

3i INFOTECH DIGITAL BPS LIMITED
(FORMERLY 3i INFOTECH BPO LIMITED)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31,2023

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF 3I INFOTECH DIGITAL BPS LIMITED****Report on the Audit of the Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of **3I INFOTECH DIGITAL BPS LIMITED** (Formerly known as **3I INFOTECH BPO LIMITED**) ("*the Company*") which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to financial statements, including a summary of significant accounting policies (hereinafter referred to as the "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance, but does not include the Ind AS financial statements and our auditor's report thereon. The above stated reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above stated reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws and regulations.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements 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, 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.

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

Auditor's Responsibilities for the Audit of the Ind AS 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 skepticism 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS 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.

Report on Other Legal and Regulatory Requirements

- (v) 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 Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (vi) 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 Ind AS financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.



- c) The Financial accounting system of the company is centralized and therefore accounting return are not required to be submitted by branches and other offices.
- d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- e) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) In our opinion, there are no financial transactions or matters which have any adverse effect on the functioning of the company.
- g) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- h) There is no adverse remark relating to the maintenance of accounts and other matters connected therewith.
- i) With respect to adequacy of internal financial controls over financial reporting 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 over financial reporting.**
- j) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position as referred to Note 25 to the Ind AS financial statement.
 - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - (iii) There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv)
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company has not declared or paid any dividend during the year, therefore the provisions of section 123 of the Act is not applicable.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- (3) According to the information and explanations given to us, no remuneration has been paid by the company to any of its directors. Accordingly, provision of Section 197 of the act relating to the remuneration to directors are not applicable.

For GMJ & Co
Chartered Accountants
FRN.: 103429W

Madhu Jain

CA Madhu Jain
Partner
M. No.: 155537
UDIN: 231555 37BGWQ FM2013
Place: Mumbai
Date: May 06, 2023



Re: 3I INFOTECH BPO LIMITED

Annexure 'A' to the Independent Auditors' Report

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the company's Property, plant and equipment and intangible assets.
 - a)
 - (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
 - (B) The company does not have any Intangible Asset and hence reporting under paragraph 3(i)(b) of the order is not applicable.
 - b) Property, Plant and Equipment have been physically verified by the management at regular intervals, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) According to the information and explanation given to us and on the basis of examination of records of the Company, the Company does not hold any immovable property and hence reporting under paragraph 3(i)(c) of the order is not applicable.
 - d) The Company has not revalued any of its Property, Plant and Equipment during the year and hence reporting under paragraph 3(i)(d) of the order is not applicable.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - a) As the Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories during the year and hence reporting under paragraph 3(ii)(a) of the Order is not applicable.
 - b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore in aggregate from the banks on the basis of security of current assets and hence reporting under paragraph 3(ii)(b) of the Order is not applicable.



- iii. The Company has not made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to parties, during the year, and hence reporting under clause 3(iii)(a) and 3(iii)(b) of the Order is not applicable.
- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year and The Company has not provided any secured loans, to companies, firms, limited liability partnership or any other parties during the year. However, the Company has made investments in companies and granted unsecured loans to companies, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms and limited liability partnership.
- b. According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made are, prima facie, not prejudicial to the interest of the Company.
- c. In respect of existing loans outstanding, the schedule of repayment of principal and interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and also are regular in payment of interest.
- d. In respect of existing loans outstanding as on March 31, 2023, there is no amount which was overdue during the year.
- e. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. In our opinion and according to the information and explanations given to us, during the year, the Company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under section 185 and section 186 of the Companies Act, 2013.
- v. The Company has not accepted deposits from public within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act 2013, for any of the services rendered by the Company and hence reporting under paragraph 3(vi) of the Order is not applicable.



vii. In respect of statutory dues:

- a) According to the information and explanations given to us and on the basis of examination of records of the Company, no undisputed amounts payable in respect of provident fund, Employees' State insurance, income tax, goods and service tax, duty of customs, cess and other material statutory dues were in arrears as at March 31, 2023 for a period more than six months from the date they became payable except mentioned below:

Particulars	Amount
Labour Welfare Fund	27,926

- b) According to the books of accounts and records as produced and examined by us in accordance with the generally accepted auditing practices in India, as at March 31, 2023, the following are the particulars of the dues that have not been deposited on the account of dispute.

Name of the Statute	Nature of the Dues	Amount in Rs	Forum where dispute is pending	Financial year to which the amount relates
Employee's State Insurance Act, 1948	Employees State Insurance- (ESIC)	5,47,402	Tis Hazeri Court, New Delhi	2006-2007
Income Tax Act, 1961	Income Tax	47,12,076	Commissioner of Income Tax Appeals	2009-2010
Income Tax Act, 1961	Income Tax	9,05,891	Commissioner of Income Tax Appeals	2012-2013
Income Tax Act, 1961	Income Tax	2,19,443	Commissioner of Income Tax Appeals	2012-2013
Income Tax Act, 1961	Income Tax	17,47,624	Commissioner of Income Tax Appeals	2013-2014

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).

ix.

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
 - d) On an overall examination of the financial statements of the Company, the company has not raised any funds on short -term basis and hence Paragraph 3(ix)(d) of the order is not applicable.
 - e) According to the information and explanations given to us and on an overall examination of the standalone 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 as defined under the Act. The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2023.
 - f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2023.
- x.
- a. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the and hence reporting under paragraph 3(x)(a) of the order is not applicable.
 - b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under paragraph 3(x)(b) of the Order is not applicable.
- 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 fraud by or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
 - b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.



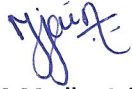
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- xiii. According to information and explanations given us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and details of such transactions have been disclosed in the Ind AS financial statements as required by Ind AS 24, Related Party Disclosures specified under section 133 of the Act read with the relevant rules issued thereunder. Refer Note 26 to the Ind AS financial statements.
- xiv.
- a) In our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to information and explanations given to us and based on our examination of records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him and hence reporting under paragraph 3 (xv) of the Order is not applicable.
- xvi.
- a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(a) and (b) 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)(c) and (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- 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 information and explanation given to us and on the basis of our examination of the records of the Company, section 135 is not applicable to the company and hence reporting under clause 3(xx)(a) and (xx)(b) of the Order is not applicable for the year.

For GMJ & Co
Chartered Accountants
FRN: 103429W



CA Madhu Jain
Partner

M. No.: 155537

UDIN: 231555 37BGWQ FM2013

Place: Mumbai

Date: May 06, 2023



Re: 3I INFOTECH DIGITAL BPS LIMITED

Annexure – ‘B’ to the Auditors’ Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of 3i Infotech Digital BPS Limited of even date)

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

(Referred to in paragraph 2(i) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of 3i Infotech Limited of even date)

We have audited the internal financial controls over financial reporting of “**3I INFOTECH DIGITAL BPS LIMITED**” (Formerly known as **3I INFOTECH BPO LIMITED**) (“the Company”) as of March 31, 2023 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 (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 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 financial statements.

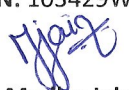
Inherent Limitations of Internal Financial Controls over Financial Reporting

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, 2023 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 GMJ & Co
Chartered Accountants
FRN: 103429W


CA Madhu Jain
Partner
M. No.: 155537
UDIN: 231555 37BGWQ FM2013
Place: Mumbai
Date: May 06, 2023



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
BALANCE SHEET AS AT MARCH 31, 2023

(Amount in INR Lakhs)

Particulars	Note No.	As on March 31, 2023	As on March 31, 2022
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	41.15	7.99
(ai) Right of use assets	3	-	-
(b) Financial Assets			
(i) Investment	4 (a)	1.00	-
(ii) Other Financial Assets	4 (c)	1.75	1.59
(c) Deferred Tax Asset (Net)	5	62.12	89.32
(d) Other Non-Current Assets	6	651.47	381.07
		757.49	479.97
(2) Current assets			
(a) Financial Assets			
(i) Trade Receivables	7	826.06	607.68
(ii) Cash and Cash Equivalents	8	153.43	158.37
(iii) Loan	4 (b)	2,713.84	3,143.93
(iv) Other Financial Assets	4 (c)	878.87	630.59
(b) Other Current Assets	6	978.15	1,173.27
		5,550.34	5,713.84
		6,307.83	6,193.82
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	9	10.00	10.00
(b) Other Equity	10	5,309.11	5,072.12
		5,319.11	5,082.12
Liabilities			
(1) Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	18.93	-
(ia) Lease Liabilities	13	163.79	158.59
(b) Provisions			
		182.72	158.59
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	4.33	-
(ia) Lease Liabilities			
(ii) Trade Payables	12		
(A) Total outstanding dues of micro enterprises and small		6.98	43.69
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		164.63	544.08
(iii) Other Financial Liabilities	14	345.78	178.49
(b) Other Current Liabilities	15	188.70	136.00
(c) Provisions	13	95.60	50.85
		806.01	953.11
TOTAL EQUITY AND LIABILITIES		6,307.83	6,193.82

Significant Accounting Policies and Notes forming part of the Financial Statements 1 to 47

As per our report of even date attached

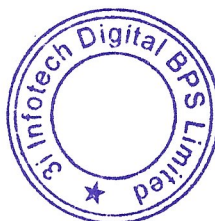
For and on behalf of the board

For GMJ & Co
Chartered Accountants
F.R.No. 103429W

Madhu Jain

Madhu Jain
Partner

M.No.: 155537
UDIN : 231555 37BGWQ FM2013
Place :Navi Mumbai
Date : May 06, 2023



Kiran Chittar

Kiran Chittar
Director
DIN : 09447892
Place :Navi Mumbai
Date : May 06, 2023

Ajay Kumar

Ajay Kumar
Director
DIN:07652605

3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Amount in INR Lakhs)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
REVENUE			
(I) Revenue from operations	16	8,963.75	6,134.39
(II) Other income	17	267.08	306.17
(III) Total Income (I+II)		9,230.83	6,440.57
(IV) EXPENSES			
Employee benefits expense	18	5,222.90	3,593.45
Cost of third party products and services	19	2,949.10	1,424.69
Finance costs	20	1.07	5.03
Depreciation and amortization expense	21	6.60	12.82
Other expenses	22	615.91	739.26
Total Expenses (IV)		8,795.57	5,775.26
(V) Profit/(loss) before exceptional items and tax (III-IV)		435.26	665.31
Exceptional Items		-	-
(VI) Profit/(loss) before tax		435.26	665.31
(VII) Tax expense:			
Current tax		123.43	189.00
Adjustment of tax relating to earlier periods		-	-
Deferred tax		39.19	(20.96)
Mat Credit Entitlement		-	-
(VIII) Profit/(loss) for the period (VI-VII)		272.64	497.26
(IX) Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:			
Remeasurement of gains (losses) on defined benefit plans		(47.64)	(3.99)
Income tax effect		11.99	1.00
Other Comprehensive income for the year, net of tax		(35.65)	(2.99)
(X) TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		236.99	494.27
Earnings per share for profit attributable to equity shareholders	23		
(1) Basic EPS		272.64	497.26
(2) Dilluted EPS		272.64	497.26

Significant Accounting Policies and Notes forming part of the Financial Statements 1 to 47

As per our report of even date attached

For GMJ & Co

Chartered Accountants

F.R.No. 103429W

Madhu Jain

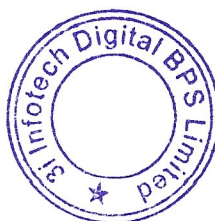
Partner

M.No.: 155537

UDIN : 231555 37BGWQ FM2013

Place :Navi Mumbai

Date : May 06, 2023



[Signature]
Kiran Chittar
Director
DIN : 09447892

[Signature]
Ajay Kumar
Director
DIN:07652605

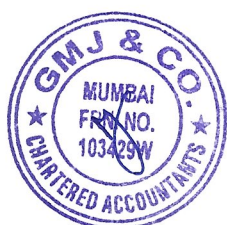
Place :Navi Mumbai

Date : May 06, 2023

3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(Amount in INR Lakhs)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit/(Loss) before income tax from:		435.26	665.31
Adjustments for:			
Depreciation and amortisation expense		6.60	12.82
Gain on disposal of property, plant and equipment		-	(0.04)
(Gain)/Loss on modification of leased assets (IndAS116)		-	0.23
Interest income		(254.11)	(306.13)
Interest on fixed deposit reclassified under Investing activities		(0.03)	-
Allowance for doubtful debts and advances		6.21	21.65
Finance costs		0.90	4.93
Change in operating assets and liabilities:			
(Increase)/Decrease in trade receivables		(224.59)	(216.58)
Increase/(decrease) in trade payables		(416.17)	354.69
(Increase)/Decrease in other financial assets		22.21	(741.91)
(Increase)/Decrease in other current assets		195.13	(68.55)
Increase/(decrease) in other financial liability		167.28	66.50
Increase/(Decrease) in employee benefit obligations		2.31	70.65
Increase/(Decrease) in other current liabilities		52.70	34.51
Increase/(Decrease) in Lease liabilities		-	(7.21)
Increase/(Decrease) in Loan		413.55	-
Cash generated from operations		407.26	(109.12)
Less: Income taxes paid		(393.83)	(321.54)
Net Cash from / (used in) Operating Activities before Exceptional item		13.43	(430.66)
Exceptional Item			
Net cash inflow from operating activities		13.43	(430.66)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment in subsidiary		(1.00)	-
Payments for property, plant and equipment		(39.76)	(6.23)
Interest received		0.03	-
Net cash outflow from investing activities		(40.74)	(6.23)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payment of Lease rental		-	(2.81)
Interest Paid		(0.90)	-
Interest Received		-	(0.03)
Proceeds / (Repayment) from / to borrowings		23.26	-
Net cash inflow (outflow) from financing activities		22.36	(2.84)
Net increase (decrease) in cash and cash equivalents		(4.95)	(439.72)
Cash and Cash Equivalents at the beginning of the financial year		158.37	598.10
Effects of exchange rate changes on Cash and Cash Equivalents			
Cash and Cash Equivalents at end of the year		153.43	158.37
Reconciliation of cash and cash equivalents as per the cash flow statement:			
Cash and cash equivalents as per above comprise of the following:			
Cash and cash equivalents		152.43	158.37
Margin Money with Banks-India		1.00	-
Balances per statement of cash flows		153.43	158.37



Note:

- 1.The above Cash flow Statement has been prepared under the 'Indirect Method' as set out in IND AS 7 on "Statement of Cashflow " notified by the Companies Act ,2013.
- 2.Previous year's figures have been regrouped /rearranged wherever necessary to conform to the current year's presentation .

Significant Accounting Policies and Notes forming part of the Financial Statements 1 to 47

As per our report of even date attached

For and on behalf of the board

For GMJ & Co

Chartered Accountants

F.R.No. 103429W



Madhu Jain

Partner

M.No.: 155537

UDIN : 231555 37BGWQ FM2013



Kiran Chittar

Director

DIN : 09447892



Ajay Kumar

Director

DIN:07652605

Place :Navi Mumbai

Date : May 06, 2023

Place :Navi Mumbai

Date : May 06, 2023

3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)

STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2023

A Equity Share Capital

Particulars	(Amount in INR Lakhs)				
	Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
March 31, 2022					
Numbers		-	1,00,000	-	1,00,000
Amount	1,00,000	10	10	10	10
March 31, 2023					
Numbers			1,00,000		1,00,000
Amount	1,00,000	10	10		10

B Other Equity

Particulars	(Amount in INR Lakhs)		
	Reserves and Surplus		
	Securities Premium	Retained Earnings	Total other equity
As at April 01, 2021	5,074.75	(496.91)	4,577.84
Profit for the year	-	497.26	497.26
Other comprehensive income	-	(2.99)	(2.99)
Total comprehensive income for the year	-	494.27	494.27
As at March 31, 2022	5,074.75	(2.64)	5,072.12
Profit for the year	-	272.64	272.64
Other comprehensive income	-	(35.65)	(35.65)
Total comprehensive income for the year	-	236.99	236.99
As at March 31, 2023	5,074.75	234.35	5,309.11

Significant Accounting Policies and Notes forming part of the Financial Statements 1 to 47

As per our report of even date attached

For and on behalf of the board

For GMJ & Co
Chartered Accountants
F.R.No. 103429W

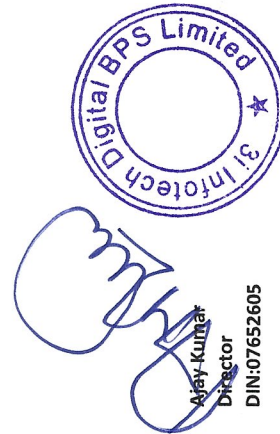


Madhu Jain
Partner
M.No.: 155537

UDIN : 231555 37BGWQ FM2013
Place :Navi Mumbai
Date : May 06, 2023

Kiran Chittar
Director
DIN :09447892

Ajay Kumar
Director
DIN:07652605



Place :Navi Mumbai
Date : May 06, 2023

3i INFOTECH DIGITAL BPS LIMITED (FORMERLY 3i INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2023

1 Corporate Information

3i Infotech Digital BPS Limited (formerly 3i Infotech BPO Limited) (referred to as "the Company") is a wholly owned subsidiary of 3i Infotech Limited. The Company offers back-office as well as front-office BPO services. Our clientele includes some of the top-notch companies in the world. Our Back office BPO services refers to core business support operations such as accounting, payment processing, IT services, human resources, regulatory compliance, and quality assurance to outside professionals who ensure the business runs smoothly. Front office BPO services commonly include customer-related services such as tech support, sales, and marketing.

The Company is a public limited Company incorporated and domiciled in India. The registered office of the company is located at E-1, Lower Ground Floor Jhandewala Extension New Delhi -110055

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 06, 2023.

2 Significant Accounting Policies

a) Statement of compliance

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted with effect from April 1, 2016 Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act 2013.

b) Basis of preparation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

c) Critical accounting estimates and judgments

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

(i) Impairment of investments

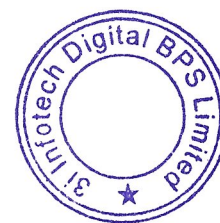
The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

(ii) Useful lives of property, plant and equipment and intangible assets

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(iii) Provision for Income Tax and Deferred Tax Assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. Accordingly, the company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2023

(iv) Provisions, Contingent liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

d) Revenue Recognition

The Company earns primarily from providing Transaction services.

IND AS 115

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is recognised based on time elapsed mode and revenue is straight lined over the period of performance.
- Unbilled Revenue is recognised when there is excess of revenue earned over billings on contracts. Unbilled Revenue is classified as unbilled revenue (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned revenue is recognised when there is billings in excess of revenues. The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period. Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Performance Obligation and remaining performance obligation

The remaining performance obligations disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation-related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis or fixed price basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revaluations, adjustment for revenue that has not materialized and adjustments for currency.

e) Interest / Dividend Income

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

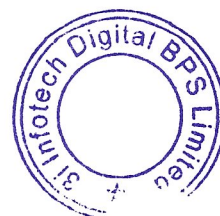
f) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics (Refer note 31).

Leases Accounting policy

The Company as a lessee

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



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2023

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 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.

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

The ROU 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.

ROU 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. ROU 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 these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

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

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

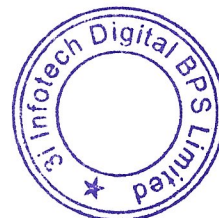
When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

g) Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their nature.

The costs of the Company are broadly categorised in employee benefit expenses, cost of third party products and services, finance costs, depreciation and amortisation and other expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Cost of third party products and services mainly include purchase of software licenses and products, fees to external consultants, cost of running its facilities, cost of equipment and other operating expenses. Finance cost includes interest and other borrowing cost. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, printing and stationery, communication, repairs and maintenance etc.



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2023

h) Foreign currency

The functional currency of the Company is Indian rupee (INR).

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit or loss. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined

i) Income taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income. Current income tax for current and prior periods is recognized 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 Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities, and their carrying amounts in the financial statements.

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 realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. These are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized 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 utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Company offsets current tax assets and current tax liabilities; deferred tax assets and deferred tax liabilities where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

j) 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) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial assets

Initial recognition and measurement

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

Subsequent measurement

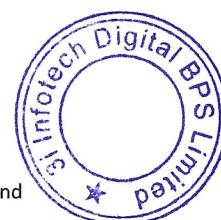
For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2023

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- Debt instrument at FVTOCI

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

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

- Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Interest in subsidiaries, associates and joint ventures are accounted at cost.

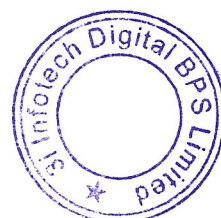
Derecognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2023

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 27 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iii) 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, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

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

- Financial Liabilities at fair value through profit or loss

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

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

- Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

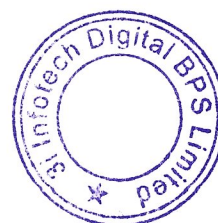
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- Financial guarantee contracts

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED) **NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2023**

(iv) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(v) Offsetting of financial instruments

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

k) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The charge in respect of periodic depreciation is derived at after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life.

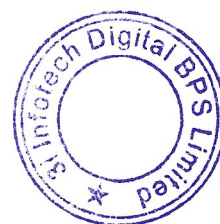
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives adopted by Company

Category of Assets	Useful lives adopted by Company	Useful Lives prescribed under Schedule II of the Act
Computers	3 years	3-6 years
Office Equipment	5 years	5 years
Furniture and Fixtures	5 years	10 years

Based on technical evaluation, the Management believes that the useful lives, as given above, best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets. The cost of assets not ready to use before such date are disclosed under 'Capital work-in progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2023

I) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

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

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

Research costs are expensed as incurred. Development expenditure, on an individual project, is recognized as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Subsequently, following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

I) Impairment

(i) Financial assets (other than at fair value)

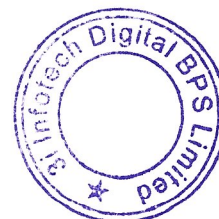
The Company assesses at each date of Balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk or the financial asset has increased significantly since initial recognition.

(ii) Non-financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets within finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

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



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2023

m) Employee benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

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

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

- Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

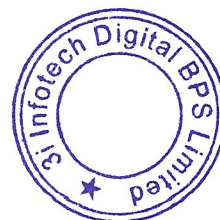
Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

- Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

n) 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 unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2023

o) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

p) Provisions, Contingent Liabilities and Assets

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

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

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

q) Contingent liabilities recognised in a business combination

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

r) Contributed equity

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

s) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

u) Current/non current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2023

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

The Company classifies all other liabilities as non-current.

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

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

v) Events occurring after Balance Sheet

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

- u)** The company is engaged in Business Process Outsource service which is primary business segment based on the nature of service provided. Thus the company has only one reportable business segment which is providing BPO service and only one reportable geographical segment. Accordingly the segment information as required by IND AS 108 Operating Segment is not required to be disclosed.

w) Cash Flow Statement

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

(x) Recent accounting pronouncements:

Standards issued but not yet effective :-

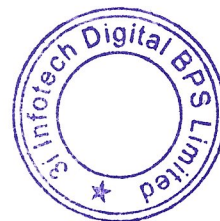
In March 2023, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain IND AS as explained below:

- (i)** Ind AS 1- Presentation of Financial Statements – the amendment prescribes disclosure of material accounting policies instead of significant accounting policies. The impact of the amendment on the Financial Statements is expected to be insignificant basis the primary evaluation.
- (ii)** Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors – the amendment added definition of accounting estimates and clarifies what is accounting estimate and accounting policy. There is no impact of the amendment on the Financial Statements is expected to be insignificant basis the primary evaluation.
- (iii)** Ind AS 12 - Income Taxes – the definition of deferred tax asset and deferred tax liability is amended to apply initial recognition exceptions on assets and liabilities that does not give rise to equal taxable and deductible temporary differences. There is no impact of the amendment on the Financial Statements is expected to be insignificant basis the primary evaluation.

The above amendments are effective from annual periods beginning on or after 1st April, 2023.

y) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupee as per the requirement of Schedule III, unless otherwise stated.



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3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Computer Hardwares	Office Equipments	Vehicle	Total
GROSS CARRYING VALUE				
As at March 31, 2021	151.47	4.78	-	156.26
Additions	5.70	0.53	-	6.23
Disposals\Deletion	(22.39)	-	-	(22.39)
As at March 31, 2022	134.79	5.31	-	140.10
Additions	-	6.90	32.86	39.76
Disposals\Deletion	-	-	-	-
As at March 31, 2023	134.79	12.21	32.86	179.86
ACCUMULATED DEPRECIATION/IMPAIRMENT				
As at March 31, 2021	139.76	4.49	-	144.25
Depreciation for the year	10.16	0.09	-	10.25
Deductions\Adjustments during the period\deletion	(22.39)	-	-	(22.39)
As at March 31, 2022	127.53	4.58	-	132.11
Depreciation for the year	3.56	1.30	1.74	6.60
Deductions\Adjustments during the period\deletion	-	-	-	-
As at March 31, 2023	131.09	5.88	1.74	138.71
Net Carrying value as at March 31, 2023	3.70	6.33	31.12	41.15
Net Carrying value as at March 31, 2022	7.26	0.73	-	7.99

Particulars	Right-Of-Use Assets
GROSS CARRYING VALUE	
As at March 31, 2021	16.45
Additions	-
Disposals	(16.45)
As at March 31, 2022	-
Additions	-
Disposals	-
ACCUMULATED DEPRECIATION/IMPAIRMENT	
As at March 31, 2021	9.65
Depreciation during the period	2.58
Deductions\Adjustments during the period\deletion	(12.23)
As at March 31, 2022	0.00
Depreciation during the period	-
Deductions\Adjustments during the period\deletion	-
As at March 31, 2023	(0.00)
Net Carrying value as at March 31, 2023	(0.00)

There are no Immovable Properties held in name of the Company, therefore title deeds clause is not applicable in this company.



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

4. FINANCIAL ASSETS

Particulars	(Amount in INR Lakhs)	
	March 2023	March 2022
(a) INVESTMENTS		
Non Current		
(1) Investments carried at cost		
Unquoted		
(a) Investments in Equity Instruments		
10,000 Equity Share of 10 each fully paid up of Versares BPS Digital Pvt Ltd.	1.00	-
(As at March 2022 - NIL)		
(As at March 2023 - 10,000 Shares)		
Total	1.00	-
(b) LOANS		
Current		
Unsecured, considered good unless otherwise stated		
Loans to Related Parties	2,713.84	3,143.93
Total	2,713.84	3,143.93
(c) OTHER FINANCIAL ASSETS		
Non Current		
Financial assets carried at amortised cost		
Security Deposits	1.75	1.59
Less: Loss Allowances	-	-
Total	1.75	1.59
Current		
Financial assets carried at amortised cost		
Security Deposits	19.48	19.48
Unbilled Revenue	848.90	584.10
Interest Accrued but not due	0.03	-
Interest Accrued but not due from Related parties	29.95	46.49
Less: Loss Allowances	(19.48)	(19.48)
Total	878.87	630.59

5. INCOME TAX

Particulars	(Amount in INR Lakhs)	
	March 2023	March 2022
Deferred tax relates to the following:		
Property Plant and Equipment	62.12	89.32
Net Deferred Tax Assets / (Liabilities)	62.12	89.32



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Movement in deferred tax liabilities/assets

Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
Opening balance as of April 1		
Tax income/(expense) during the period recognised in profit or loss	89.32	67.36
	(39.19)	20.96
Tax income/(expense) during the period recognised in OCI	11.99	1.00
Discontinued operations		
Deferred Taxes Acquired in business combination		
Closing balance as at March 31	62.12	89.32

Major Components of income tax expense for the years ended March 31, 2023 and March 31, 2022 are as follows:

i. Income tax recognised in profit or loss

Particulars	2022-23	2021-22
Current income tax charge	123.43	189.00
Adjustment in respect of current income tax of previous year	-	-
Deferred tax		
Relating to origination and reversal of temporary differences	39.19	(20.96)
Income tax expense recognised in profit or loss	162.62	168.04

ii. Income tax recognised in OCI

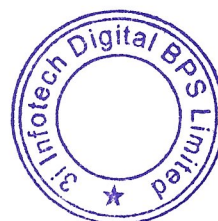
Particulars	March 31, 2023	March 31, 2022
Net loss/(gain) on remeasurements of defined benefit plans	11.99	(1.00)
Income tax expense recognised in OCI	11.99	(1.00)

iii. Amounts recognised directly in equity

Particulars	March 31, 2023	March 31, 2022
Aggregate current and deferred tax arising in the reporting period and not recognised in profit or loss or other comprehensive income but directly debited/(credited) to equity	-	-

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2023 and March 31, 2022

Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
Profit before tax as per IND AS	435.26	665.31
Enacted tax rate in India	25.17%	25.17%
Income tax on accounting profits	109.55	167.44
Change in Tax Rate		
other Adjustment	53.07	-
Adjustment in respect of current income tax of previous year	-	0.60
Tax at effective income tax rate	162.62	168.04



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

6. OTHER ASSETS

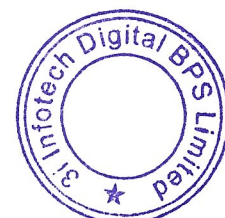
Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
Non Current		
Capital Advances	-	-
Others		
- Payment of Taxes (Net of Provisions)	651.47	381.07
Total	651.47	381.07
Current		
Advances other than Capital advances		
- Advances to Related Parties	905.34	1,024.92
- Advances to creditors	26.92	104.36
- Other Advances	10.15	43.63
Others		
- Prepaid expenses	35.48	0.10
- Balances with Statutory, Government Authorities	0.26	0.26
Total	978.15	1,173.27

7. TRADE RECEIVABLES

Particulars	March 31, 2023	March 31, 2022
Current		
Trade Receivables from customers	826.06	601.25
Receivables from other related parties	-	6.43
Total	826.06	607.68
Breakup of Security details		
Secured, considered good	-	-
Unsecured, considered good	826.06	601.25
Trade receivables which have significant increase in credit risk	-	6.43
Trade receivables credit impaired	68.57	62.36
Total	894.63	670.04
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Credit impaired	68.57	62.36
Total	68.57	62.36
Total	826.06	607.68

Trade or Other Receivable due from directors or other officers of the company either severally or jointly with any other person amounted to INR NIL (Previous year INR NIL)

Trade or Other Receivable due from firms or private companies respectively in which any director is a partner, a director or a member amounted to INR NIL (Previous year INR NIL)



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Outstanding from due date of payment as on March 31, 2023						Total
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years		
(i) Undisputed trade receivables – considered good	810.71	15.29	0.05				826.06
(ii) Undisputed trade receivables – which have significant increase in credit risk							
(iii) Undisputed trade receivables – credit impaired							
(iv) Disputed trade receivables – considered good	-	18.64	5.10	-	44.83		68.57
(v) Disputed trade receivables – which have significant increase in credit risk							
(vi) Disputed trade receivables – credit impaired							
Sub Total	810.71	33.94	5.15	-	44.83		894.63
Less: Allowance Allowance for Bad & Doubtful Debts	-	18.64	5.10		44.83		68.57
Total	810.71	15.29	0.05	-	-		826.06

(Amount in INR Lacs)

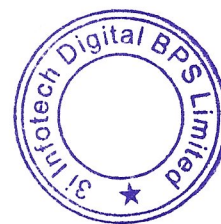
Particulars	Outstanding from due date of payment as on March 31, 2022						Total
	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years		
(i) Undisputed trade receivables – considered good	601.25	-	-	-			601.25
(ii) Undisputed trade receivables – which have significant increase in credit risk					6.43		6.43
(iii) Undisputed trade receivables – credit impaired	-	3.89	1.66		56.80		62.36
(iv) Disputed trade receivables – considered good							
(v) Disputed trade receivables – which have significant increase in credit risk							
(vi) Disputed trade receivables – credit impaired							
Sub Total	601.25	3.89	1.66	-	63.23		670.04
Less: Allowance Allowance for Bad & Doubtful Debts	-	3.89	1.66		56.80		62.36
Total	601.25	-	-	-	6.43		607.68



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

8. CASH AND CASH EQUIVALENTS

Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
Balances with banks:		
- On current accounts	152.43	158.37
- On Deposit accounts		
Margin Money with Banks-India	1.00	-
Cash on Hand	-	-
Total	153.43	158.37



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

9. EQUITY SHARE CAPITAL				
Particulars	AS AT 31.03.2023		AS AT 31.03.2022	
	No. of shares	Rupees	No. of shares	Rupees
(a) Authorised Capital				
Equity Shares (INR 10 Each)	1,00,000	10	1,00,000	10
(b) Issued, Subscribed and fully paid up				
Equity Shares (Rs 10 Each)	1,00,000	10	1,00,000	10

(i) Terms/rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

ii. Shares held by holding/ ultimate holding company and / or their subsidiaries / associates

Out of equity issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

Particulars	March 31, 2023	March 31, 2022
3i Infotech Limited (The Holding company) and by its nominees		
Equity shares (Numbers)	1,00,000	1,00,000
Amount (Rs. In Lakhs)	10	10
Face Value per share	10/-	10/-

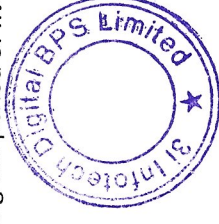
iii. Reconciliation of the Share outstanding at the beginning and at the end of the year

Particulars	Opening Balance	Issued during the	Closing Balance
Equity Shares (INR 10 Each)			
Year ended 31st March, 2023			
- Number of shares	1,00,000	-	1,00,000
- Amount (Rs.)	10	-	10
Year ended 31st March, 2022			
- Number of shares	1,00,000	-	1,00,000
- Amount (Rs.)	10	-	10

iv. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	March 31, 2023		March 31, 2022	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid				
3i Infotech Limited (The Holding company) and by its nominees	1,00,000	100%	1,00,000	100%

(v) Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date are Nil.



3i INFOTECH DIGITAL BPS LIMITED (FORMERLY 3i INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(vi) Shares reserved for issue under options

Shares reserved for issue under options and contracts or commitments for the sale of shares or disinvestment, including the terms and amounts are Nil.

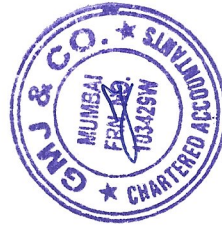
(vii) Shares held by the promoters for the year ended March 31, 2023

Promoters name	No of Shares	% of total shares	% Change during the year
3i Infotech Limited (The Holding company) and by its nominees	1,00,000	100%	Nil
	1,00,000	-	-

Shares held by the promoters for the year ended March 31, 2022

Promoters name	No of Shares	% of total shares	% Change during the year
3i Infotech Limited (The Holding company) and by its nominees	1,00,000	100%	Nil
-	1,00,000	-	-

(viii) Any buy back, allotment of shares by way of bonus or shares allotted as fully paid up pursuant to contract without payment being received in cash is Nil.



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

10. OTHER EQUITY

i. Reserves and Surplus

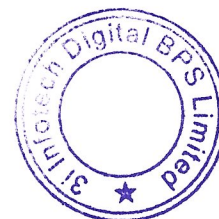
Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
Securities Premium Account	5,074.75	5,074.75
Retained Earnings	234.35	(2.64)
Total	5,309.11	5,072.12

(a) Securities Premium Account

Particulars	March 31, 2023	March 31, 2022
Opening balance	5,074.75	5,074.75
Add/(Less):	-	-
Closing balance	5,074.75	5,074.75

(b) Retained Earnings

Particulars	March 31, 2023	March 31, 2022
Opening balance	(2.64)	(496.91)
Net Profit/(Loss) for the year	272.64	497.26
Add/(Less):		
Items of Other Comprehensive Income directly recognised in Retained Earnings		
Remeasurement of post employment benefit obligation, net of tax	(35.65)	(2.99)
Closing balance	234.35	(2.64)



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

11. Borrowing

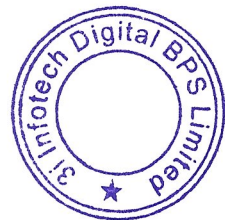
Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
Non Current Borrowing		
Secured		
(a) Term Loans		
From Bank		
Vehicle Loan (Hypothecated against the car)	23.26	-
From others	-	-
(A)	23.26	-
Current Maturity of Non Current Borrowings		
Secured		
(a) Term Loans		
From Bank		
Vehicle Loan (Hypothecated against the car)	4.33	-
From others	-	-
(B)	4.33	-
Total (A) - (B)	18.93	-
Current Borrowing		
Secured		
(a) Term Loans		
From Bank		
Vehicle Loan (Hypothecated against the car)	4.33	-
From others	-	-
Total	4.33	-

12. TRADE PAYABLES

Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
Current		
Total outstanding dues of Micro and Small Enterprises	6.98	43.69
Total outstanding dues of creditors other than Micro and Small Enterprises		
Trade Payables to Related Parties	4.84	298.22
Trade Payables to Others	159.79	245.86
Total	171.60	587.77

Terms and conditions of the above financial liabilities:

1. Trade payables are non-interest bearing and are normally settled on 60-day terms
2. For terms and conditions with related parties, refer note 26



13. PROVISIONS

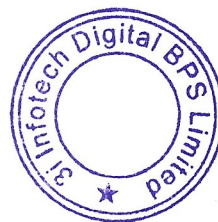
Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
Non Current		
Provision for employee benefits		
Gratuity	134.97	142.73
Leave encashment	28.82	15.85
Total	163.79	158.59
Current		
Provision for employee benefits		
Gratuity	58.04	12.68
Leave encashment	37.56	38.17
Total	95.60	50.85

14. OTHER FINANCIAL LIABILITIES

Particulars	March 31, 2023	March 31, 2022
Current		
Financial Liabilities at amortised cost		
Dues to employees	345.78	178.49
Total	345.78	178.49

15. OTHER LIABILITIES

Particulars	March 31, 2023	March 31, 2022
Current		
Advance received from Customers	28.12	0.00
Advance received from Related parties	-	10.88
Others	-	-
Statutory Dues	160.44	124.94
Others	0.14	0.18
Total	188.70	136.00



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Trade payable ageing schedule for the year ended as on 31st March 2023 as follow :-

Sr. No.	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i)	MSME	6.98	-	-	-	6.98
(ii)	Others	135.97	0.01	11.77	16.88	164.63
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	Total Trade Payable	142.95	0.01	11.77	16.88	171.60

Trade payable ageing schedule for the year ended as on 31st March 2022 as follow :-

Sr. No.	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i)	MSME	39.37	4.32	-	-	43.69
(ii)	Others	402.56	0.01	-	141.51	544.08
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	Total Trade Payable	441.93	4.33	-	141.51	587.77



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

16. REVENUE FROM OPERATIONS

Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
Sale of services		
Transaction service	8,963.75	6,134.39
Total	8,963.75	6,134.39

Timing of Revenue Recognition

Particulars	March 31, 2023	March 31, 2022
For Contractual obligations rendered at a point in time	-	-
For Contractual obligations rendered over a period of time	8,963.75	6,134.39
	8,963.75	6,134.39

Summary of Contract Balances

Particulars	March 31, 2023	March 31, 2022
Trade receivables		
Contract assets*	826.06	607.68
Contract liabilities**	848.90	584.10
	-	-

*Contract assets represents revenue accrued and not billed and unbilled revenues. Contract Liabilities represents Billing in excess of revenue

17. OTHER INCOME

Particulars	March 31, 2023	March 31, 2022
Interest income on		
Loans to related parties	254.11	306.13
Others	11.86	-
Other Non Operating Income (Net of expenses directly attributable to such income)		
Miscellaneous Income	1.11	-
Net Gain on disposal of fixed assets	-	0.04
Total	267.08	306.17

18. EMPLOYEE BENEFITS EXPENSE

Particulars	March 31, 2023	March 31, 2022
Salaries, wages and bonus	4,645.31	3,179.90
Contribution to provident and other funds	559.56	380.28
Staff welfare expenses	16.73	1.30
Recruitment and training expenses	1.30	31.98
Total	5,222.90	3,593.45

19. COST OF THIRD PARTY PRODUCTS AND SERVICES

Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
Cost of third party products / outsourced services		
For own use		
Service delivery to clients	2,949.10	1,424.69
Total	2,949.10	1,424.69



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

20. FINANCE COST

Particulars	March 31, 2023	March 31, 2022
Interest expense on debts and borrowings		
Other borrowing costs	0.90	4.93
Others	0.17	0.10
Total	1.07	5.03

21. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	March 31, 2023	March 31, 2022
Depreciation on tangible assets	6.60	12.82
Depreciation on right to use assets	-	-
Total	6.60	12.82

22. OTHER EXPENSES

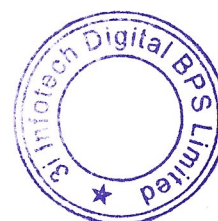
Particulars	March 31, 2023	March 31, 2022
Electric power, fuel and water	4.04	4.31
Insurance	64.45	39.14
Legal and professional fees	101.25	440.51
Payments to auditors (Refer note below)	4.31	5.50
Rates and taxes	0.19	0.15
Rent	7.93	8.36
Hire Charges	180.86	157.54
Repairs and maintenance - Others	0.64	0.54
Telephone and internet expenses	13.62	20.37
Courier Charges	25.47	10.73
Travelling & conveyance expenses	4.11	4.74
Allowance for doubtful debts and advances	6.21	21.65
Foreign exchange fluctuation loss	0.39	0.13
Miscellaneous expenses	74.61	25.61
Management Support fees	127.82	-
Total	615.91	739.26

(a) Details of Payments to auditors

Particulars	March 31, 2023	March 31, 2022
As auditor		
Audit Fee	2.00	4.00
Tax audit fee	2.00	1.00
In other capacity		
Other services (certification fees)	0.25	0.25
Re-imbursement of expenses	0.06	0.25
Total	4.31	5.50

(b) Corporate social responsibility expenditure

As per Section 135 of the Companies Act 2013, the Company does not meet the applicability threshold. Hence the provision of the said section are not applicable during the current financial year.



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

23. EARNINGS PER SHARE

Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
(a) Basic earnings per share	272.64	497.26
(b) Diluted earnings per share	272.64	497.26
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share		
Diluted earnings per share	272.64	497.26
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	272.64	497.26
(d) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	1,00,000	1,00,000
Adjustments for calculation of diluted earnings per share:		
Options	-	-
Convertible Bonds	-	-
Convertible Preference shares	-	-
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	1,00,000	1,00,000
(e) Face Value Per Share	10	10



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

24. EMPLOYEE BENEFIT OBLIGATION

Particulars	March 31, 2023			(Amount in INR Lakhs)		
	March 31, 2023			March 31, 2022		
	Current	Non Current	Total	Current	Non Current	Total
Leave Encashment	37.56	28.82	66.38	38.17	15.85	54.02
Gratuity	58.04	134.97	193.00	12.68	142.73	155.42
Total Employee Benefit Obligation	95.60	163.79	259.39	50.85	158.59	209.44

(i) Leave Encashment

The leave obligations cover the company's liability for sick and earned leave.

The amount of the provision of INR 66.38 Lakhs (March 31, 2022: INR 54.02 Lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations.

(ii) Post Employment obligations

a) Defined benefit plan - Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service upto 10 years and 26 days salary multiplied by number of years of service beyond 11 years.

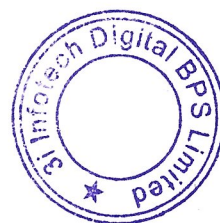
The gratuity plan is a unfunded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 01, 2021	138.00	-	138.00
Current service cost	24.59	-	24.59
Interest expense/(income)	6.48	-	6.48
Total amount recognised in profit or loss	31.08	-	31.08
Remeasurements			
(Gain)/Loss from change in demographic assumptions	(20.41)	-	(20.41)
(Gain)/Loss from change in financial assumptions	(13.46)	-	(13.46)
Experience (gains)/losses	37.87	-	37.87
Total amount recognised in other comprehensive income	3.99	-	3.99
Employer contributions		-	-
Benefit payments	(17.65)	-	(17.65)
As at March 31, 2022	155.42	-	155.42
Current service cost	19.49	-	19.49
Interest expense/(income)	9.47	-	9.47
Total amount recognised in profit or loss	28.97	-	28.97
Remeasurements			
(Gain)/Loss from change in demographic assumptions	51.36	-	51.36
(Gain)/Loss from change in financial assumptions	(17.25)	-	(17.25)
Experience (gains)/losses	13.53	-	13.53
Total amount recognised in other comprehensive income	47.64	-	47.64
Employer contributions		-	-
Benefit payments	(39.01)	-	(39.01)
As at March 31, 2023	193.00	-	193.00

The net liability disclosed above relates to unfunded plans are as follows:

Particulars	March 31, 2023	March 31, 2022
Present value of obligations	193.00	155.42
Fair value of plan assets	-	-
Deficit of unfunded gratuity plan	193.00	155.42



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The significant actuarial assumptions were as follows:

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.15%	6.10%
Expected return on plan assets		
For first 3 years	4.00%	4.00%
After 3 years	4.00%	4.00%
Life expectation for		
Male		
Female		
Withdrawal rate		
Upto 4 years	40.00%	67.00%
5 years and above	26.00%	4.00%
Mortality rate	100%	100%

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 is shown below:

Assumptions	Discount rate		Salary growth rate		Attrition rate	
	1% Increase	1% Decrease	1% Increase	1% Decrease	50% Increase	50% Decrease
March 31, 2023						
Impact on defined benefit obligation	186.79	199.65	199.75	186.56	189.10	194.25
% Impact	-3.20%	3.40%	3.50%	-3.30%	-2.00%	0.60%
March 31, 2022						
Impact on defined benefit obligation	138.30	176.11	175.61	138.35	155.27	158.66
% Impact	-11.00%	13.30%	13.00%	-11.00%	-0.10%	2.10%

Assumptions	Mortality rate	
Sensitivity Level	10% Increase	10% Decrease
March 31, 2023		
Impact on defined benefit obligation	193.03	192.98
% Impact	0.00%	0.00%
March 31, 2022		
Impact on defined benefit obligation	155.54	155.29
% Impact	0.10%	-0.10%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Since the scheme is managed on unfunded basis, the next year contribution is nil.

The average duration of the defined benefit plan obligation at the end of the reporting period is 3 years (March 31, 2022: 12 years)

Expected cash flows over the next (valued on undiscounted basis)

Particulars	March 31, 2023	March 31, 2022
1 year	58.04	12.68
2 to 5 years	123.16	37.80
6 to 10 years	53.54	45.59
More than 10 years	18.56	289.94

b) Defined pension benefits

Disclosures would be same as given for Gratuity

(iii) Defined contribution plans

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 416.51 Lakhs (March 31, 2022: INR 275.71 Lakhs)

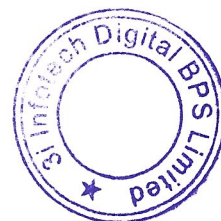


3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

25. CONTINGENCIES

A. Contingent Liabilities	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
i. Claim against the company not acknowledged as debt		
(a) Disputed ESIC matter (including interest upto the date of demand)	5.47	5.47
(b) Disputed Income Tax matter (including interest upto the date of demand)	75.85	75.85

The Company's pending litigation is in respect of proceedings pending with Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial statements.



3i INFOTECH DIGITAL BPS LIMITED (FORMERLY 3i INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

26. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Nature of Relationship	Country of Incorporation
3i Infotech Limited	Holding Company	India
3i Infotech Holdings Private Limited	Fellow Subsidiary	Mauritius
3i Infotech (Africa) Limited	Fellow Subsidiary	Kenya
3i Infotech (Middle East) FZ LLC	Fellow Subsidiary	UAE
3i Infotech (Thailand) Limited	Fellow Subsidiary	Thailand
3i Infotech (UK) Limited	Fellow Subsidiary	UK
3i Infotech (Western Europe) Group Limited	Fellow Subsidiary	UK
3i Infotech (Western Europe) Holdings Limited	Fellow Subsidiary	UK
Rhyme Systems Limited	Fellow Subsidiary	UK
3i Infotech Asia Pacific Pte Limited	Fellow Subsidiary	Singapore
3i Infotech Inc	Fellow Subsidiary	USA
3i Infotech Saudi Arabia LLC	Fellow Subsidiary	KSA
3i Infotech SDN BHD	Fellow Subsidiary	Malaysia
3i Infotech (Cyprus) Limited	Fellow Subsidiary	Cyprus
3i Infotech Services SDN BHD	Fellow Subsidiary	Malaysia
NuRe Digital SDN BHD	Fellow Subsidiary	Malaysia
3i Infotech (South Africa) (Pty) Limited	Fellow Subsidiary	RSA
Professional Access Software Development Private Limited	Fellow Subsidiary	India
3i Infotech Consultancy Services Limited	Fellow Subsidiary	India
3i Infotech Software Solutions LLC	Fellow Subsidiary	Dubai
3i Infotech (Canada) Inc	Fellow Subsidiary	Canada
3i Infotech Nigeria Limited	Fellow Subsidiary	Nigeria
3i Infotech Netherland B.V.	Fellow Subsidiary	Netherland
Nure Infotech Solutions Pte. Ltd. (incorporated on March 15, 2023)	Fellow Subsidiary	Singapore
Nure Edge Tech Inc. (incorporated on March 28, 2023)	Fellow Subsidiary	USA
Versares BPS Private Limited (incorporated on October 12, 2022)*	Wholly owned	
NuRe EdgeTech Private Limited (incorporated on November 28, 2022)	Subsidiary	India
NuRe FutureTech Private Limited (incorporated on December 12, 2022)	Fellow Subsidiary	India
NuRe CampusLabs Private Limited (incorporated on December 20, 2022)	Fellow Subsidiary	India
NuRe MediaTech Limited (incorporated on March 23, 2023)	Fellow Subsidiary	India

Key Managerial Personnel (KMP) :

	Remarks
Mr. Harish Shenoy	Director
Ms. Sreerupa Sengupta	Director Resigned on 14th July 2022
Mr. Kiran Chittar	Additional Director Appointed on 25th Jan, 2022
Mr. Ajay Kumar	Director

(vii) 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. Outstanding balances at the year end are unsecured and interest bearing and settlement occurs in cash. The provision for Bad and Doubtful debts on amount owed by related parties is NIL (March 31, 2021: NIL). The assessment for loss allowance is undertaken at each financial year through examining the financial position of the related party and market in which the related party operates.

3i INFOTECH DIGITAL BPS LIMITED (FORMERLY 3i INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(ii) Transactions with related parties

The following transactions occurred with related parties

Name	Nature of Relationship	Nature of Transaction	(Amount in INR Lakhs)	
			March 31, 2023	March 31, 2022
3i Infotech Limited	Holding Company	Income	355.28	306.29
		Expenses	2,189.86	1,222.09
		Expenses - Infrastructure	156.00	156.00
		Interest income on advance given	254.11	306.13
		Advance given	-	423.12
3i Infotech Consultancy Services Limited	Fellow Subsidiary	Advance repaid	-	3.05

(iii) Outstanding balances arising from sales/purchases of goods and services

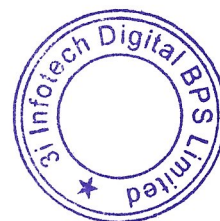
Name	Nature of Relationship	Nature of Transaction	(Amount in INR Lakhs)	
			March 31, 2023	March 31, 2022
3i Infotech Limited	Holding Company	Interest receivable	29.95	46.49
		Loan	2,713.84	3,144.75
		Trade Payable	-	178.64
3i Infotech Consultancy Services Limited	Fellow Subsidiary	Advance receivable	905.34	1,024.92
		Trade payables	-	119.58
Name	Nature of Relationship	Nature of Transaction	March 31, 2023	March 31, 2022
3i Infotech Saudi Arabia LLC	Fellow Subsidiary	Trade receivable	-	6.43
		Trade payable	4.84	-
		Advance from Customer	-	10.88

(iv) Loans to related parties

Name		Nature of Relationship	Particulars	March 31, 2023	March 31, 2022
Loans to /Interest receivable from related parties					
3i Infotech Limited	Holding Company	Loan at the beginning of the year	3,144.00	2,722.00	
		Loans advanced	-	-	
		Loan adjusted against payables	430.09	422.00	
		Loan at the end of the year	2,713.91	3,144.00	
		Interest at the beginning of the year	46.49	40.78	
		Interest charged	254.11	306.13	
		Interest receivables adjusted against payables	245.24	269.81	
		TDS Deducted	25.41	30.61	
		Interest receivable at the end of the year	29.95	46.49	

(v) Investment in Subsidiary

(v) Investment in Subsidiary				(Amount in INR Lakhs)	
Name	Nature of Relationship	Particulars	March 31, 2023	March 31, 2022	
Investment					
Versares BPS Private Limited	Wholly owned Subsidiary	Investment in subsidiary	1.00	-	



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

27. FAIR VALUE MEASUREMENTS

i. Financial Instruments by Category

Particulars	Carrying Amount		(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022	Fair Value	
FINANCIAL ASSETS			March 31, 2023	March 31, 2022
Amortised cost				
Trade Receivables	826.06	607.68	826.06	607.68
Cash and Cash Equivalents	153.43	158.37	153.43	158.37
Other Financial Assets	880.62	632.18	880.62	632.18
Total	1,861.10	1,399.23	1,861.10	1,399.23
FINANCIAL LIABILITIES				
Amortised cost				
Trade Payables	171.60	587.77	171.60	587.77
Other financial liabilities	345.78	178.49	345.78	178.49
Borrowing	23.26	-	23.26	-
Total	540.64	766.27	540.64	766.27

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values for loans, security deposits and investments in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement:

Assets and liabilities measured at fair value - recurring fair value measurement:								(Amount in INR Lakhs)
Particulars	March 31, 2023			Total	March 31, 2022			Total
	Fair value measurement using				Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets								
Loans to Related Parties	-	-	-	-	-	-	-	-
Security deposits	-	-	-	-	-	-	-	-
Total Financial Assets	-	-	-	-	-	-	-	-
Financial Liabilities								
Borrowing	-	-	-	-	-	-	-	-
Total Financial Liabilities	-	-	-	-	-	-	-	-

* 1 % increase/decrease of the respective discounting rate with respect to interest rates would result in decrease / increase in the company's profit before tax by approximately INR NIL for the year ended March 31, 2023 (March 31, 2022 INR NIL).

There have been no transfers among Level 1, Level 2 and Level 3 during the period

Level 1 - Level 1 hierarchy includes Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares, contingent consideration and indemnification assets included in level 3.

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

vi. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee. Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with company's quarterly reporting periods.



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

28. FINANCIAL RISK MANAGEMENT

The Company is exposed primarily to fluctuations in foreign currency exchange rates ,credit ,liquidity and interest rate risk,which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities . The risk management policy is approved by Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

i. Market Risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of the change in market prices . Such changes in the value of financial instruments may result from changes in the foreign currency exchange, interest rates ,credit ,liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

(a) Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rate may have potential impact on the statement of profit and loss and the other comprehensive income and equity ,where any transaction reference more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company.

Considering the countries and the economic environment in which the Company operates, its operations are subject to risk arising from fluctuations in exchange rates in those countries. The risks primarily relates to fluctuations in US Dollar, Great Britain Pound and Euro against the functional currency of the Company.

The Company , as per its current risk management policy ,does not use any derivatives instruments to hedge foreign exchange . Further ,any movement in the functional currency of the various operations of the Company against malor foreign currencies may impact the Company's revenue in international business.

The Company evaluates the impact of the foreign exchange rate fluctuation by assessing its exposure to exchange rate risks. Apart from exposures of foreign currency payables and receivables, which partially are naturally hedged against each other, the Company does not use any hedging instruments to hedge its foreign currency exposures; in line with the current risk management policies.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rate shift of all the currencies by 1% against the functional currency of the Company.

The following analysis has been worked out based on the net exposures of the Company as of the date of Balance Sheet which could affect the statement of profit and loss and the other comprehensive income and equity .

The following table set forth information relating to foreign currency exposure as at March 31,2023 :

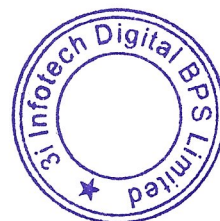
Particulars	(Amount in INR Lakhs)			
	USD	GBP	EUR	Total
Total financial assets	-	-	-	-
Total financial Liabilities	(4.84)	-	-	(4.84)
Total	(4.84)	-	-	(4.84)
Appreciation/depreciation @1%	(0.05)			(0.05)

1% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease /increase in the Company 's profit before tax by approximately INR 0.05 lakhs for the year ended March 31,2023

The following table set forth information relating to foreign currency exposure as at March 31,2022 :

Particulars	(Amount in INR Lakhs)			
	USD	GBP	EUR	Total
Total financial assets	6.43	-	-	6.43
Total financial Liabilities	(10.88)	-	-	(10.88)
Total	(4.45)	-	-	(4.45)
Appreciation/depreciation @1%	(0.04)			(0.04)

1% appreciation/depreciation of the respective foreign currencies with respect to functional currency of the Company would result in decrease /increase in the Company 's profit before tax by approximately INR 0.04 Lakhs for the year ended March 31,2022



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(b) Interest rate risk

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

(ii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables and unbilled revenues.

(1) Credit risk management

- Trade receivables and Unbilled revenues

The credit risk has always been managed by the group through an assessment of the companies financials , market intelligence and customers credibility.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables and unbilled revenue. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

- Other Financial Assets

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

(2) Credit risk exposure

- Trade receivables and Unbilled revenues

The carrying amount of trade receivables and unbilled revenues represents the maximum credit exposure from customers. The maximum exposure to credit risk from customers is INR 1,674.95 Lakhs (March 31, 2022 : INR 1,191.78 Lakhs). The lifetime expected credit loss on customer balance for the year ended March 31, 2023 is INR 68.57 Lakhs (March 31, 2022: 62.36 Lakhs).

Reconciliation of loss allowance provision - Trade receivables and Unbilled revenue

Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
Balance at the beginning		
Impairment loss recognised/reversed	62.36	40.71
Balance at the end	6.21	21.65
	68.57	62.36

- Cash & cash equivalents and Other Financial Assets

The carrying amount of cash and cash equivalents, investments carried at amortised cost, deposits with banks and financial institutions and other financial assets represents the maximum credit exposure. The maximum exposure to credit risk is INR 204.63 Lakhs (March 31, 2022: INR 225.93 Lakhs). The 12 months expected credit loss and lifetime expected credit loss on these financial assets for the year ended March 31, 2023 is INR 19.48 Lakhs (March 31, 2022: INR 19.48 Lakhs)



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Reconciliation of loss allowance provision - other financial assets

Particulars	March 31, 2023		(Amount in INR Lakhs) March 31, 2022	
	12 month expected losses	life-time expected losses	12 month expected losses	life-time expected losses
Balance at the beginning		19.48		19.48
Add(Less): Changes in loss allowances due to Changes in risk parameters		-		-
Balance at the end		19.48		19.48

(iii) Liquidity risks

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company consistently generated sufficient cash flow from operations to meet its financial obligation as and when they fall due .

The table below provides details regarding the contractual maturities of significant financial liabilities as at :

March 31, 2023

	(Amount in INR Lakhs)				
	Due in 1 year	Due in 1-2 year	Due in 2-5 year	Due after 5 years	Total
Non-derivative financial liabilities :					
Trade and other payables	142.95	0.01	-	28.65	171.60
Other financial liabilities	345.78	-	-	-	345.78
Borrowings	4.33	4.59	14.34	-	23.26
Total	493.05	4.60	14.34	28.65	540.64

March 31, 2022

	(Amount in INR Lakhs)				
	Due in 1 year	Due in 1-2 year	Due in 2-5 year	Due after 5 years	Total
Non-derivative financial liabilities :					
Trade and other payables	441.93	4.33	-	141.51	587.77
Other financial liabilities	178.49	-	-	-	178.49
Lease Liabilities					
Total	620.42	4.33	-	141.51	766.27



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

29. ASSETS PLEDGED AS SECURITY		(Amount in INR Lakhs)
The carrying amount of assets pledged as security for current and non current borrowings of Holding Company :		
Total current assets pledged as security	March 31, 2023	March 31, 2022
NON CURRENT ASSETS	-	-
Vehicles	31.12	-
Total non current assets pledged as security	31.12	-

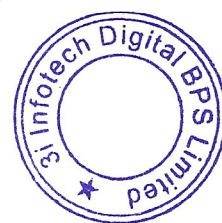


3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

30. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following table presents the recognised financial instruments that are offset and other agreements but not offset, as at March 31, 2023 and March 31, 2022. The column 'net amount' shows the impact on the company's balance sheet if all set-off rights were exercised.

	Effects of offsetting on the balance sheet			(Amount in INR Lakhs)		
	Gross amount	Gross amounts set off in the balance sheet	Net amount presented in the balance sheet	Amounts subjects to master netting arrangements	Financial instruments collateral	Net amount
March 31, 2023						
Financial assets						
Trade receivables	1,238.18	(412.12)	826.06	-	-	826.06
Deposits	1.75	-	1.75	-	-	1.75
Loan to Related Parties	4,954.87	(2,241.03)	2,713.84	-	-	2,713.84
Interest accrued	275.18	(245.24)	29.95	-	-	29.95
Total	6,469.98	(2,898.39)	3,571.60	-	-	3,571.60
Financial liabilities						
Trade Payables	(2,726.78)	2,898.39	171.60	-	-	171.60
Borrowing	23.26	-	23.26	-	-	23.26
Total	(2,703.52)	2,898.39	194.86	-	-	194.86
March 31, 2022						
Financial assets						
Trade receivables	962.98	(355.30)	607.68	-	-	607.68
Deposits	1.59	-	1.59	-	-	1.59
Loan to related parties	3,926.29	(782.36)	3,143.93	-	-	3,143.93
Interest accrued	316.30	(269.81)	46.49	-	-	46.49
Total	5,207.15	(1,407.47)	3,799.69	-	-	3,799.69
Financial liabilities						
Trade Payables	(819.69)	1,407.47	587.77	-	-	587.77
Lease Liabilities	-	-	-	-	-	-
Total	(819.69)	1,407.47	587.77	-	-	587.77



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

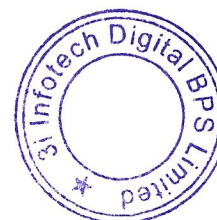
31. CAPITAL MANAGEMENT

(Amount in INR Lakhs)

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

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

Particulars	March 31, 2023	March 31, 2022
Trade payables		
Other payables	171.60	587.77
Borrowings	534.48	314.49
Less: cash and cash equivalents	23.26	
	(153.43)	(158.37)
Net Debt	575.91	743.89
Equity		
Other Equity	10.00	10.00
Total Capital	5,309.11	5,072.12
Capital and net debt	5,319.11	5,082.12
Gearing ratio	5,894.02	5,826.01
	10	13



3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

32. LEASES

The changes in the carrying value of ROU assets for the year ended March 31, 2023 and March 31, 2022 are as follows :

Particulars	(Amount in INR Lakhs)	
	Category of ROU Asset	
	March 31, 2023	March 31, 2022
Balance at the beginning		
Additions	(0.00)	6.80
Deletion	-	-
Depreciation	-	(16.45)
Balance at the end	-	9.65
	(0.00)	(0.00)

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the
The break-up of current and non-current lease liabilities as at March 31, 2023 and March 31, 2022 is as follows:

Particulars	(Amount in INR Lakhs)	
	March 31, 2023	March 31, 2022
Current Lease Liabilities		
Non-Current Lease Liabilities	-	-
Total	-	-
	-	-

The movement in lease liabilities during the year ended March 31, 2023 and March 31, 2022 is as follows:

Particulars	(Amount in INR Lakhs)	
	For Year Ended March 31, 2023	For Year Ended March 31, 2022
Balance at the beginning		
Additions	-	7.00
Finance cost accrued during the period		
Deletions	-	0.26
Payment of lease liabilities	-	(4.46)
Translation difference	-	(2.81)
Balance at the end	-	(0.00)
	-	(0.00)

The details of the contractual maturities of lease liabilities as at March 31, 2023 and March 31, 2022 on an undiscounted basis are as follows:

Particulars	(Amount in INR Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Less than one year		
One to five years	-	-
More than five years	-	-
Total	-	-
	-	-

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was INR 7.93 Lakhs for the year ended March 31, 2023.

Rental income on assets given on operating lease to subsidiaries was INR nil for the year ended March 31, 2023.

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 these leases.



31 INFOTECH DIGITAL BPS LIMITED (FORMERLY 31 INFOTECH BPO LIMITED)
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023
33. Ratio Analysis

Sr No.	Particulars	AS AT 31.03.2023	AS AT 31.03.2022	% change from March 31, 2022 to March 31, 2023
1	Current ratio	688.62%	599.49%	14.87%
2	Debt- Equity Ratio	0.00	-	0.00%
3	Debt Service Coverage Ratio	108.12	51.70	109.11%
4	Return on Equity Ratio	5.24%	10.28%	-5.04%
5	Inventory Turnover Ratio	0.00%	0.00%	0.00%
6	Trade Receivable Turnover Ratio	12.50	12.02	4.00%
7	Trade Payable Turnover Ratio	9.39	5.27	78.08%
8	Net Capital Turnover Ratio	1.89	1.29	46.63%
9	Net Profit Ratio	3.04%	8.11%	-5.06%
10	Return on Capital Employed	8.20%	13.19%	-4.99%
11	Return on Investment	8.24%	8.55%	-0.31%

B. Components of Ratio

Sr. No.	Particulars	Numerator	AS AT 31.03.2023		(Amount in INR Lakhs)		
			Denominator		AS AT 31.03.2022		
			Numerator	Denominator	Numerator	Denominator	
1	Current Ratio	Current Asset	Current Liabilities	806.01	5,550.34	5,713.84	953.11
2	Debt – Equity ratio	Debt	Equity				
3	Debt service coverage ratio	Earning for Debt Service	Debt Service	5,319.11	23.26	-	5,082.12
4					286.35	536.67	10.38
5	Return on Equity (ROE)	Net Profit After tax	Average Shareholder Equity	5,200.61	272.64	497.26	4,834.98
6	Trade Receivables turnover ratio	Net credit sales	Avg Accounts Receivables	716.87	8,963.75	6,134.39	510.22
7	Trade Payables turnover ratio	Net Credit Purchase	Average Trade Payable	379.69	3,565.00	2,163.95	410.43
8	Net capital turnover ratio	Net sales	working capital	4,744.33	8,963.75	6,134.39	4,760.73
	Net profit ratio	Net Profit	Net Sales		272.64	497.26	6,134.39
9	Return on Capital Employed (ROCE)	Earning before interest and tax	Capital Employed	8,963.75	436.16	670.24	5,082.12
10	Return on Investment	other income	Average Cash & Cash equivalents & other Marketable Securities	3,084.79	254.11	306.13	3,581.50

C. Reasons for variance of more than 25% in above ratios :

Sr No.	Particulars	March 31, 2023
1	Debt Service Coverage Ratio	Current year debt is only the car loans whether in PY there was repayment of Lease Liability
2	Trade Payable Turnover Ratio	Third party cost has increased and the payable had reduced causing an increase in ratio
3	Net Capital Turnover Ratio	Due to decrease in revenue ratio has been increased

Reasons for variance of more than 25% in above ratios :

Particulars		March 31, 2022
1	Current Ratio	Current Liabilities has increased in Current F.Y.
2	Debt Service Coverage Ratio	Due to repayment of all debts (Including Lease Liability)
3	Trade Payable Turnover Ratio	Increase in Trade payables due to hire of Laptop, Desktop etc.
4	Net Capital Turnover Ratio	Working capital Decreased due to increase in Current liabilities, this in turn has caused the ratio to increase

3I INFOTECH BPO LIMITED**NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****3I INFOTECH DIGITAL BPS LIMITED (FORMERLY 3I INFOTECH BPO LIMITED)**
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**34. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)** (Amount in INR Lakhs)

Particulars	March 31, 2023	March 31, 2022
Principal amount due to suppliers under MSMED Act, 2006*	6.98	43.69
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

* Amount includes due and unpaid of INR NIL (March 31, 2022: INR NIL)

The information has been given in respect of such vendors to the extent they could be identified as "Mico and Small" enterprises on the basis of information available with the Company.

35. The accounts of certain Trade Receivables, Trade Payables, Loans and Advances and Banks are however, subject to formal confirmations / reconciliations and consequent adjustments, if any. However, the management does not expect any material difference affecting the current years financial statements on such reconciliations / adjustments.

36.Details of Benami Property held

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

37. Details of Loans and advances

Loans and advances granted to promoters, directors, key managerial personnel (KMPs) and the related parties which are repayable on demand or without specifying any terms or period of repayment.

Type of borrower	Amount of loan or advance in the nature of loan outstanding		Percentage to the total loans and advances in the nature of loans	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
3i Infotech Consultancy Services Limited	905.34	1,024.92	25%	25%
3I INFOTECH LIMITED	2,713.84	3,143.93	75%	75%



38. Wilful Defaulter

The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet.

39. Relationship with Struck off Companies

The Company has not identified any transactions or balances in any reporting periods with companies whose name is struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

40. Registration of charges or satisfaction with Registrar of Companies (ROC)

The company has no pending charges or satisfaction which are yet to be registered with the ROC beyond the Statutory period.

41. Discrepancy in utilization of borrowings

The company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

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

42. Title deeds of Immovable Properties not held in name of the Company

There are no Immovable Properties held in name of the Company, therefore title deeds clause is not applicable in this company.

43. Compliance with number of layers of companies

The company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

44. Compliance with approved Scheme(s) of Arrangements

There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

45. There is no revaluation of Property Plant and Equipment during the FY 22-23.

46. Additional Information

Undisclosed income

The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Details of Crypto Currency or Virtual Currency

The company has not traded or invested in Crypto currency or Virtual Currency.

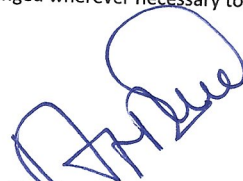
47. Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's presentation."

For and on behalf of the board



Kiran Chittar
Director
DIN : 09447892

Place : Navi Mumbai
Date : May 06, 2023



Ajay Kumar
Director
DIN: 07652605

