contract. **Refer Note: 13.**

3.7 Cost of revenue

Costs of revenue are the direct costs attributable in rendering the services. This amount includes the cost of the materials used in rendering the services along with the direct labour costs. **Refer Note: 14.**

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Dubai, U.A.E.

Notes to the Financial Statements**For the period ended March 31, 2022***(In Arab Emirates Dirhams)***4 Property, plant and equipments**

	Computer systems	Total
Cost:		
Opening balance	-	-
Additions for the period	363,231	363,231
At March 31, 2022	363,231	363,231
Accumulated Depreciation:		
Opening balance	-	-
Depreciation for the period	52,421	52,421
At March 31, 2022	52,421	52,421
Net book value:		
At March 31, 2022	310,810	310,810

LTI Middle East FZ-LLC

Dubai, U.A.E.

Notes to the Financial Statements**For the period ended March 31, 2022***(In Arab Emirates Dirhams)*

5	Intangible asset	<u>March 31,</u> <u>2022</u>
	License to use assets	
	Cost:	
	Additions during the period	62,440,000
		<u>62,440,000</u>
	Amortisation:	
	Amortisation for the period	12,088,840
		<u>12,088,840</u>
	Net book value	<u>50,351,160</u>
6	Contract assets	<u>March 31,</u> <u>2022</u>
	Contract assets	
	Cost:	
	Additions during the period	2,898,781
		<u>2,898,781</u>
	Amortisation:	
	Amortisation for the period	165,703
		<u>165,703</u>
	Net book value	<u>2,733,078</u>
	Non-current contract assets	1,991,053
	Current contract assets	742,025
7	Non-current deposits	<u>March 31,</u> <u>2022</u>
	Deposits	5,125,000
		<u>5,125,000</u>

LTI Middle East FZ-LLC

Dubai, U.A.E.

Notes to the Financial Statements**For the period ended March 31, 2022***(In Arab Emirates Dirhams)***8 Trade and Other receivables**

	<u>March 31,</u> <u>2022</u>
Trade receivables	64,577,616
Accrued revenue	27,289,229
Prepayments	1,305,690
Advance to vendor	168,762
Deposits	39,502
Other receivables	641,161
	<u>94,021,960</u>

Ageing analysis

	<u>March 31,</u> <u>2022</u>
Neither due nor impaired	
1-30 days	55,145,818
Due but not impaired	
31-90 days	5,725,098
91-180 days	3,622,597
More than 181 days	94,774
Less: Provision for doubtful debts	(10,671)
	<u>64,577,616</u>

9 Cash and cash equivalents

	<u>March 31,</u> <u>2022</u>
Cash at banks	440,960
	<u>440,960</u>

10 Provision for end of service benefits

	<u>March 31,</u> <u>2022</u>
Provision for the period	3,968,962
	<u>3,968,962</u>

LTI Middle East FZ-LLC

Dubai, U.A.E.

Notes to the Financial Statements**For the period ended March 31, 2022***(In Arab Emirates Dirhams)***11 Transactions with related party**

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in International Financial Reporting Standards (IFRS). Related parties comprise companies and entities under common ownership and/or common management and control; their partners and key management personnel.

The management of the Company believes that the terms of such transactions are not significantly different from those that could have been obtained from third parties in UAE.

The Company provides/receives funds to/from related parties as and when required as working capital facilities.

At the end of the reporting period, due to related parties were as follows:

Amount due to related parties

	<u>March 31,</u> <u>2022</u>
Larsen and Toubro Infotech Ltd.	55,500,000
Larsen and Toubro Infotech Ltd., Dubai	570,242
Larsen and Toubro Infotech Ltd., Abu Dhabi	281,022
Larsen and Toubro Infotech UK Ltd.	64,310
Larsen and Toubro Infotech Ltd (parent company)	18,179,748
Larsen and Toubro Infotech Financial Services Technologies Inc.	51,089,797
Forex (gain)/loss on loan from Larsen and Toubro Infotech Financial Services Technologies Inc.	1,718,603
	<u>127,403,722</u>
Due within 1 year	19,095,322
Due after 1 year	108,308,400

The nature of significant related parties transactions and the amounts are as follows:

	<u>From 25 November</u> <u>2020 to 31 March</u> <u>2022</u>
Recharge of expenses from	
Larsen and Toubro Infotech Ltd.	30,394,640
Larsen and Toubro Infotech Ltd., Dubai branch	4,880,222
Larsen and Toubro Infotech Ltd., Abu Dhabi branch	4,331,935
Larsen and Toubro Infotech UK Ltd.	66,383
Recharge of expenses to	
Overheads charged to Abu Dhabi branch	192,421

LTI Middle East FZ-LLC**Dubai, U.A.E.****Notes to the Financial Statements****For the period ended March 31, 2022***(In Arab Emirates Dirhams)*

Commission expenses	
Larsen and Toubro Infotech Ltd.	570,205
Finance charges	
Larsen and Toubro Infotech Ltd.	2,779,318
Larsen and Toubro Infotech UK Ltd.	9,316
L&T Infotech Financial Services Technologies , Inc.	1,272,477
Interest income	
Larsen & Toubro Infotech GMBH	1,878
Loan taken	
Larsen and Toubro Infotech Ltd.	55,500,000
L&T Infotech Financial Services Technologies , Inc.	51,089,797
Larsen and Toubro Infotech UK Ltd.	7,344,500
L&T Infotech Financial Services Technologies , Inc.	40,182,671
Loan repaid	
Larsen and Toubro Infotech UK Ltd.	7,344,500
L&T Infotech Financial Services Technologies , Inc.	40,182,671
Loan given	
Larsen and Toubro Infotech GMBH	1,009,136
Loan repaid	
Larsen and Toubro Infotech GMBH	1,009,136

12 Trade and other payables

	March 31,
	2022
Trade payable	188,225
Staff payable	4,371,331
Provision for expenses	6,190,878
Unearned revenue	149,162
	10,899,596

13 Revenue

	From 25 November
	2020 to 31 March
	2022
Revenue from services	206,485,833
	206,485,833

LTI Middle East FZ-LLC

Dubai, U.A.E.

Notes to the Financial Statements**For the period ended March 31, 2022***(In Arab Emirates Dirhams)***14 Cost of revenue**

**From 25 November
2020 to 31 March
2022**

Purchases during the year	1,532,805
Salaries and other benefits	122,965,332
Sub-contracting expenses	43,655,402
Amortisation of contract assets	165,703
Other direct cost	1,671,691
	169,990,933

15 General and administrative expenses

**From 25 November
2020 to 31 March
2022**

Salaries and other benefits	5,519,300
Legal and professional charges	2,365,210
Forex loss	2,252,469
Commission expenses	570,205
Bank charges	450,186
Rent	189,208
Office expenses	73,847
Conveyance and travelling expense	11,302
Provision for expected credit loss	10,671
Insurance	1,319
	11,443,717


16 Finance expenses

**From 25 November
2020 to 31 March
2022**

Interest on loan from related parties	4,061,112
	4,061,112

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

The financial statements, notes and schedules were approved by the Board on April 17, 2022 and signed on its behalf by:


Sanjeev Pramod Mulay
General Manager



LARSEN & TOUBRO INFOTECH UK LTD

ANNUAL REPORT

FOR THE YEAR ENDED MARCH 31, 2022

Annual Report and
Financial Statements for the Year Ended 31 March 2022
for
Larsen & Toubro Infotech UK Limited

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DIRECTOR:	Sudhir Chaturvedi
REGISTERED OFFICE:	6 Bevis Marks, London, England, EC3A 7BA
REGISTERED NUMBER:	12817556 (England and Wales)
AUDITORS:	PBG Associates (LONDON) LTD Statutory Auditors 77 Holyhead Road, Birmingham, England B21 0LG
BANKERS:	HSBC Bank PLC Level 18, 8 Canada Square United Kingdom

The director presents his strategic report for the year ended 31 March 2022.

Review of the business

The Company's revenue from operations for the financial year under review were GBP 33,175,902 as against GBP 903,911 for the previous financial year. The profit before tax was GBP 1,665,668 for the financial year under review as against GBP 43,301 for the previous financial year.

Principal risks and uncertainties

The director considers that financial risk relevant to the Company are credit risk, cash flow risk and liquidity risk. The Company's credit risk is primarily attributable to its trade debtors and cash flow risk to its exposure to fluctuations in foreign currency exchange rates. The Company's liquidity risk is mitigated by the Company's customer contracts which are profitable.

Development and performance and position at the end of the year

The Company recorded profit after tax of GBP 1,338,380 (FY20-21 – GBP 43,301) and turnover of GBP 33,175,902 (FY20-21 – GBP 903,911).

Financial key performance indicators

The key performance indicators that management monitors are turnover, gross margin and operating result.

ON BEHALF OF THE BOARD:



.....
Sudhir Chaturvedi - Director

Date: 14th April, 2022

The director presents his report with the financial statements of the Company for the year ended 31 March 2022.

PRINCIPAL ACTIVITY

The Company, a private limited company limited by shares, incorporated and domiciled in the United Kingdom, is engaged into providing IT services, including application development, implementation, systems integration, application maintenance, testing and support services. The Company is wholly owned subsidiary of Larsen & Toubro Infotech Limited (Incorporated in India).

DIVIDENDS

No dividends will be distributed for the period ended 31 March 2022.

DIRECTOR

Sudhir Chaturvedi was appointed as a director on 17 August 2020 and held office during the whole of the period from then to the date of this report.

THIRD PARTY INDEMNITY PROVISIONS

There are no such matters.

FINANCIAL INSTRUMENTS

Refer the accounting policies for further details on financial instruments.

FUTURE DEVELOPMENTS

The Company plans to continue to relentlessly focus on strategy which is about helping our clients navigate to digital future. It continues to build solid fundamentals, drive growth momentum and reinforce partnerships to help clients recover.

RESEARCH AND DEVELOPMENT

In a rapidly changing global landscape where disruption is the new normal, the company is leveraging technology to create sustainable advantage not only for itself but more importantly, for its clients. While the Company has the real-world expertise in diverse domains, it has also invested consciously towards building expertise in exponential technologies.

POLITICAL DONATIONS AND EXPENDITURE

The Company has made no political donations during the current period.

GOING CONCERN

In assessing the going concern assumption for the Company, we have performed a detailed review of Company's projected cash flows for period of 12 months from the date of approval of these financial statements.

The analysis also included a review of Company's financial position and performance and specific considerations was given to the inherent risks associated with Company's business model. We have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and to meet reasonably any predictable liquidity requirements. Thus, we consider that it is appropriate that Company's financial statements are prepared on the going concern basis.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with UK-adopted International Accounting Standards. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

The auditors, PBG Associates (LONDON) LTD, will be proposed for re-appointment at the forthcoming General Meeting.

ON BEHALF OF THE BOARD:



.....
Sudhir Chaturvedi - Director

Date: 14th April, 2022

Report of the Independent Auditors to the Members of Larsen & Toubro Infotech UK Limited

Opinion

We have audited the financial statements of Larsen & Toubro Infotech UK Limited (the 'Company') for the period ended 31 March 2022 which comprise the Statement of Profit or Loss, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted International Accounting Standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with UK-adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

The director has prepared the financial statement on the going concern basis as director does not intend to liquidate the Company or to cease its operations, and as director has concluded that the Company's financial position means that this is realistic. Director has also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("The going concern period").

In our evaluation of the director's conclusions, we considered our knowledge of Company and its industry, Companies current and projected cash flows, inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operation over the going concern period.

Our conclusion based on this work:

- We consider that the director's use of going concern basis of accounting in the preparation of the financial statement is appropriate;
- We have not identified, and concur with director's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategy Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Report of the Independent Auditors to the Members of Larsen & Toubro Infotech UK Limited

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Report of the Director has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Director.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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 financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below: However, the primary responsibility for the prevention and detection of fraud rests with those charged with governance of the Company. Our approach was as follows:

- We obtained a general understanding of the legal and regulatory frameworks that are applicable to the Company and obtained a general understanding of how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance matters of the Company.
- For both direct and other laws and regulations, our procedures involved: making enquiry of the directors of the Company for their awareness of any noncompliance of laws or regulations, inquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees.

Report of the Independent Auditors to the Members of Larsen & Toubro Infotech UK Limited

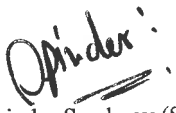
- The Company was engaged in providing IT and related services. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialist where appropriate.
- Other procedures included enquiries with the management concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of entries in the nominal ledger, including journal entries; reviewing transactions around the end of the reporting period; and the performance of analytical procedures to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.


Opinder Sawhney (Senior Statutory Auditor)
for and on behalf of PBG Associates (LONDON) LTD
Statutory Auditors
77 Holyhead Road,
Birmingham,
England B21 0LG

Date: 14th April, 2022

Statement of Profit or Loss for the Year Ended 31 March 2022

	Notes	Year Ended 31.3.22 £	Period 17.8.20 to 31.3.21 £
CONTINUING OPERATIONS			
Revenue	4	33,175,902	903,911
Cost of sales		<u>(26,434,450)</u>	<u>(844,554)</u>
GROSS PROFIT		6,741,452	59,357
Other income	5	2,902,368	-
Administrative expenses		<u>(7,978,152)</u>	<u>(16,056)</u>
OPERATING PROFIT		<u>1,665,668</u>	<u>43,301</u>
PROFIT BEFORE INCOME TAX	6	1,665,668	43,301
Income tax and deferred tax	8	<u>(327,288)</u>	<u>-</u>
PROFIT FOR THE YEAR		<u>1,338,380</u>	<u>43,301</u>

Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 31 March 2022

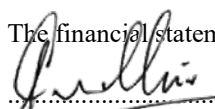
	Year Ended 31.3.22 £	Period 17.8.20 to 31.3.21 £
PROFIT FOR THE YEAR	1,338,380	43,301
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>1,338,380</u>	<u>43,301</u>

The notes form part of these financial statements

Statement of Financial Position 31 March 2022

	Notes	31.3.22 £	31.3.21 £
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	9	17,351	-
Property, plant and equipment	10	453,857	-
Right of use assets	16	272,365	-
Deferred tax assets	8	13,736	-
		<u>757,309</u>	<u>-</u>
CURRENT ASSETS			
Trade and other receivables	11	8,217,245	995,963
Cash and cash equivalents	12	49,876	28,976
		<u>8,267,121</u>	<u>1,024,939</u>
TOTAL ASSETS		<u>9,024,430</u>	<u>1,024,939</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	13	1,000	1,000
Retained earnings	14	1,381,681	43,301
TOTAL EQUITY		<u>1,382,681</u>	<u>44,301</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities	16	261,866	-
CURRENT LIABILITIES			
Trade and other payables	15	6,991,378	980,638
Contract liabilities	4	360,121	-
Lease liabilities	16	28,384	-
		<u>7,379,883</u>	<u>980,638</u>
TOTAL LIABILITIES		<u>7,641,749</u>	<u>980,638</u>
TOTAL EQUITY AND LIABILITIES		<u>9,024,430</u>	<u>1,024,939</u>

The financial statements were approved by the director and authorised for issue on April 14, 2022 and were signed by:



Suchir Chaturvedi - Director

Statement of Changes in Equity for the Year Ended 31 March 2022

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	1,000	-	1,000
Total comprehensive income	<u>-</u>	<u>43,301</u>	<u>43,301</u>
Balance at 31 March 2021	<u>1,000</u>	<u>43,301</u>	<u>44,301</u>
Changes in equity			
Total comprehensive income	<u>-</u>	<u>1,338,380</u>	<u>1,338,380</u>
Balance at 31 March 2022	<u>1,000</u>	<u>1,381,681</u>	<u>1,382,681</u>

Statement of Cash Flows for the Year Ended 31 March 2022

	Notes	Year Ended 31.3.22 £	Period 17.8.20 to 31.3.21 £
Cash flows from operating activities			
Cash generated from operations	1	135,911	27,976
Net cash from operating activities		<u>135,911</u>	<u>27,976</u>
Cash flows from investing activities			
Purchases of tangible assets		<u>(115,011)</u>	<u>-</u>
Net cash from investing activities		<u>(115,011)</u>	<u>-</u>
Cash flows from financing activities			
Share issue		<u>-</u>	<u>1,000</u>
Net cash from financing activities		<u>-</u>	<u>1,000</u>
Increase in cash and cash equivalents			
Cash and cash equivalents at beginning of year	2	28,976	-
Cash and cash equivalents at end of year	2	<u>49,876</u>	<u>28,976</u>

Notes to the Statement of Cash Flows for the Year Ended 31 March 2022

1. **RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	Year Ended 31.3.22 £	Period 17.8.20 to 31.3.21 £
Profit before income tax	1,665,668	43,301
Depreciation charges	<u>42,612</u>	<u>-</u>
	1,708,280	43,301
Increase in trade and other receivables	(7,221,282)	(995,963)
Increase in trade and other payables	5,288,792	980,638
Increase in contract liabilities	<u>360,121</u>	<u>-</u>
Cash generated from operations	135,911	27,976

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2022

	31.3.22 £	31.3.21 £
Cash and cash equivalents	<u>49,876</u>	<u>28,976</u>

Period ended 31 March 2021

	31.3.21 £	17.8.20 £
Cash and cash equivalents	<u>28,976</u>	-

1. **STATUTORY INFORMATION**

Larsen & Toubro Infotech UK Limited is a private company, limited by shares, registered in England and Wales. The registered number is 12817556 and the registered address is 6 Bevis Marks, London, England, EC3A 7BA. The principal activities of the Company to provide IT services, including application development, implementation, systems integration, application maintenance, testing and support services.

2. **ACCOUNTING POLICIES**

Basis of preparation

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into UK law and became UK-adopted International Accounting Standards, with future changes being subject to endorsement by the UK Endorsement Board. The Company financial statements have been transitioned, prepared and approved by the directors in accordance with UK-adopted International Accounting Standards. This change constitutes a change in accounting framework. However, there is no impact on recognition, measurement or disclosure in the period reported as a result of the change in framework.

Besides UK-adopted International Accounting Standards, these financial statements also comply with the requirements of the Companies Act 2006 as applicable to this company.

The financial statements are prepared on the historical cost basis except where IFRSs require an alternative treatment.

Adoption of new and revised standards

The following international financial reporting standards (IFRSs') and interpretations were in issue and applicable to periods commencing on or after 01 April 2021:

Amendments to IFRS 7, IFRS 4 and IFRS 16 Interest rate benchmark reform – phase 2

Amendments to IFRS 4 Insurance Contracts – deferral of IFRS 9 (issued on 25 June 2020)

Amendment to IFRS 16, 'Leases' – Covid-19 related rent concessions Extension of the practical expedient

None of above standard/amendments had a material impact on the company financial statement.

New Standards and amendments issued but not yet applied

The Company does not consider that any standards or interpretations issued will have a significant impact on the company's financial statements.

Going concern

In assessing the going concern assumption for the Company, the director has performed a detailed review of company's projected cash flows for period of at least 12 months from the date of approval of these financial statements. The analysis also included a review of Company's financial position and performance along with specific considerations given to the inherent risks associated with company's business model. The director has, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and to meet reasonably any predictable liquidity requirements. Thus, it is considered appropriate that Company's financial statements are prepared on the going concern basis.

2. **ACCOUNTING POLICIES - continued**

Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to customers. Revenue is measured based on the consideration specified in a contract with a customer, and is reduced for volume discounts, rebates and other similar allowances.

Revenue from contracts priced on time and material basis is recognised when services are rendered and the related costs are incurred.

Revenue related to fixed price maintenance and support services contracts shall be recognized on a pro-rata basis over the period for which services are rendered / milestones defined

Revenue from services performed on fixed-price basis which are generally time bound, shall be recognized over the life of the project based on percentage completion method for the defined Performance Obligation with contract costs determining the degree of completion. When total cost estimates exceed revenue in arrangement, the estimated losses are recognised in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

Revenue from sale of licenses / hardware, where the customer obtains a "right to use" the licenses / hardware is recognised at the point in time when the related license / hardware is made available to the customer. Revenue from licenses / hardware where the customer obtains a "right to access" is recognised over the access period. Where right to consideration is unconditional upon passage of time is classified as a financial asset however, for fixed price development contracts, where milestone is not due as per contract terms as on date of reporting, the same is classified as non-financial asset. 'Unearned & deferred revenue' (contract liabilities) represent billing in excess of revenue recognised. Deferred contract costs are costs to fulfil a contract which are recognised as assets and amortized over the term of the contract.

2. **ACCOUNTING POLICIES - continued**

Financial instruments

Classification of financial instruments issued by the company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) They include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Financial assets and financial liabilities are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

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

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

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

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

Despite therefore going, the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

2. **ACCOUNTING POLICIES - continued**

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any loss allowance. Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

Impairment of financial assets (including trade receivables)

The Company always recognises lifetime ECL for trade and receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes various external sources of actual and forecast economic information that relate to the company's core operations.

In particular, the following information is considered when assessing whether credit risk has increased significantly since initial recognition:

- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g., a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor.

2. **ACCOUNTING POLICIES - continued**

Irrespective of the outcome of the above assessment, the company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the company has reasonable and supportable information that demonstrates otherwise.

Despite the afore going, the company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The company considers a financial asset to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition.

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

The company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Non-financial assets

The carrying amounts of the Company'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.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

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

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2. **ACCOUNTING POLICIES - continued**

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the statement of profit and loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. A deferred tax asset is recognised only to the extent that it is probable that future profits will be available against which the temporary difference can be utilised. The directors make an assessment of future profits based on historical experience and various other forecasting judgements and assumptions. Where it is not deemed probable that future profits will be available, the deferred tax asset is not recognised to this extent. 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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized based on the 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 when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity respectively).

Foreign currencies

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

2. **ACCOUNTING POLICIES - continued**

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents, loans and borrowings and trade and other payables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Finance costs

Interest expense and similar charges are expensed in the profit and loss statement on the period in which they are incurred, except to the extent that they are capitalised as being attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognised in the profit and loss statement using the effective interest method.

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 realisable 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. Where 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 some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Classification of exceptional items

Judgement is required in classifying items as exceptional. Management have considered items to be exceptional if they are material and one off in nature.

Financial Liabilities and Equity Instruments

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered and the definitions of a financial liability and an equity instrument.

Equity instruments

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

Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortized cost using the effective interest method.

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

2. **ACCOUNTING POLICIES - continued**

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

3. **ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of the financial information requires the directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgements in applying the entity's accounting policies

Management is of the opinion that there is no application of judgement expected to have a significant effect on the amounts recognised in the financial statements.

(ii) Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future period. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year are discussed below:

(iii) Income taxes

Significant judgment is required in determining the provision for unsettled trade receivables and deductibility of such amount from the income during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred income tax provisions in the year in which such determination is made.

(iv) Use of significant judgements in revenue recognition

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Further, the Company uses significant judgements while determining the transaction price to be allocated to performance obligations. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

4. **REVENUE**

Turnover and segment analysis

	Year ended 31.03.2022	Period 17.08.20 to 31.3.21
	£	£
Software consultancy services and sale of products	<u>33,175,902</u>	<u>903,911</u>

Segment Analysis

The principal activities of the company to provide IT services, including application development, implementation, systems integration, application maintenance, testing and support services and the Chief Operating Decision Maker assessed the business performance of the Company as a whole. Accordingly, there are no reportable segments.

Revenue

	Year ended 31.03.22	Period 17.08.20 To 31.3.21
	£	£
United Kingdom	18,688,816	903,911
Unites States of America	14,487,086	-
	<u>33,175,902</u>	<u>903,911</u>

All the non-current assets are located in the United Kingdom.

Contract balances

	Year Ended 31.3.22	Period 17.8.20 to 31.3.21
	£	£
Contract liabilities	<u>360,121</u>	<u>-</u>

5. **OTHER INCOME**

	Year Ended 31.3.22 £	Period 17.8.20 to 31.3.21 £
Recoveries from Group Companies	2,821,021	-
Others	81,347	-
	<u>2,902,368</u>	=

6. **PROFIT BEFORE INCOME TAX**

The profit before income tax is stated after charging/(crediting):

	Year Ended 31.3.22 £	Period 17.8.20 to 31.3.21 £
Foreign exchange (gains)/losses	<u>(78,936)</u>	<u>(652)</u>

7. **AUDITORS REMUNERATION**

	Year Ended 31.3.22 £	Period 17.8.20 to 31.3.21 £
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	11,000	8,000

8. **INCOME TAX**

No liability to UK corporation tax arose for the period.

	31.3.22	31.3.21
	£	£
Analysis of tax expense		
Profit on ordinary activities before tax	1,665,668	43,301
Profit on ordinary activities multiplied by the standard rate of Corporation tax in the UK of 19%	316,477	8,227
Effects of:		
Group relief received *	-	(8,227)
Expenses not allowed as deductions	32,663	-
Capital Allowances	(21,851)	-
Current tax and deferred tax charge in the statement of profit & loss	327,289	-

* Deferred tax asset on the tax losses in the books of Larsen & Toubro Infotech Limited (UK Branch) were transferred to the Company during the year since they were allowed to be offset against the profits of the Company as per the group relief available. Deferred tax expense pertains to the utilisation of these losses and reversal of the created deferred tax asset.

9. **INTANGIBLE ASSETS**

	Computer software £
COST	
Transfers *	<u>18,677</u>
At 31 March 2022	<u>18,677</u>
AMORTISATION	
Amortisation for the year	<u>1,326</u>
At 31 March 2022	<u>1,326</u>
NET BOOK VALUE	
At 31 March 2022	<u>17,351</u>

* In the current year, the intangible assets of Larsen & Toubro Infotech Limited (UK Branch) have been transferred to the Company.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

10. **PROPERTY, PLANT AND EQUIPMENT**

	Leasehold Improvements £	Computers and related equipments £	Furniture and Fixtures £	Office Equipments £	Total £
COST					
Transfers *	127,368	70,430	178,450	955	377,204
Additions	-	102,840	-	12,171	115,011
At 31 March 2022	<u>127,368</u>	<u>173,270</u>	<u>178,450</u>	<u>13,126</u>	<u>492,215</u>
DEPRECIATION					
Depreciation for the year	5,068	30,155	2,254	880	38,358
At 31 March 2022	<u>5,068</u>	<u>30,155</u>	<u>2,254</u>	<u>880</u>	<u>38,358</u>
NET BOOK VALUE					
At 31 March 2022	<u>122,299</u>	<u>143,115</u>	<u>176,196</u>	<u>12,247</u>	<u>453,857</u>

* In the current year, the property, plant and equipment of Larsen & Toubro Infotech Limited (UK Branch) have been transferred to the Company.

11. **TRADE AND OTHER RECEIVABLES**

	31.3.22	31.3.21
	£	£
Current:		
Trade receivables	5,318,638	622,887
Amounts owed by group undertakings	1,320,172	11,664
Other debtors	88,038	-
Prepayments	277,578	-
Accrued income	<u>1,212,819</u>	<u>361,412</u>
	<u>8,217,245</u>	<u>995,963</u>

11. **TRADE AND OTHER RECEIVABLES - continued**

Aging of trade receivables (which are included in trade and other receivables), based on invoice date and net of allowance of doubtful debts, is as follows:

	£	£
Not Due	3,341,113	503,328
Within 30 days	1,004,439	119,559
31-60 days	355,610	-
61-180 days	606,582	-
181 days and more	10,894	-
Total	5,318,638	622,887

12. **CASH AND CASH EQUIVALENTS**

	31.3.22	31.3.21
	£	£
Cash at bank	<u>49,876</u>	<u>28,976</u>

13. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.22	31.3.21
			£	£
1,000	Allotted, called up and fully paid	£1	<u>1,000</u>	<u>1,000</u>

14. **RESERVES**

	Retained earnings
	£
At 1 April 2021	43,301
Profit for the year	<u>1,338,380</u>
At 31 March 2022	<u>1,381,681</u>

15. **TRADE AND OTHER PAYABLES**

	31.3.22	31.3.21
	£	£
Current:		
Amounts owed to group undertakings	3,108,391	780,407
Social security, VAT and other taxes	1,231,187	85,716
Employee related liabilities	1,775,354	-
Accrued expenses	787,114	114,515
Other payables	<u>89,332</u>	<u>-</u>
	<u>6,991,378</u>	<u>980,638</u>

16. **RIGHT OF USE ASSETS AND LEASE LIABILITIES**

The lease contract of the Larsen and Toubro Infotech Limited's (UK branch) has been transferred to the Company on 1st March, 2022 and accordingly the right of use assets and lease liabilities pertaining to these contracts have also been transferred.

The Company has lease contracts for premises typically ranging from 7 to 8 years. Each lease payment is allocated between the principal payment of lease liabilities and interest expense on the lease liabilities. The interest expense is charged to the profit and loss account over the lease term by using the effective interest rate method. The right of use assets are depreciated on a straight line basis over the term of the lease.

Right of Use Assets

	£
COST	
Transfers *	275,294
At 31 March 2022	<u>275,294</u>
DEPRECIATION	
Depreciation for the year	2,929
At 31 March 2022	<u>2,929</u>
NET BOOK VALUE	
At 31 March 2022	<u>272,365</u>
Lease Liabilities	
Balance as at April 1, 2021	-
Transfers *	288,435
Interest expense	1,815
Lease payments	-
Balance as at March 31, 2022	290,250

* In the current year, right of use assets and lease liabilities of Larsen & Toubro Infotech Limited (UK Branch) have been transferred to the Company.

Amounts recognised in the Income Statement

	31.3.22	31.3.21
Interest Expense	1,815	-
Depreciation	2,929	-

17. **FINANCIAL INSTRUMENTS**

Financial risk management

Senior management and the directors have overall responsibility for the oversight of the Company's risk management framework. Senior management and directors review and manage risk on an ad hoc basis when required through specific consideration of transactions. When identified, agreed actions are taken to mitigate these risks.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation and arises principally from the company's receivables.

The Company has no significant concentrations of credit risk. The trade receivables balance is spread across different customers. The Company has policies in place to ensure that agreements are made with customers with an appropriate credit history. The Company only sells to customers that are credit-worthy. The Company monitors the credit-worthiness of counterparties using publicly available information. As a result, the Company's exposure to bad debts is not significant.

The company is also exposed to credit risk arising from other financial assets, which comprise of cash. The Company's exposure to credit risk arises from the default of the counterparty with a maximum exposure equal to the carrying value of these instruments if a counterparty to a financial instrument fails to meet its contractual obligation.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due by ensuring that there is sufficient cash or working capital facilities to meet the Company's cash requirements.

The risk is measured by review of forecast liquidity each month to determine whether there are sufficient credit facilities to meet forecast requirements. These continue to demonstrate the strong cash generating ability of the business and its ability to operate within existing agreed facilities.

Market risk

Market risk is the risk that changes in the market prices, such as foreign exchange rates and interest rates will affect the Company's income. The Company's exposure to market risk predominately relates to foreign currency risk. The Company has no borrowings or investments in interest bearing instruments, resulting in no interest rate risk.

Foreign currency risk

The Company operates internationally and is, therefore, exposed to the foreign exchange risk, which could impact revenue, costs, margins, and profits. The Company transacts with customers in Euro and US dollar.

The following table shows the extent to which the Company has monetary assets and monetary liabilities at the balance sheet date in currencies other than the local currency of operation. Monetary assets and liabilities refer to cash and trade receivables (including amounts due from group undertakings), trade payables (including amounts due from group undertakings) to be received or paid in cash.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

	31.3.22	31.3.22	31.3.21	31.3.21
	Monetary assets	Monetary Liabilities	Monetary assets	Monetary Liabilities
	£	£	£	£
US dollar	4,190,773	-	159,708	-
Euro	463,617	256,290	117,013	13,552

Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The Board's policy is to retain a strong capital base to maintain investor, creditor, and market confidence and to sustain future growth. The directors regularly monitor the level of capital in the company to ensure that this can be achieved.

Fair value disclosures

The fair value of each class of financial assets and liabilities approximates their carrying amounts due to a short maturity. The financial assets to which this applies are

- (i) cash and cash equivalents and
- (ii) trade and other receivables (other than prepayments and accrued income)

The financial liabilities comprise of trade and other payables (other than amounts owed for social security, VAT and other taxes)

Fair value hierarchy

Financial instruments carried at fair value should be measured with reference to the following levels:

- Level 1: quoted prices 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 prices) and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

All financial instruments carried at fair value have been measured using a Level 2 valuation method.

The fair value of the financial assets and liabilities are equal to carrying values.

Foreign exchange rate sensitivity analysis

The table below shows the Company's sensitivity to foreign exchange rates for its US dollar and Euro, the major currencies in which the outstanding balances are denominated.

	31.3.22	31.02.21
	Increase/ (decrease in equity)	Increase/ (decrease in equity)
	£	£
10% appreciation in the US dollar	380,979	15,971
10% depreciation in the US dollar	(380,979)	(15,971)
10% appreciation in the Euro	18,848	10,346
10% depreciation in the Euro	(18,848)	(10,346)

A strengthening / weakening of sterling, as indicated, against the US dollar and Euros at each period would have increased / (decreased) retained earnings by the amounts shown above. This analysis is based on foreign exchange rate variances that the Company considers to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables remain constant.

18. **ULTIMATE PARENT COMPANY**

The company's ultimate parent company and controlling party is Larsen and Toubro Limited, incorporated in India and listed on the Indian stock exchange. The company office address is L & T House, Ballard Estate Mumbai MH 400001. The company's immediate parent company is Larsen and Toubro Infotech Limited (Incorporated in India).

19. **RELATED PARTY DISCLOSURES**

Balances Outstanding

Payables	31.03.2022	31.03.2021
Larsen and Toubro Infotech Ltd (including branches)	3,003,036	780,407
L&T Infotech Canada Limited	10,583	-
Larsen & Toubro Infotech Norge AS	2,125	-
Nielsen + Partner Unternehmensberater AG	50,374	-
L&T Technology Services Limited	42,274	-
Total	3,108,391	780,407

Receivables

Syncordis Limited	1,027,497	-
Larsen & Toubro Infotech GmbH	236,257	-
L&T Infotech South Africa Pty Ltd	15,843	-
Syncordis SA, Luxembourg	15,843	-
LTI Middle East FZ-LLC	13,343	-
L&T Information Technology Spain SL	6,326	-
L&T Infotech Financial Services Technologies Inc.	2,015	-
L & T Information Technology Services Shanghai Limited	77	-
L&T LTD	2,239	-
Mindtree Limited	732	-
Ruletronics Limited	-	11,664
Total	1,320,172	11,664

Transactions during the year

Revenue

Larsen and Toubro Infotech Ltd (including branches)	15,614,588	-
Ruletronics Limited	122,620	34,056
Syncordis Limited	780,282	-
	16,517,490	34,056

Cost of Sales

L&T Technology Services Limited	118,433	-
Larsen and Toubro Infotech Ltd (including branches)	10,998,403	632,058
Ruletronics Limited	10,800	-
	11,127,636	632,058

	31.03.2022	31.03.2021
Overheads charged by parent and other related parties		
Larsen and Toubro Infotech Ltd (including branches)	2,625,036	115,819
L&T Information Technology Spain SL	7,256	-
L&T Infotech Canada Limited	10,703	-
Larsen & Toubro Infotech Norge AS	20,565	-
Nielsen + Partner Unternehmensberater AG	223,759	-
	2,887,318	115,819
Overheads charged to parent and other related parties		
Larsen and Toubro Infotech Ltd (including branches)	3,216,187	-
L & T Information Technology Services Shanghai Limited	77	-
L&T Information Technology Spain SL	37,254	-
L&T Infotech Canada Limited	3,306	-
L&T Infotech Financial Services Technologies Inc.	21,986	-
L&T Infotech South Africa Pty Ltd	15,843	-
L&T Ltd	2,239	-
L&T Technology Services Limited	610	-
Larsen & Toubro Infotech GmbH	236,257	-
Larsen & Toubro Infotech Norge AS	18,440	-
LTI Middle East FZ-LLC	13,343	-
Mindtree Limited	610	-
Syncordis SA, Luxembourg	15,843	-
Syncordis Limited	80,035	-
	3,662,029	-
Interest charged		
LTI Middle East FZ-LLC	1,856	-
L&T Information Technology Spain SL	555	-
	2,411	-
Transfer of assets and liabilities from Larsen and Toubro Infotech Ltd (UK Branch)		
Fixed Assets transferred	395,881	
Right of Use Assets transferred	275,294	
Lease liabilities transferred	292,550	
Employee payables transferred	1,172,542	

20. LEASING

Minimum lease payments (undiscounted) fall due as follows:

	31.3.22	31.3.21
	£	£
Within one year	49,375	-
One to five years	197,500	-
More than five years	<u>189,547</u>	<u> </u>
	436,422	-

21. EMPLOYEES AND DIRECTORS

	Year ended 31.3.22	Period from 17.8.20 to 31.3.21
Salary cost (including pension)	18,824,915	-

The number of employees, including directors, as at year end was as follows:

	31.3.22	31.3.21
Management and administration	19	-
Production and services	166	-
Support	<u>6</u>	=
	191	-

Directors Remuneration

	Year ended 31.3.22	Period from 17.8.20 to 31.3.21
Directors remuneration*	850,065	-

* Includes leave encashment provision as well as provision for variable pay for the year. Further £ 783,419 has been charged back to other group companies.

22. POST BALANCE SHEET EVENTS

There are no significant events post the balance sheet date that require disclosure.