

3i INFOTECH DIGITAL BPS LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2024

3I INFOTECH DIGITAL BPS LIMITED
BALANCE SHEET AS AT MARCH 31, 2024

(Amount in INR Lakhs)

| Particulars | Note No. | As at March 31, 2024 | As at March 31, 2023 |
|--|----------|----------------------|----------------------|
| ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 3 (a) | 32.82 | 41.15 |
| (i) Right of Use Assets | 3 (b) | 589.23 | - |
| (b) Financial Assets | | | |
| (i) Investment | 4 (a) | 1.00 | 1.00 |
| (ii) Other Financial Assets | 4 (c) | 65.05 | 1.75 |
| (c) Deferred Tax Asset (Net) | 5 | 53.12 | 62.12 |
| (d) Other Non-Current Assets | 6 | 133.51 | 133.51 |
| | | 874.73 | 239.53 |
| (2) Current Assets | | | |
| (a) Financial Assets | | | |
| (i) Trade Receivables | 7 | 1,513.61 | 1,785.75 |
| (ii) Cash and Cash Equivalents | 8 | 553.67 | 153.43 |
| (iii) Loan | 4 (b) | 3,879.12 | 2,713.84 |
| (iv) Other Financial Assets | 4 (c) | 726.04 | 878.87 |
| (b) Other Current Assets | 6 | 12.13 | 978.15 |
| | | 6,684.57 | 6,510.03 |
| TOTAL ASSETS | | 7,559.29 | 6,749.56 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 9 | 10.00 | 10.00 |
| (b) Other Equity | 10 | 5,510.10 | 5,309.11 |
| | | 5,520.10 | 5,319.11 |
| Liabilities | | | |
| (1) Non Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 11 | 14.41 | 18.93 |
| (ii) Lease Liabilities | 14 | 511.35 | - |
| (b) Provisions | 13 | 169.12 | 163.79 |
| | | 694.88 | 182.72 |
| (2) Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 11 | 4.70 | 4.33 |
| (ii) Lease Liabilities | | 107.86 | - |
| (iii) Trade Payables | | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | 12 | 100.45 | 6.98 |
| (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | 12 | 196.37 | 164.63 |
| (iv) Other Financial Liabilities | 15 | 620.77 | 345.78 |
| (b) Other Current Liabilities | 16 | 228.61 | 630.43 |
| (c) Provisions | 13 | 85.57 | 95.60 |
| | | 1,344.32 | 1,247.73 |
| TOTAL EQUITY AND LIABILITIES | | 7,559.29 | 6,749.56 |

Material Accounting Policies and Notes forming part of the Financial Statements 1 to 49

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

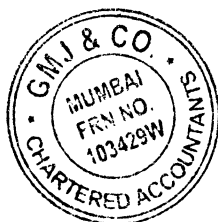
CA Madhu Jain
Partner

M.No.: 155537

UDIN: 241855 378KCR QKIS66

Place: Navi Mumbai

Date: May 27, 2024

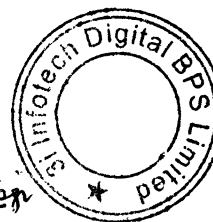


Varika Rastogi

Varika Rastogi
Director
DIN : 7803959

Place: Navi Mumbai

Date: May 27, 2024



Harish Shenoy

Harish Shenoy
Director
DIN : 07288534

Place: Navi Mumbai

Date: May 27, 2024

3I INFOTECH DIGITAL BPS LIMITED**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024**

(Amount in INR Lakhs)

| Particulars | Note No. | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|----------|-----------------------------------|-----------------------------------|
| REVENUE | | | |
| (I) Revenue from Operations | 17 | 9,550.42 | 8,963.75 |
| (II) Other Income | 18 | 331.77 | 267.08 |
| (III) Total Income (I+II) | | 9,882.19 | 9,230.83 |
| (IV) EXPENSES | | | |
| Employee Benefits Expense | 19 | 5,564.32 | 5,286.94 |
| Cost of Third Party Products and Services | 20 | 3,285.64 | 2,949.10 |
| Finance Costs | 21 | 43.06 | 1.07 |
| Depreciation and Amortization Expense | 22 | 101.28 | 6.60 |
| Other Expenses | 23 | 527.64 | 551.86 |
| Total Expenses (IV) | | 9,521.95 | 8,795.57 |
| (V) Profit/(loss) before exceptional items and tax (III-IV) | | 360.24 | 435.26 |
| Exceptional Items | | - | - |
| (VI) Profit/(loss) before tax | | 360.24 | 435.26 |
| (VII) Tax Expense: | | | |
| Current Tax | 24 | 151.79 | 123.43 |
| Deferred Tax | 24 | 8.61 | 39.19 |
| (VIII) Profit/(loss) for the period (VI-VII) | | 199.84 | 272.64 |
| (IX) Other Comprehensive income not to be reclassified to profit and loss in subsequent periods: | | | |
| Remeasurement of Gains (Losses) on defined benefit plans | | 1.54 | (47.64) |
| Income Tax effect | | (0.39) | 11.99 |
| Other Comprehensive income for the year | | 1.15 | (35.65) |
| (X) TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | | 200.99 | 236.99 |
| Earnings per share for profit attributable to equity shareholders | | | |
| (1) Basic EPS | 25 | 199.84 | 272.64 |
| (2) Diluted EPS | 25 | 199.84 | 272.64 |

Material Accounting Policies and Notes forming part of the Financial Statements 1 to 49

As per our report of even date attached

For and on behalf of the board

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

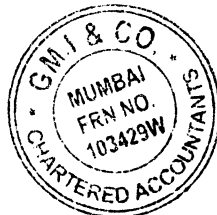
Madhu Jain
CA Madhu Jain
Partner

M.No.: 155537

UDIN: 241555 37BKCR QK1566

Place: Navi Mumbai

Date: May 27, 2024



Varika Rastogi
Varika Rastogi
Director
DIN : 7803959

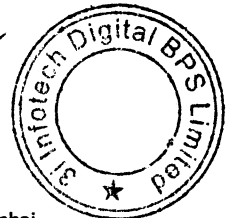
Place: Navi Mumbai

Date: May 27, 2024

Harish Shenoy
Harish Shenoy
Director
DIN : 07288534

Place: Navi Mumbai

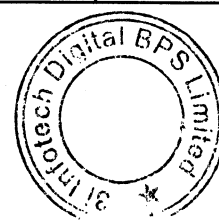
Date: May 27, 2024



3I INFOTECH DIGITAL BPS LIMITED**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024**

(Amount in INR Lakhs)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Profit/(Loss) before income tax | 360.24 | 435.26 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 101.28 | 6.60 |
| Interest on fixed deposit | - | (0.03) |
| Allowance for doubtful debts and advances | (21.37) | 6.21 |
| Finance cost | 43.04 | 0.90 |
| Net foreign exchange differences | 0.07 | - |
| Net Gain on disposal of fixed assets | (0.22) | - |
| Change in operating assets and liabilities: | | |
| (Increase)/Decrease in trade receivables | 293.44 | (224.59) |
| Increase/(decrease) in trade payables | 125.21 | (416.17) |
| (Increase)/Decrease in other financial assets | 89.53 | (248.44) |
| (Increase)/Decrease in other current assets | 966.01 | 195.13 |
| Increase/(decrease) in other financial liability | 274.99 | 167.28 |
| Increase/(Decrease) in employee benefit obligations | (3.15) | 2.31 |
| Increase/(Decrease) in other current liabilities | (401.82) | 52.70 |
| Cash generated from operations | 1,827.25 | (22.83) |
| Less: Income taxes paid | (151.79) | (393.83) |
| Net Cash from / (used in) Operating Activities before Exceptional item | 1,675.47 | (416.66) |
| Exceptional Item | - | - |
| Net cash inflow from operating activities | 1,675.47 | (416.66) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Investment in subsidiary | - | (1.00) |
| Payments for property, plant and equipment | - | (39.76) |
| Interest received | - | 0.03 |
| Sale of property, plant and equipment | 0.22 | - |
| Net cash outflow from investing activities | 0.22 | (40.74) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Payment of Lease rental | (104.08) | - |
| Interest Paid | (1.95) | (0.90) |
| Proceeds / (Repayment) from / to borrowings | (4.15) | 23.26 |
| Loan to Related party | (1,165.28) | - |
| Loan Received from Related party | - | 430.09 |
| Net cash inflow (outflow) from financing activities | (1,275.45) | 452.45 |
| Net increase (decrease) in cash and cash equivalents | 400.24 | (4.95) |
| Cash and Cash Equivalents at the beginning of the financial year | 153.43 | 158.37 |
| Effects of exchange rate changes on Cash and Cash Equivalents | - | - |
| Cash and Cash Equivalents at end of the year | 553.67 | 153.43 |
| 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 | 552.67 | 152.43 |
| Margin Money with Banks-India | 1.00 | 1.00 |
| Balances per statement of cash flows | 553.67 | 153.43 |



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.

Material: Accounting Policies and Notes forming part of the Financial Statements 1 to 49

As per our report of even date attached

For and on behalf of the board

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



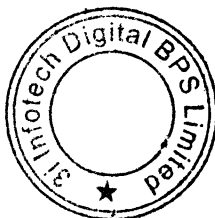
CA Madhu Jain
Partner

M.No.: 155537

UDIN: 241SSS 37BKCR QK1S66

Place: Navi Mumbai

Date: May 27, 2024




Varika Rastogi

Director

DIN : 7803959

Place: Navi Mumbai

Date: May 27, 2024



Harish Shenoy

Director

DIN : 07288534

Place: Navi Mumbai

Date: May 27, 2024

3I INFOTECH DIGITAL BPS LIMITED**STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2024****A Equity Share Capital**

(Amount in INR Lakhs)

| Particulars | Balance at the Beginning of the year | Changes in Equity share capital during the year | Balance at the end of the year |
|-----------------------|--------------------------------------|---|--------------------------------|
| March 31, 2023 | | | |
| Numbers | 1,00,000 | - | 1,00,000 |
| Amount | 10 | - | 10 |
| March 31, 2024 | | | |
| Numbers | 1,00,000 | - | 1,00,000 |
| Amount | 10 | - | 10 |

B Other Equity

(Amount in INR Lakhs)

| Particulars | Reserves and Surplus | | |
|--|----------------------|-------------------|--------------------|
| | Securities Premium | Retained Earnings | Total other equity |
| As at April 01, 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 |
| Profit for the year | - | 199.84 | 199.84 |
| Other comprehensive income | - | 1.15 | 1.15 |
| Total comprehensive income for the year | - | 200.99 | 200.99 |
| As at March 31, 2024 | 5,074.75 | 435.34 | 5,510.10 |

Material Accounting Policies and Notes forming part of the Financial Statements 1 to 49

As per our report of even date attached

For and on behalf of the board

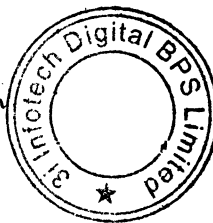
For GMJ & Co
Chartered Accountants
F.R.No.: 103429W

CA Madhu Jain
Partner
M.No.: 155537
UDIN: 241555 37BKCR QK1566
Place: Navi Mumbai
Date: May 27, 2024



Varika Rastogi
Director
DIN : 7803959

Place: Navi Mumbai
Date: May 27, 2024



Harish Shenoy
Director
DIN : 07288534

Place: Navi Mumbai
Date: May 27, 2024

3i INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2024

1 Corporate Information

3i Infotech Digital BPS 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 Tower # 5, International Infotech Park, Vashi Railway Station Complex, Navi Mumbai, Thane, Maharashtra, India, 400703.

The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorised for issue on May 27, 2024.

2 Material 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 01, 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.

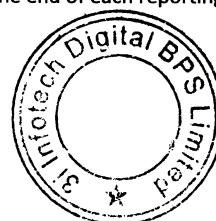
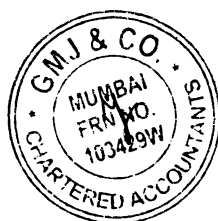
Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of following:

(i) 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

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2024

(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.

(v) Employee benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

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.

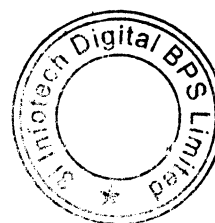
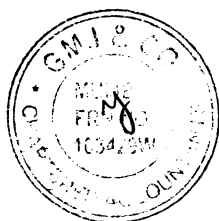
- Revenue from time and material and job contracts is recognised on output basis measured by units delivered, efforts expended, number of transactions processed, etc.
- Revenue related to fixed price maintenance and support services contracts where the Company is standing ready to provide services is 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 revalidations, 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.



3I INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2024

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.

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.

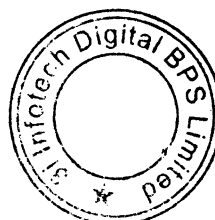
The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. 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.

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 such as commission and brokerage, printing and stationery, communication, repairs and maintenance, etc.



3I INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2024

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

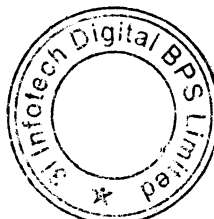
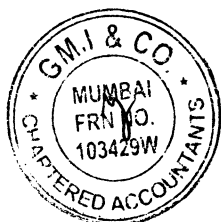
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets 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:

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

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2024

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.

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.

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.

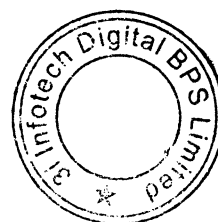
Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

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.



3I INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2024

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.

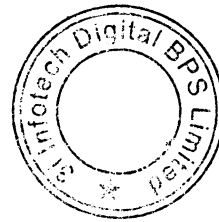
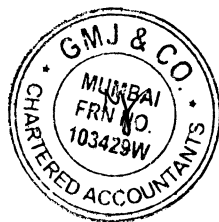
- Loans and borrowings

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.



3I INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2024

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.

(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.

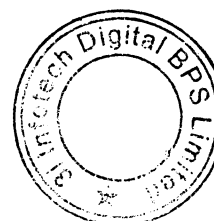
Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component 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

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2024

l) 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.

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

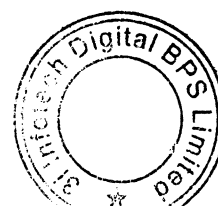
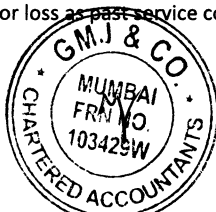
The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries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



3I INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2024

- **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.

o) **Provisions**

General

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.

Expected Credit Losses (ECL)

As per Para 5.5.17 of IndAs 109 an entity shall measure expected credit losses of a financial instrument in a way that reflects:

- a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes.
- b) the time value of money; and
- c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

Ind-AS 109 requires expected credit losses to be measured through a loss allowance. Accordingly, the Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recorded as an impairment gain or loss in the Statement of Profit and Loss.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. While assessing the recoverability of receivables including unbilled receivables, the Company has considered internal and external information up to the date of approval of these standalone financial statements including credit reports and economic forecasts. The Company expects to recover the carrying amount of these assets.

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.

p) **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.

q) **Dividends**

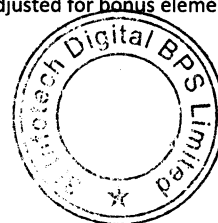
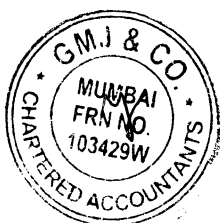
Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

r) **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



3I INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE MARCH 31, 2024

(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.

s) 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:

- 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.

t) Events occurring after Balance Sheet

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

u) 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.

v) Recent accounting pronouncements:

Application of new and amended standards :

(A) Amendments to existing Standards (w.e.f. April 01, 2023) the Company has adopted, with effect from April 01, 2023, the following new and revised standards and interpretations. Their adoption has not had any significant impact on the amounts reported in the financial statements.

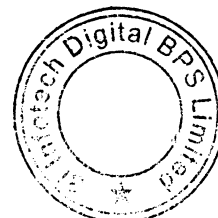
1. Ind AS 1- Presentation of Financials Statements - modification relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies.
2. Ind AS 8 - Accounting Policies, Change in Accounting Estimates and Errors - modification of definition of 'accounting estimate' and application of changes in accounting estimates.
3. Ind AS 12 - Income Taxes - The amendment clarifies application of initial recognition exemption to transactions such as leases and decommissioning obligations.

(B) Standards notified but not yet effective

No new standards have been notified during the year ended March 31, 2024.

w) 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.

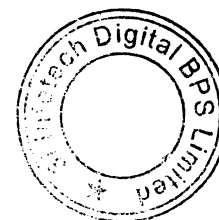


3I INFOTECH DIGITAL BPS LIMITED**3I INFOTECH DIGITAL BPS LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****3 (a) PROPERTY, PLANT AND EQUIPMENT****(Amount in INR Lakhs)**

| Particulars | Computer Hardwares | Office Equipments | Vehicle | Total |
|---|--------------------|-------------------|---------|--------|
| GROSS CARRYING VALUE | | | | |
| As at April 01, 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 |
| Additions | - | - | - | - |
| Disposals/Deletion | - | (1.05) | - | (1.05) |
| As at March 31, 2024 | 134.79 | 11.16 | 32.86 | 178.81 |
| ACCUMULATED DEPRECIATION/IMPAIRMENT | | | | |
| 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 |
| Depreciation for the year | 2.66 | 1.56 | 4.11 | 8.33 |
| Deductions\Adjustments during the period\deletion | - | (1.05) | - | (1.05) |
| As at March 31, 2024 | 133.75 | 6.39 | 5.85 | 145.99 |
| Net Carrying value as at March 31, 2024 | 1.04 | 4.77 | 27.01 | 32.82 |
| Net Carrying value as at March 31, 2023 | 3.70 | 6.33 | 31.12 | 41.15 |

3 (b) RIGHT-OF-USE-ASSETS

| Particulars | Buildings |
|--|-----------|
| GROSS CARRYING VALUE | |
| As at April 01, 2022 | - |
| Additions | - |
| Disposals | - |
| As at March 31, 2023 | - |
| Additions | 682.19 |
| Disposals | - |
| As at March 31, 2024 | 682.19 |
| ACCUMULATED DEPRECIATION/IMPAIRMENT | |
| As at April 01, 2022 | - |
| Depreciation during the period | - |
| Deductions\Adjustments during the period | - |
| As at March 31, 2023 | - |
| Depreciation for the year | 92.96 |
| Deductions\Adjustments during the period | - |
| As at March 31, 2024 | 92.96 |
| Net Carrying value as at March 31, 2024 | 589.23 |
| Net Carrying value as at March 31, 2023 | - |



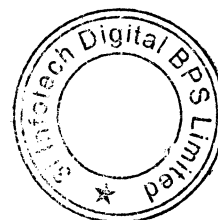
There are no Immovable Properties held in name of the Company, therefore title deeds clause is not applicable in this company.

3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****4. FINANCIAL ASSETS**

| | | (Amount in INR Lakhs) | |
|--|--|-----------------------|-----------------|
| Particulars | | March 2024 | March 2023 |
| (a) INVESTMENTS | | | |
| Non Current | | | |
| (1) Investments carried at cost | | | |
| Unquoted | | | |
| (a) Investments in Equity Instruments | | | |
| 10,000 Equity Share of INR 10 each fully paid up of Versares BPS Digital Private Limited | | 1.00 | 1.00 |
| (As at March 2023 - 10,000 Shares) | | | |
| (As at March 2024 - 10,000 Shares) | | | |
| Total | | 1.00 | 1.00 |
| (b) LOANS | | | |
| Current | | | |
| <i>Unsecured, considered good unless otherwise stated</i> | | | |
| Loans to Related Parties | | 3,879.12 | 2,713.84 |
| Total | | 3,879.12 | 2,713.84 |
| (c) OTHER FINANCIAL ASSETS | | | |
| Non Current | | | |
| Financial assets carried at amortised cost | | | |
| Security Deposits | | 65.05 | 1.75 |
| Less: Loss Allowances | | - | - |
| Total | | 65.05 | 1.75 |
| Current | | | |
| Financial assets carried at amortised cost | | | |
| Security Deposits | | 19.48 | 19.48 |
| Less: Loss Allowances | | (19.48) | (19.48) |
| Unbilled Revenue | | 682.05 | 848.90 |
| Interest Accrued but not due | | 43.99 | 29.97 |
| Total | | 726.04 | 878.87 |

5. INCOME TAX

| Particulars | March 2024 | March 2023 |
|--|--------------|--------------|
| Deferred tax relates to the following: | | |
| Property, Plant and Equipment | 53.12 | 62.12 |
| Net Deferred Tax Assets / (Liabilities) | 53.12 | 62.12 |



3I INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Deferred Tax

(Amount in INR Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Deferred Tax Assets/(Liabilities) relates to the following: | | |
| Property, plant and equipment and intangible assets | 2.90 | 3.35 |
| Provision for employee benefits. | 84.81 | 94.44 |
| Provision/loss allowance on financial assets | 18.34 | 17.26 |
| Right to Use Asset | (148.30) | - |
| Lease Liabilities | 155.84 | - |
| Others | (60.48) | (52.93) |
| Net Deferred Tax Assets / (Liabilities) | 53.12 | 62.12 |

Movement in Deferred Tax Liabilities/Assets

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Opening balance as of April 01, 2023 | 62.12 | 89.32 |
| Tax income/(expense) during the period recognised in profit or loss | (8.61) | (39.19) |
| Tax income/(expense) during the period recognised in OCI | (0.39) | 11.99 |
| Discontinued operations | - | - |
| Deferred Taxes Acquired in business combination | - | - |
| Closing balance as at March 31, 2024 | 53.12 | 62.12 |

Major Components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are as follows:

i. Income tax recognised in profit or loss

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Current income tax charge | 151.79 | 123.43 |
| Adjustment in respect of current income tax of previous year | - | - |
| Deferred tax | | |
| Relating to origination and reversal of temporary differences | 8.61 | 39.19 |
| Income tax expense recognised in profit or loss | 160.40 | 162.62 |

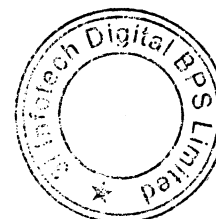
ii. Income tax recognised in OCI

| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Net loss/(gain) on remeasurements of defined benefit plans | 0.39 | (11.99) |
| Income tax expense recognised in OCI | 0.39 | (11.99) |

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

(Amount in INR Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Profit before tax as per IND AS | 375.18 | 435.26 |
| Enacted tax rate in India | 25.17% | 25.17% |
| Income tax on accounting profits | 94.42 | 109.55 |
| Effect of | | |
| Accounting expenses not deductible for tax purpose | 38.38 | 25.23 |
| Accounting Income not assessable for tax purpose | (39.76) | - |
| Other Adjustments | 67.37 | 27.84 |
| Tax at effective income tax rate | 160.40 | 162.62 |



3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****6. OTHER ASSETS**

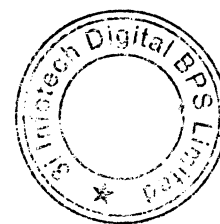
| | | (Amount in INR Lakhs) | |
|---|----------------|-----------------------|--|
| Particulars | March 31, 2024 | March 31, 2024 | |
| Non Current | | | |
| Capital Advances | - | - | |
| Others | | | |
| - Payment of Taxes (Net of Provisions) | 133.51 | 133.51 | |
| Total | 133.51 | 133.51 | |
| Current | | | |
| Advances other than Capital advances | | | |
| - Advances to Related Parties | - | 905.34 | |
| - Advances to Creditors | 0.80 | 26.92 | |
| - Other Advances | 9.89 | 10.15 | |
| Others | | | |
| - Prepaid Expenses | 1.18 | 35.48 | |
| - Balances with Statutory, Government Authorities | 0.26 | 0.26 | |
| Total | 12.13 | 978.15 | |

7. TRADE RECEIVABLES

| Particulars | March 31, 2024 | March 31, 2024 |
|--|-----------------|-----------------|
| Current | | |
| Trade Receivables | 1,560.81 | 1,854.32 |
| Less: Allowance for expected credit Losses | (47.20) | (68.57) |
| Total | 1,513.61 | 1,785.75 |

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).

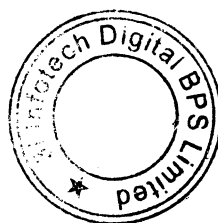
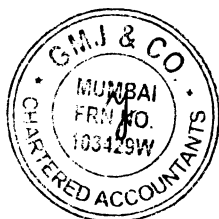


3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(Amount in INR Lakhs)

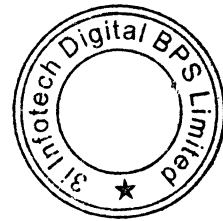
| Particulars | Outstanding for the following period as on March 31, 2024 | | | | | |
|--|---|------------------|--------------|---------------|-------------------|-----------------|
| | Less than 6 months | 6months - 1 Year | 1-2 Years | 2-3 Years | More than 3 years | Total |
| (i) Undisputed trade receivables – considered good | 1,053.61 | 5.68 | 75.71 | 142.79 | 283.02 | 1,560.81 |
| Sub Total | 1,053.61 | 5.68 | 75.71 | 142.79 | 283.02 | 1,560.81 |
| Less: Allowance for expected credit Losses | - | - | - | - | - | (47.20) |
| Total | 1,053.61 | 5.68 | 75.71 | 142.79 | 283.02 | 1,513.61 |

| Particulars | Outstanding for the following period as on March 31, 2023 | | | | | |
|--|---|------------------|---------------|---------------|-------------------|-----------------|
| | Less than 6 months | 6months - 1 Year | 1-2 Years | 2-3 Years | More than 3 years | Total |
| (i) Undisputed trade receivables – considered good | 1,161.76 | 255.70 | 143.09 | 248.54 | 45.23 | 1,854.32 |
| Sub Total | 1,161.76 | 255.70 | 143.09 | 248.54 | 45.23 | 1,854.32 |
| Less: Allowance Allowance for Bad & Doubtful Debts | - | - | - | - | - | (68.57) |
| Total | 1,161.76 | 255.70 | 143.09 | 248.54 | 45.23 | 1,785.75 |



3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****8. CASH AND CASH EQUIVALENTS**

| Particulars | (Amount in INR Lakhs) | |
|----------------------------|-----------------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Balances with banks: | | |
| On current accounts | 552.67 | 152.43 |
| Other Balances with banks: | | |
| Margin Money with Banks | 1.00 | 1.00 |
| Cash on Hand | - | - |
| Total | 553.67 | 153.43 |



3i INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****9. EQUITY SHARE CAPITAL**

| Particulars | AS AT 31.03.2024 | | AS AT 31.03.2023 | |
|---|---------------------|-----|---------------------|-----|
| | No. of shares | INR | No. of shares | INR |
| | | | | |
| (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 (INR 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.

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, 2024 | March 31, 2023 |
|---|----------------|----------------|
| 3i Infotech Limited (The Holding company) and by its nominees | | |
| Equity Shares (Numbers) | 1,00,000 | 1,00,000 |
| Amount (INR In Lakhs) | 10 | 10 |
| Face Value per share | 10 | 10 |

iii. Reconciliation of the shares outstanding at the beginning and at the end of the year:

| Particulars | Opening Balance | Issued during the year | Closing Balance |
|-----------------------------|-----------------|------------------------|-----------------|
| Equity Shares (INR 10 Each) | | | |
| Year ended March 31, 2024 | | | |
| - Number of shares | 1,00,000 | - | 1,00,000 |
| - Amount (INR) | 10 | - | 10 |
| Year ended March 31, 2023 | | | |
| - Number of shares | 1,00,000 | - | 1,00,000 |
| - Amount (INR) | 10 | - | 10 |

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

| Name of the shareholder | March 31, 2024 | | March 31, 2023 | |
|---|----------------|-----------|----------------|-----------|
| | 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% |

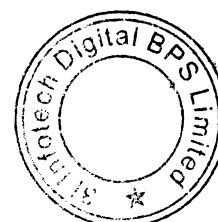
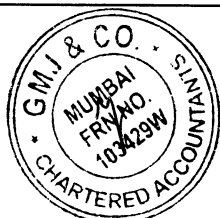
(v) Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date are Nil.

(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, 2024:

| 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 |
| Total | 1,00,000 | - | - |

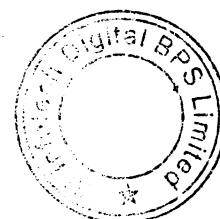


3i INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

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 |
| Total | 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**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****10. OTHER EQUITY****(Amount in INR Lakhs)****i. Reserves and Surplus**

| Particulars | March 31, 2024 | March 31, 2024 |
|----------------------------|-----------------|-----------------|
| Securities Premium Account | 5,074.75 | 5,074.75 |
| Retained Earnings | 435.34 | 234.35 |
| Total | 5,510.10 | 5,309.11 |

(a) Securities Premium Account

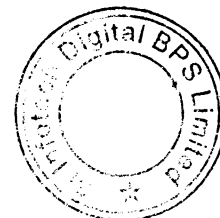
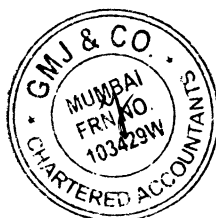
| Particulars | March 31, 2024 | March 31, 2024 |
|------------------------|-----------------|-----------------|
| Opening balance | 5,074.75 | 5,074.75 |
| Add/(Less): | - | - |
| Closing balance | 5,074.75 | 5,074.75 |

The amount received in excess of face value of the equity shares is recognised in Share Premium Reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

(b) Retained Earnings

| Particulars | March 31, 2024 | March 31, 2024 |
|---|----------------|----------------|
| Opening balance | 234.35 | (2.64) |
| Net Profit/(Loss) for the year | 199.84 | 272.64 |
| Add/(Less): | - | - |
| Items of Other Comprehensive Income directly recognised in Retained Earnings: | | |
| Remeasurement of post employment benefit obligation, net of tax | 1.15 | (35.65) |
| Closing balance | 435.34 | 234.35 |

This reserve represents undistributed accumulated earnings of the Company as on the balance sheet date.



3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****11. Borrowing**

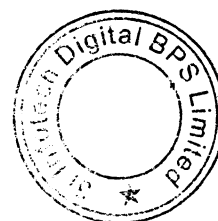
| Particulars | (Amount in INR Lakhs) | |
|---|-----------------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Non Current Borrowing | | |
| Secured | | |
| (a) Term Loans | | |
| From Bank: | | |
| Vehicle Loan (Hypothecated against the car) | 19.11 | 23.26 |
| From Others | - | - |
| (A) | 19.11 | 23.26 |
| Current Maturity of Non Current Borrowings | | |
| Secured | | |
| (a) Term Loans | | |
| From Bank: | | |
| Vehicle Loan (Hypothecated against the car) | 4.70 | 4.33 |
| From Others | - | - |
| (B) | 4.70 | 4.33 |
| Total (A) - (B) | 14.41 | 18.93 |
| Current Borrowing | | |
| Secured | | |
| (a) Term Loans | | |
| From Bank: | | |
| Vehicle Loan (Hypothecated against the car) | 4.70 | 4.33 |
| From Others | - | - |
| Total | 4.70 | 4.33 |

12. TRADE PAYABLES

| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Current | | |
| Total outstanding dues of Micro and Small Enterprises | 100.45 | 6.98 |
| Total outstanding dues of creditors other than Micro and Small Enterprises | 196.37 | 164.63 |
| Total | 296.81 | 171.60 |

Terms and conditions of the above financial liabilities:

1. Trade payables are non-interest bearing and are normally settled on 60-day terms as at relevant period.
2. For terms and conditions with related parties, refer note 28



13. PROVISIONS

| Particulars | March 31, 2024 | March 31, 2023 |
|---------------------------------|----------------|----------------|
| Non Current | | |
| Provision for employee benefits | | |
| Gratuity | 138.93 | 134.97 |
| Leave encashment | 30.19 | 28.82 |
| Total | 169.12 | 163.79 |
| Current | | |
| Provision for employee benefits | | |
| Gratuity | 59.88 | 58.04 |
| Leave encashment | 25.69 | 37.56 |
| Total | 85.57 | 95.60 |

14. LEASE LIABILITIES

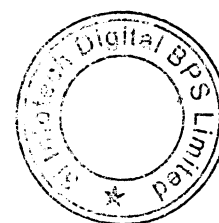
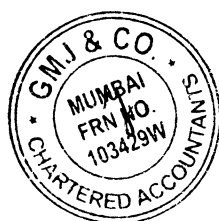
| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Non Current Lease Liabilities (Refer Note no 34) | 511.35 | - |
| Current Lease Liabilities | 107.86 | - |
| Total | 619.21 | - |

15. OTHER FINANCIAL LIABILITIES

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Current | | |
| Financial Liabilities at amortised cost | | |
| Dues to employees | 620.77 | 345.78 |
| Total | 620.77 | 345.78 |

16. OTHER LIABILITIES

| Particulars | March 31, 2024 | March 31, 2023 |
|---------------------------------------|----------------|----------------|
| Current | | |
| Advance received from Customers | 27.89 | 28.12 |
| Advance received from Related parties | - | - |
| Others: | - | - |
| Statutory Dues | 115.18 | 160.44 |
| Others | 85.53 | 441.87 |
| Total | 228.61 | 630.43 |



3I INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Trade payable ageing schedule for the year ended as on March 31, 2024 are as follows :-

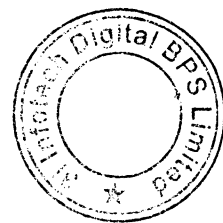
(Amount in INR Lakhs)

| Sr. No. | Particulars* | Outstanding for following periods | | | | Total |
|---------|----------------------------|-----------------------------------|---------------|--------------|-------------------|---------------|
| | | Less than 1 year | 1 to 2 years | 2 to 3 years | More than 3 years | |
| (i) | MSME | 64.17 | 29.78 | 6.50 | - | 100.45 |
| (ii) | Others | 85.93 | 110.43 | - | - | 196.37 |
| (iii) | Disputed dues - MSME | - | - | - | - | - |
| (iv) | Disputed dues - Others | - | - | - | - | - |
| | Total Trade Payable | 150.10 | 140.21 | 6.50 | - | 296.81 |

Trade payable ageing schedule for the year ended as on March 31, 2023 are as follows :-

| Sr. No. | Particulars* | Outstanding for following periods | | | | 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 | 441.93 | 4.33 | - | 141.51 | 171.60 |

*It Includes accruals



3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****17. REVENUE FROM OPERATIONS**

| Particulars | (Amount in INR Lakhs) | |
|---------------------|-----------------------|-----------------|
| | March 31, 2024 | March 31, 2023 |
| Sale of Services | | |
| Transaction service | 9,550.42 | 8,963.75 |
| Total | 9,550.42 | 8,963.75 |

Revenue from sale of services to largest customers (greater than 10% of total sales) is in INR 4,113.97 lakhs FY 2023-24 (in FY 2022-23 INR 2,856.74 lakhs).

Disaggregate revenue information

The disaggregated revenue from customers by geographic area based on location in customer are as follows:

| Particulars | March 31, 2024 | March 31, 2023 |
|---------------|-----------------|-----------------|
| In India | 9,550.42 | 8,963.75 |
| Outside India | - | - |
| Total | 9,550.42 | 8,963.75 |

Timing of Revenue Recognition

| Particulars | March 31, 2024 | March 31, 2023 |
|--|-----------------|-----------------|
| For Contractual obligations rendered at a point in time | - | - |
| For Contractual obligations rendered over a period of time | 9,550.42 | 8,963.75 |
| | 9,550.42 | 8,963.75 |

Summary of Contract Balances

| Particulars | March 31, 2024 | March 31, 2023 |
|------------------------|----------------|----------------|
| Trade Receivables | 1,513.61 | 1,785.75 |
| Contract Assets* | 682.05 | 848.90 |
| Contract Liabilities** | - | - |

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

***Contract Assets:**

The below table discloses the movement in the balance of contract assets:

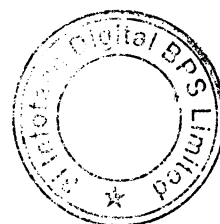
| Particulars | Year Ended | |
|--|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Balance at the beginning of the year | 848.90 | 584.10 |
| Addition due to revenue recognised during the year | 10,126.51 | 9,289.48 |
| Invoices raised during the year | (10,293.35) | (9,024.69) |
| Reversal against Loss allowance | - | - |
| Balance as at end of the year | 682.05 | 848.90 |

18. OTHER INCOME

| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Interest Income on: | | |
| Loans to related parties | 325.62 | 254.11 |
| Others | 5.92 | 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 | 0.22 | - |
| Total | 331.77 | 267.08 |

19. EMPLOYEE BENEFITS EXPENSE

| Particulars | March 31, 2024 | March 31, 2023 |
|---|-----------------|-----------------|
| Salaries, wages and bonus | 5,007.78 | 4,645.31 |
| Contribution to provident and other funds | 445.85 | 530.59 |
| Staff welfare expenses | 67.27 | 80.77 |
| Gratuity Expense | 41.57 | 28.97 |
| Recruitment and training expenses | 1.85 | 1.30 |
| Total | 5,564.32 | 5,286.94 |



3I INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

20. COST OF THIRD PARTY PRODUCTS AND SERVICES

| Particulars | March 31, 2024 | March 31, 2023 |
|---|-----------------|-----------------|
| Cost of third party products / outsourced services | | |
| For own use | | |
| Service delivery to clients | 3,285.64 | 2,949.10 |
| Total | 3,285.64 | 2,949.10 |

21. FINANCE COST

| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Interest expense on debts and borrowings | 1.95 | 0.90 |
| Interest Expense - Lease Liabilities | 41.10 | - |
| Other borrowing costs: | | |
| Others | 0.02 | 0.17 |
| Total | 43.06 | 1.07 |

22. DEPRECIATION AND AMORTISATION EXPENSE

| Particulars | March 31, 2024 | March 31, 2023 |
|-------------------------------------|----------------|----------------|
| Depreciation on tangible assets | 8.33 | 6.60 |
| Depreciation on right to use assets | 92.96 | - |
| Total | 101.28 | 6.60 |

23. OTHER EXPENSES

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Electric power, fuel and water | 0.32 | 4.04 |
| Insurance | 0.53 | 0.41 |
| Legal and Professional fees | 119.46 | 101.25 |
| Payments to Auditors (Refer note below) | 4.48 | 4.31 |
| Rates and taxes | 24.81 | 0.19 |
| Rent | 3.97 | 7.93 |
| Hire Charges | 134.40 | 180.86 |
| Repairs and maintenance - Others | 7.11 | 0.64 |
| Telephone and internet expenses | 14.83 | 13.62 |
| Courier Charges | 25.15 | 25.47 |
| Travelling & conveyance expenses | 0.91 | 4.11 |
| Allowance for doubtful debts and advances | (21.37) | 6.21 |
| Foreign exchange fluctuation loss | 0.07 | 0.39 |
| Miscellaneous expenses | 84.96 | 74.61 |
| Management Support fees | 128.03 | 127.82 |
| Total | 527.64 | 551.86 |

(a) Details of Payments to Auditors

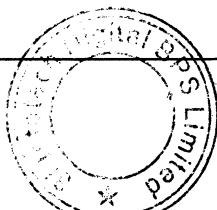
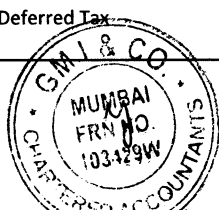
| Particulars | March 31, 2024 | March 31, 2023 |
|-------------------------------------|----------------|----------------|
| As Auditor | | |
| Audit Fee | 2.00 | 2.00 |
| Tax Audit Fee | 2.00 | 2.00 |
| In other capacity | | |
| Other services (certification fees) | 0.40 | 0.25 |
| Re-imbursment of expenses | 0.08 | 0.06 |
| Total | 4.48 | 4.31 |

(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.

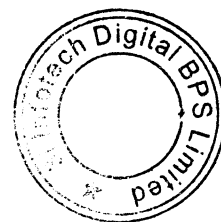
24. INCOME TAX

| Particulars | March 31, 2024 | March 31, 2024 |
|---|----------------|----------------|
| Current Tax | 151.79 | 123.43 |
| Adjustment of tax relating to earlier periods | - | - |
| Deferred Tax | 8.61 | 39.19 |
| Total | 160.40 | 162.62 |



3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****25. EARNINGS PER SHARE**

| Particulars | (Amount in INR Lakhs) | |
|---|-----------------------|-----------------|
| | March 31, 2024 | March 31, 2023 |
| (a) Basic earnings per share | 199.84 | 272.64 |
| (b) Diluted earnings per share | 199.84 | 272.64 |
| (c) Reconciliations of earnings used in calculating earnings per share | | |
| <i>Basic earnings per share</i> | | |
| Profit attributable to the equity holders of the company used in calculating basic earnings per share | 199.84 | 272.64 |
| <i>Diluted earnings per share</i> | | |
| Profit attributable to the equity holders of the company used in calculating diluted earnings per share | 199.84 | 272.64 |
| (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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

26. EMPLOYEE BENEFIT OBLIGATION

| Particulars | March 31, 2024 | | | March 31, 2023 | | |
|--|----------------|---------------|---------------|----------------|---------------|---------------|
| | Current | Non Current | Total | Current | Non Current | Total |
| Leave Encashment | 25.69 | 30.19 | 55.88 | 37.56 | 28.82 | 66.38 |
| Gratuity | 59.88 | 138.93 | 198.82 | 58.04 | 134.97 | 193.00 |
| Total Employee Benefit Obligation | 85.57 | 169.12 | 254.70 | 95.60 | 163.79 | 259.39 |

(i) Leave Encashment

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

The amount of the provision of INR 55.88 Lakhs (March 31, 2023: INR 66.38 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.

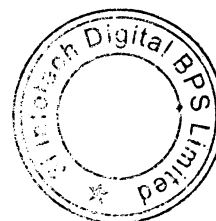
The gratuity plan is a unfunded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

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, 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 |
| <i>Remeasurements</i> | | | |
| (Gain)/Loss from change in demographic assumptions | 51.36 | - | 51.36 |
| (Gain)/Loss from change in financial assumptions | (17.25) | - | (17.25) |
| Experience variance (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 |
| Current service cost | 27.74 | - | 27.74 |
| Interest expense/(income) | 13.83 | - | 13.83 |
| Total amount recognised in profit or loss | 41.57 | - | 41.57 |
| <i>Remeasurements</i> | | | |
| (Gain)/Loss from change in demographic assumptions | - | - | - |
| (Gain)/Loss from change in financial assumptions | - | - | - |
| Experience variance (gains)/losses | (1.54) | - | (1.54) |
| Total amount recognised in other comprehensive income | (1.54) | - | (1.54) |
| Employer contributions | - | - | - |
| Benefit payments | (34.22) | - | (34.22) |
| As at March 31, 2024 | 198.82 | - | 198.82 |

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

| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Present value of obligations | 198.82 | 193.00 |
| Fair value of plan assets | - | - |
| Deficit of unfunded gratuity plan | 198.82 | 193.00 |



3I INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

The significant actuarial assumptions were as follows:

| Particulars | March 31, 2024 | March 31, 2023 |
|--------------------------------|----------------|----------------|
| Discount rate | 7.15% | 7.15% |
| Expected return on plan assets | | |
| For first 3 years | 4.00% | 4.00% |
| After 3 years | 4.00% | 4.00% |
| Withdrawal rate | | |
| Upto 4 years | 40.00% | 40.00% |
| 5 years and above | 26.00% | 26.00% |
| Mortality rate | 100.00% | 100.00% |

A quantitative sensitivity analysis for significant assumption as at March 31, 2024 is shown below:

| Assumptions | Discount rate | | Salary growth rate | | Attrition rate | |
|--------------------------------------|---------------|-------------|--------------------|-------------|----------------|--------------|
| Sensitivity Level | 1% Increase | 1% Decrease | 1% Increase | 1% Decrease | 50% Increase | 50% Decrease |
| March 31, 2024 | | | | | | |
| Impact on defined benefit obligation | 192.35 | 205.72 | 205.81 | 192.10 | 196.33 | 196.13 |
| % Impact | (3.30%) | 3.50% | 3.50% | (3.40%) | (1.30%) | (1.40%) |
| 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% |

| Assumptions | Mortality rate | |
|--------------------------------------|----------------|--------------|
| Sensitivity Level | 10% Increase | 10% Decrease |
| March 31, 2024 | | |
| Impact on defined benefit obligation | 198.84 | 198.79 |
| % Impact | 0.00% | 0.00% |
| March 31, 2023 | | |
| Impact on defined benefit obligation | 193.03 | 192.98 |
| % Impact | 0.00% | 0.00% |

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined beenfit obligation as a result of reasonable changes in key assumptions occuring 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 03 years (March 31, 2023: 03 years).

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

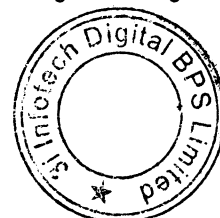
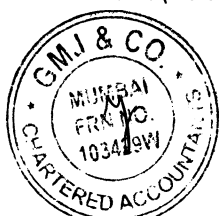
| Particulars | March 31, 2024 | March 31, 2023 |
|--------------------|----------------|----------------|
| 1 year | 59.88 | 58.04 |
| 2 to 5 years | 127.59 | 123.16 |
| 6 to 10 years | 55.04 | 53.54 |
| More than 10 years | 18.38 | 18.56 |

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 315.81 Lakhs (March 31, 2023: INR 416.51 Lakhs).



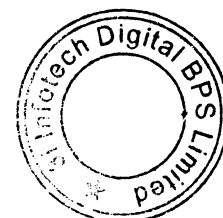
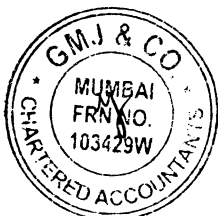
3I INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

27. COMMITMENTS AND CONTINGENCIES

| (Amount in INR Lakhs) | | |
|---|----------------|----------------|
| Contingent Liabilities | March 31, 2024 | March 31, 2023 |
| 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) | 88.00 | 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.



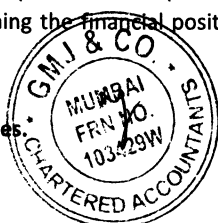
3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****28. RELATED PARTY TRANSACTIONS****(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures**

| 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 Subsidiary | India |
| NuRe EdgeTech Private Limited (incorporated on November 28, 2022) | Fellow 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 |
| NuRe Bharat Network Limited (incorporated on April 21, 2024) | Fellow Subsidiary | India |
| Process Central Limited | Joint Venture of Fellow Subsidiary | Nigeria |

| Key Managerial Personnel (KMP): | Remarks |
|---------------------------------|---|
| Mr. Harish Shenoy | Director |
| Mr. Kiran Chittar | Additional Director appointed on January 25, 2022 |
| Mr. Sushant Purushan | Director appointed on June 23, 2023 |
| Mrs. Varika Rastogi | Additional Director appointed on April 01, 2024 |

(ii) 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 allowance for expected credit loss on amount owed by related parties is NIL (March 31, 2023: 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.

(iii) There are no Commitments with Related parties

3i INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****(i) Transactions with related parties**

The following transactions occurred with related parties:

(Amount in INR Lakhs)

| Name | Nature of Relationship | Nature of Transaction | March 31, 2024 | March 31, 2023 |
|---------------------|------------------------|----------------------------------|----------------|----------------|
| 3i Infotech Limited | Holding Company | Income | 163.09 | 355.28 |
| | | Expenses | 2,678.61 | 2,189.86 |
| | | Expenses - Infrastructure | 156.00 | 156.00 |
| | | Interest income on advance given | 56.61 | 254.11 |

(ii) Outstanding balances arising from sales/purchases of goods and services**(Amount in INR Lakhs)**

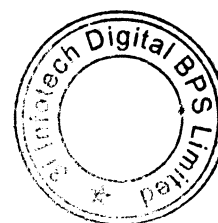
| Name | Nature of Relationship | Nature of Transaction | March 31, 2024 | March 31, 2023 |
|--|------------------------|-----------------------|----------------|----------------|
| 3i Infotech Limited | Holding Company | Interest receivable | 56.61 | 29.95 |
| | | Loan | 3,879.12 | 2,713.84 |
| 3i Infotech Consultancy Services Limited | Fellow Subsidiary | Advance receivable | - | 905.34 |
| | | | | |
| Name | Nature of Relationship | Nature of Transaction | March 31, 2024 | March 31, 2023 |
| 3i Infotech Saudi Arabia LLC | Fellow Subsidiary | Trade payable | 4.91 | 4.84 |

(iii) Loans to related parties**(Amount in INR Lakhs)**

| Name | Nature of Relationship | Particulars | March 31, 2024 | March 31, 2023 |
|--|------------------------|---|-----------------|-----------------|
| Loans to/Interest receivable from related parties | | | | |
| 3i Infotech Limited | Holding Company | Loan at the beginning of the year | 2,713.91 | 3,144.00 |
| | | Loan given | 4,041.90 | - |
| | | Loan Repaid | (2,876.63) | 430.09 |
| | | Loan at the end of the year | 3,879.19 | 2,713.91 |
| | | Interest at the beginning of the year | 29.95 | 46.49 |
| | | Interest charged | (266.40) | (245.24) |
| | | Interest receivables adjusted against payables | 325.62 | 254.11 |
| | | TDS Deducted | (32.56) | (25.41) |
| | | Interest receivable at the end of the year | 56.61 | 29.95 |

(iv) Investment in Subsidiary**(Amount in INR Lakhs)**

| Name | Nature of Relationship | Particulars | March 31, 2024 | March 31, 2023 |
|------------------------------|-------------------------|--------------------------|----------------|----------------|
| Versares BPS Private Limited | Wholly owned Subsidiary | Investment in subsidiary | - | 1.00 |



3I INFOTECH DIGITAL BPS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

| 29. FAIR VALUE MEASUREMENTS | | | | |
|--------------------------------------|-----------------|-----------------|-----------------------|-----------------|
| i. Financial Instruments by Category | | | | |
| Particulars | Carrying Amount | | (Amount in INR Lakhs) | |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| FINANCIAL ASSETS | | | | |
| Amortised cost | | | | |
| Trade Receivables | 1,513.61 | 1,785.75 | 1,513.61 | 1,785.75 |
| Loans | 3,879.12 | 2,713.84 | 3,879.12 | 2,713.84 |
| Cash and Cash Equivalents | 553.67 | 153.43 | 553.67 | 153.43 |
| Other Financial Assets | 791.09 | 880.62 | 791.09 | 880.62 |
| Total | 6,737.48 | 5,533.64 | 6,737.48 | 5,533.64 |
| FINANCIAL LIABILITIES | | | | |
| Amortised cost | | | | |
| Trade Payables | 296.81 | 171.60 | 296.81 | 171.60 |
| Other Financial Liabilities | 620.77 | 345.78 | 620.77 | 345.78 |
| Borrowing | 19.11 | 23.26 | 19.11 | 23.26 |
| Lease Liability | 619.21 | - | 619.21 | - |
| Total | 1,555.89 | 540.64 | 1,555.89 | 540.64 |

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:

| Fair value measurement hierarchy | | | | | | | | |
|------------------------------------|------------------------------|---|---|---|------------------------------|---|---|---|
| Particulars | March 31, 2024 | | | | March 31, 2023 | | | |
| | Fair value measurement using | | | | Fair value measurement using | | | |
| | Carrying Amount | Quoted prices in active markets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Carrying Amount | Quoted prices in active markets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Financial Assets | | | | | | | | |
| At Amortised Cost | | | | | | | | |
| Trade Receivables | 1,513.61 | - | - | - | 1,785.75 | - | - | - |
| Loan | 3,879.12 | - | - | - | 2,713.84 | - | - | - |
| Cash and Cash Equivalents | 553.67 | - | - | - | 153.43 | - | - | - |
| Other Financial Assets | 791.09 | - | - | - | 880.62 | - | - | - |
| Total Financial Assets | 6,737.48 | - | - | - | 5,533.64 | - | - | - |
| Financial Liabilities | | | | | | | | |
| At Amortised Cost | | | | | | | | |
| Trade Payables | 296.81 | - | - | - | 171.60 | - | - | - |
| Other financial liabilities | 620.77 | - | - | - | 345.78 | - | - | - |
| Borrowing | 19.11 | - | - | - | 23.26 | - | - | - |
| Lease Liability | 619.21 | - | - | - | - | - | - | - |
| Total Financial Liabilities | 1,555.89 | - | - | - | 540.64 | - | - | - |

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described below:

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

Level 2 - Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

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.

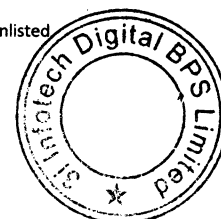
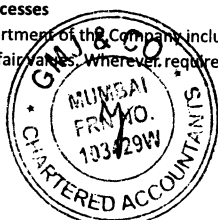
iii. Valuation technique used to determine fair value

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 assesses the valuation of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Wherever required, valuation reports from Professional Entities are being considered at frequent intervals.



3I INFOTECH DIGITAL BPS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

30. 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 major 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, 2024:

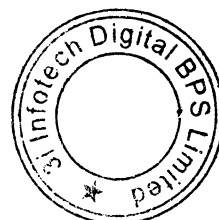
| (Amount in INR Lakhs) | | | | |
|-------------------------------|---------------|----------|----------|---------------|
| Particulars | USD | GBP | EUR | Total |
| Total Financial Assets | - | - | - | - |
| Total Financial Liabilities | (4.91) | - | - | (4.91) |
| Total | (4.91) | - | - | (4.91) |
| 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, 2024.

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

| (Amount in INR Lakhs) | | | | |
|-------------------------------|---------------|----------|----------|---------------|
| Particulars | 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.



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(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 revenue

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 2,195.95 Lakhs (March 31, 2023 : INR 2,634.64 Lakhs). The lifetime expected credit loss on customer balance for the year ended March 31, 2024 is INR 47.20 Lakhs (March 31, 2023: 68.57 Lakhs).

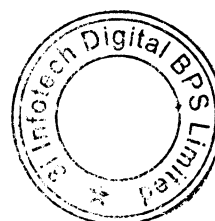
The company has a credit policy of 0-60 days.

Reconciliation of loss allowance provision - Trade receivables and Unbilled revenue

| Particulars | (Amount in INR Lakhs) | |
|-------------------------------------|-----------------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Balance at the beginning | 68.57 | 62.36 |
| Impairment loss recognised/reversed | (21.37) | 6.21 |
| Balance at the end | 47.20 | 68.57 |

- 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 682.18 Lakhs (March 31, 2023: INR 204.63 Lakhs). The 12 months expected credit loss and lifetime expected credit loss on these financial assets for the year ended March 31, 2024 is INR 19.48 Lakhs (March 31, 2023: INR 19.48 Lakhs).



3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****Reconciliation of loss allowance provision - other financial assets**

(Amount in INR Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 |
|--|------------------------------|------------------------------|
| | life-time 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, 2024

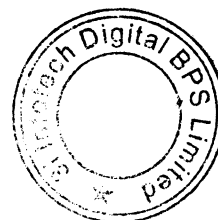
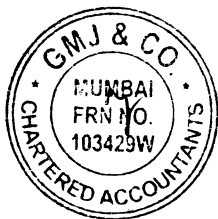
(Amount in INR Lakhs)

| Particulars | 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 | 296.81 | - | - | - | 296.81 |
| Other Financial Liabilities | 620.77 | - | - | - | 620.77 |
| Borrowings | 4.70 | 5.11 | 9.30 | - | 19.11 |
| Lease Liabilities | 161.32 | 347.24 | 250.00 | - | 758.55 |
| Total | 1,083.60 | 352.35 | 259.30 | - | 1,695.24 |

March 31, 2023

(Amount in INR Lakhs)

| Particulars | 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 | 171.60 | - | - | - | 171.60 |
| Other Financial Liabilities | 345.78 | - | - | - | 345.78 |
| Borrowings | 4.33 | 4.59 | 14.34 | - | 23.26 |
| Total | 521.71 | 4.59 | 14.34 | - | 540.64 |



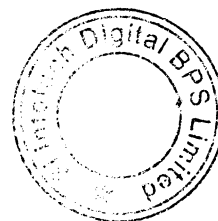
3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(Amount in INR Lakhs)

31. ASSETS PLEDGED AS SECURITY

The carrying amount of assets pledged as security for current and non current borrowings of Holding Company:

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| NON CURRENT ASSETS | | |
| Vehicles | 27.01 | 31.12 |
| Total Non Current Assets pledged as security | 27.01 | 31.12 |

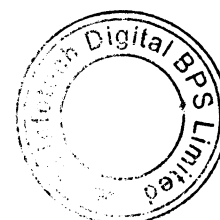


3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****32. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

The following table presents the recognised financial instruments that are offset and other agreements but not offset, as at March 31, 2024 and March 31, 2023. The column 'net amount' shows the impact on the company's balance sheet if all set-off rights were exercised.

(Amount in INR Lakhs)

| Particulars | Effects of offsetting on the balance sheet | | | Related amounts not offset | | |
|------------------------------|--|--|---|---|----------------------------------|-----------------|
| | 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, 2024 | | | | | | |
| Financial Assets | | | | | | |
| Trade Receivables | 1,702.80 | (189.19) | 1,513.61 | - | - | 1,513.61 |
| Deposits | 65.05 | - | 65.05 | - | - | 65.05 |
| Loan to Related Parties | 6,755.75 | (2,876.63) | 3,879.12 | - | - | 3,879.12 |
| Interest Accrued | 310.39 | (266.40) | 43.99 | - | - | 43.99 |
| Total | 8,833.97 | (3,332.22) | 5,501.76 | - | - | 5,501.76 |
| Financial Liabilities | | | | | | |
| Trade Payables | (3,035.40) | 3,332.22 | 296.81 | - | - | 296.81 |
| Borrowing | 19.11 | - | 19.11 | - | - | 19.11 |
| Lease Liabilities | 619.21 | - | 619.21 | - | - | 619.21 |
| Total | (2,397.09) | 3,332.22 | 935.13 | - | - | 935.13 |
| March 31, 2023 | | | | | | |
| Financial Assets | | | | | | |
| Trade Receivables | 2,197.87 | (412.12) | 1,785.75 | - | - | 1,785.75 |
| 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 | 7,429.67 | (2,898.39) | 4,531.29 | - | - | 4,531.29 |
| 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 |



3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

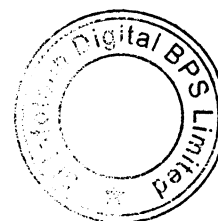
(Amount in INR Lakhs)

33. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, convertible instruments, share premium and all other equity reserves attributable to the equity holders. 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, less cash and cash equivalents.

| Particulars | March 31, 2024 | March 31, 2023 |
|---------------------------------|-----------------|-----------------|
| Lease Liabilities | 619.21 | - |
| Borrowings | 19.11 | 23.26 |
| Less: Cash and Cash Equivalents | (553.67) | (153.43) |
| Net Debt | 84.65 | (130.17) |
| Equity | 10.00 | 10.00 |
| Other Equity | 5,510.10 | 5,309.11 |
| Total Capital | 5,520.10 | 5,319.11 |
| Capital and Net Debt | 5,604.74 | 5,188.94 |
| Gearing Ratio | 0.02 | (0.03) |



3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****34. LEASES**

The changes in the carrying value of ROU assets for the year ended March 31, 2024 and March 31, 2023 are as follows:

| Particulars | (Amount in INR Lakhs) | |
|--------------------------|-----------------------|----------------|
| | Category of ROU Asset | |
| | March 31, 2024 | March 31, 2023 |
| Balance at the beginning | - | - |
| Additions | 682.19 | - |
| Deletion | - | - |
| Depreciation | (92.96) | - |
| Balance at the end | 589.23 | - |

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023 are as follows:

| Particulars | (Amount in INR Lakhs) | |
|-------------------------------|-----------------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Current Lease Liabilities | 107.86 | - |
| Non-Current Lease Liabilities | 511.35 | - |
| Total | 619.21 | - |

The movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023 are as follows:

| Particulars | (Amount in INR Lakhs) | |
|--|-------------------------------|-------------------------------|
| | For Year Ended March 31, 2024 | For Year Ended March 31, 2023 |
| Balance at the beginning | - | - |
| Additions | 682.19 | - |
| Finance cost accrued during the period | 41.10 | - |
| Deletions | - | - |
| Payment of lease liabilities | (104.08) | - |
| Translation difference | - | - |
| Balance at the end | 619.21 | - |

The details of the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis are as follows:

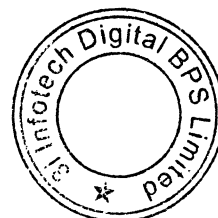
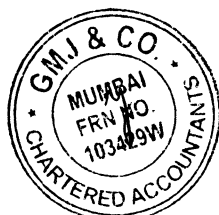
| Particulars | March 31, 2024 | March 31, 2023 |
|----------------------|----------------|----------------|
| Less than one year | 161.32 | - |
| One to five years | 597.23 | - |
| More than five years | - | - |
| Total | 758.55 | - |

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 and low value assets was INR 138.36 Lakhs for the year ended March 31, 2024 and INR 188.78 Lakhs for the year ended March 31, 2023.

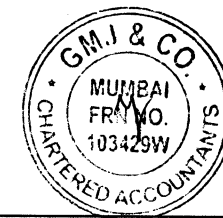
Rental income on assets given on operating lease to subsidiaries was INR NIL for the year ended March 31, 2024.

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.



3I INFOTECH DIGITAL BPS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024
35. RATIO ANALYSIS

| Sr. No. | Particulars | AS AT 31.03.2024 | AS AT 31.03.2023 | % change from March 31, 2023 to March 31, 2024 |
|---------|---------------------------------|---------------------|---------------------|---|
| 1 | Current ratio | 4.97 | 5.22 | (4.70%) |
| 2 | Debt- Equity Ratio | 0.12 | 0.00 | 2544.51% |
| 3 | Debt Service Coverage Ratio | 2.92 | 108.12 | (97.30%) |
| 4 | Return on Equity Ratio | 3.69% | 5.24% | (29.66%) |
| 5 | Trade Receivable Turnover Ratio | 5.79 | 7.49 | (22.71%) |
| 6 | Trade Payable Turnover Ratio | 16.37 | 9.20 | 77.90% |
| 7 | Net Capital Turnover Ratio | 1.79 | 1.70 | 4.99% |
| 8 | Net Profit Ratio | 2.09% | 3.04% | (31.20%) |
| 9 | Return on Capital Employed | 7.31% | 8.20% | (10.93%) |
| 10 | Return on Investment | 8.92% | 8.24% | 8.30% |


B. Components of Ratio

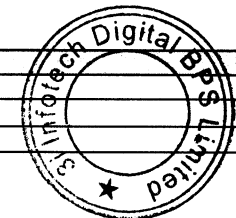
| Sr. No. | Particulars | Numerator | Denominator | AS AT 31.03.2024 | | AS AT 31.03.2023 | |
|---------|-----------------------------------|---------------------------------|---|------------------|-------------|------------------|-------------|
| | | | | Numerator | Denominator | Numerator | Denominator |
| 1 | Current Ratio | Current Asset | Current Liabilities | 6,684.57 | 1,344.32 | 6,510.03 | 1,247.73 |
| 2 | Debt – Equity ratio | Debt | Equity | 638.31 | 5,520.10 | 23.26 | 5,319.11 |
| 3 | Debt service coverage ratio | Earning for Debt Service | Debt Service | 322.57 | 110.35 | 286.35 | 2.65 |
| 4 | Return on Equity (ROE) | Net Profit After tax | Average Shareholder Equity | 199.84 | 5,419.60 | 272.64 | 5,200.61 |
| 5 | Trade Receivables turnover ratio | Net credit sales | Avg Accounts Receivables | 9,550.42 | 1,649.68 | 8,963.75 | 1,196.71 |
| 6 | Trade Payables turnover ratio | Net Credit Purchase | Average Trade Payable | 3,834.58 | 234.21 | 3,494.35 | 379.69 |
| 7 | Net capital turnover ratio | Net sales | working capital | 9,550.42 | 5,340.25 | 8,963.75 | 5,262.30 |
| 8 | Net profit ratio | Net Profit | Net Sales | 199.84 | 9,550.42 | 272.64 | 8,963.75 |
| 9 | Return on Capital Employed (ROCE) | Earning before interest and tax | Capital Employed | 403.30 | 5,520.10 | 436.32 | 5,319.11 |
| 10 | Return on Investment | Other Income | Average Cash & Cash equivalents & other Marketable Securities | 325.62 | 3,650.03 | 254.11 | 3,084.79 |

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

| Sr. No. | Particulars | March 31, 2024 |
|---------|-------------------------------|---|
| 1 | Debt Service Coverage Ratio | Due to repayment of debts (Including Lease Liability) |
| 2 | Return on Equity Ratio | Mainly due to Lease and decrease in allowance for expected credit losses during current year. |
| 3 | Trade Payables turnover ratio | Delay in Payment as comparison to previous year |
| 4 | Net Profit Ratio | Mainly due to Lease accounting during current year. |
| 5 | Debt Equity Ratio | Mainly due to Lease accounting during current year. |

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 |



3I INFOTECH DIGITAL BPS LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(Amount in INR Lakhs)

36. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Principal amount due to suppliers under MSMED Act, 2006* | 100.45 | 6.98 |
| 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 100.45 lakhs (March 31, 2023: INR 6.98 lakhs).

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

37. 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 there under.

38. 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 | |
|--|---|----------------|---|----------------|
| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Promoters | - | - | - | - |
| Directors | - | - | - | - |
| KMPs | - | - | - | - |
| 3i Infotech Consultancy Services Limited | - | 905.34 | 0% | 25% |
| 3i Infotech Limited | 3,879.12 | 2,713.84 | 100% | 75% |

39. 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.

40. 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.

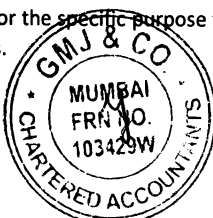
41. Registration of charges or satisfaction with Registrar of Companies (ROC)

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

42. Utilization of borrowed funds

The company has used the borrowings from banks for the specific purpose for which it was taken at the standalone balance sheet date. There are no discrepancy in utilisation of borrowings.

Utilisation of Borrowed funds and share premium:



3I INFOTECH BPO LIMITED

NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

- (A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).
- (B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party).

The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

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

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.

43. 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.

44. 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.

45. 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.

46. There is no revaluation of Property, Plant and Equipment during the FY 23-24.

47. 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.

48. Corporate Social Responsibility

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.

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

As per our report of even date attached

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

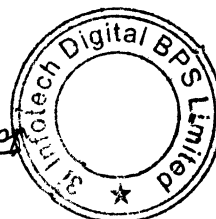
CA Madhu Jain
Partner
M.No.: 155537
UDIN: 241555 37BKCR QK1566
Place: Navi Mumbai
Date: May 27, 2024



For and on behalf of the board

Varika Rastogi
Director
DIN : 7803959

Place: Navi Mumbai
Date: May 27, 2024



Harish Shenoy
Director
DIN : 07288534

Place: Navi Mumbai
Date: May 27, 2024