

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

We have audited the accompanying Ind AS financial statements of **3I INFOTECH DIGITAL BPS LIMITED** (Formerly known as **3I INFOTECH BPO LIMITED**) ("*the Company*") which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to financial statements, including a summary of significant accounting policies (hereinafter referred to as the "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

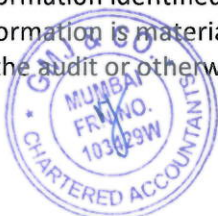
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent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

**Other information**

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

Our opinion on the Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



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

### **Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Ind AS financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books. We are unable to comment for the companies incorporated in India that the back-up of the books of account and other relevant books and papers in electronic mode has been kept on servers physically located in India on a daily basis during the period from April 01, 2023 till March 31, 2024.
  - c) The company does not have any branches. Hence, the provisions of section 143(3)(c) is not applicable.
  - d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.



- e) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) In our opinion, there are no financial transactions or matters which have any adverse effect on the functioning of the company.
- g) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- h) There is no adverse remark relating to the maintenance of accounts and other matters connected therewith.
- i) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- j) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position as referred to Note 27 to the Ind AS financial statement.
  - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - (iii) There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - (iv)
    - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company has not declared or paid any dividend during the year, therefore the provisions of section 123 of the Act is not applicable.
- (vi) Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility, however the same has not operated throughout the year for all relevant transactions recorded in the respective software but only from July 01, 2023.
- Further, from July 01, 2023 where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with during the course of our audit.
- (vii) As Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
- (3) According to the information and explanations given to us, no remuneration has been paid by the company to any of its directors. Accordingly, provision of Section 197 of the act relating to the remuneration to directors are not applicable.

For GMJ & Co  
Chartered Accountants  
FRN.: 103429W



CA Madhu Jain  
Partner

M.No.: 155537

UDIN: 241555 37BKCR QK1S66



Place: Mumbai

Date: May 27, 2024

**Re: 3I INFOTECH DIGITAL BPS LIMITED****Annexure 'A' to the Independent Auditors' Report**

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

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

- i. In respect of the company's Property, plant and equipment and intangible assets.
  - a)
    - (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
    - (B) The company does not have any Intangible Asset and hence reporting under paragraph 3(i)(b) of the order is not applicable.
  - b) Property, Plant and Equipment have been physically verified by the management at regular intervals, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) According to the information and explanation given to us and on the basis of examination of records of the Company, the Company does not hold any immovable property and hence reporting under paragraph 3(i)(c) of the order is not applicable.
  - d) The Company has not revalued any of its Property, Plant and Equipment during the year and hence reporting under paragraph 3(i)(d) of the order is not applicable.
  - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - a) As the Company is a service company, primarily rendering software services. Accordingly, it does not hold any physical inventories during the year and hence reporting under paragraph 3(ii)(a) of the Order is not applicable.
  - b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore in aggregate from the banks on the basis of security of current assets and hence reporting under paragraph 3(ii)(b) of the Order is not applicable.



- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year and the Company has not provided any secured loans, to companies, firms, limited liability partnership or any other parties during the year. However, the Company has granted unsecured loans to companies, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms and limited liability partnership.

- (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided unsecured loans to the subsidiaries as below:

Amount In INR Lakhs	
Particulars	Loan Amount
Aggregate amount granted during the year ended March 31, 2024	
Others	1,165.28
Balance outstanding as at balance sheet date – March 31, 2024	
Others	3,879.19

- c. Since the company has granted unsecured loan which is either repayable on demand or without specifying any terms or period of repayment, reporting under clause 3(iii)(c) to 3(iii)(e) of the Order is not applicable.
- f. The Company has granted unsecured loans to related parties which is either repayable on demand or without specifying any terms or period of repayment, in respect of which the requisite information is as below. However, the company has not granted any advances in the nature of loans to related parties or loans or advances in the nature of loans to promoters either repayable on demand or without specifying any terms or period of repayment.

Amount In INR Lakhs		
Particulars	Amount	Percentage of Total Loans
Aggregate amount granted during the year ended March 31, 2024		
Others	1,165.28	30.03%
Balance outstanding as at balance sheet date – March 31, 2024		
Others	3,879.19	100.00%

- iv. In our opinion and according to the information and explanations given to us, during the year, the Company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under section 185 and section 186 of the Companies Act, 2013.
- v. The Company has not accepted deposits from public within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under.



vi. The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act 2013, for any of the services rendered by the Company and hence reporting under paragraph 3(vi) of the Order is not applicable.

vii. In respect of statutory dues:

- a) According to the information and explanations given to us and on the basis of examination of records of the Company, no undisputed amounts payable in respect of provident fund, Employees' State insurance, income tax, goods and service tax, duty of customs, cess and other material statutory dues were in arrears as at March 31, 2024 for a period more than six months from the date they became payable except mentioned below:

Particulars	Amount in INR Lakhs
Labour Welfare Fund	0.30

- b) According to the books of accounts and records as produced and examined by us in accordance with the generally accepted auditing practices in India, as at March 31, 2024, the following are the particulars of the dues that have not been deposited on the account of dispute.

Name of the Statute	Nature of the Dues	Amount in INR Lakhs	Forum where dispute is pending	Financial year to which the amount relates
Employee's State Insurance Act, 1948	Employees State Insurance- (ESIC)	5.47	Tis Hazari Court, New Delhi	2006-2007
Income Tax Act, 1961	Income Tax	47.12	Commissioner of Income Tax Appeals	2009-2010
Income Tax Act, 1961	Income Tax	9.06	Commissioner of Income Tax Appeals	2013-2014
Income Tax Act, 1961	Income Tax	17.48	Commissioner of Income Tax Appeals	2014-2015
Income Tax Act, 1961	Income Tax	2.19	Commissioner of Income Tax Appeals	2012-2013
Income Tax Act, 1961	Income Tax	12.15	ACIT(76)-Delhi	2014-2015



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

ix.

- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, the company has not raised any funds on short-term basis and hence Paragraph 3(ix)(d) of the order is not applicable.
- e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2024.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2024.

x.

- a. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the and hence reporting under paragraph 3(x)(a) of the order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under paragraph 3(x)(b) of the Order is not applicable.



xi.

- a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) The whistle blower Policy is not applicable to the company and hence reporting under paragraph 3(xi)(c) of the Order is not applicable.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.

xiii. According to information and explanations given us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and details of such transactions have been disclosed in the Ind AS financial statements as required by Ind AS 24, Related Party Disclosures specified under section 133 of the Act read with the relevant rules issued thereunder. Refer Note 28 to the Ind AS financial statements.

xiv.

- a) In our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and nature of its business.
- b) We have considered, the internal audit reports of the Group for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to information and explanations given to us and based on our examination of records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him and hence reporting under paragraph 3 (xv) of the Order is not applicable.

xvi.

- a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(a) and (b) of the Order is not applicable.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(c) and (d) of the Order is not applicable.



- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to information and explanation given to us and on the basis of our examination of the records of the Company, section 135 is not applicable to the company and hence reporting under clause 3(xx)(a) and (xx)(b) of the Order is not applicable for the year.

**For GMJ & Co**  
**Chartered Accountants**  
**FRN: 103429W**

*M. Jain*

**CA Madhu Jain**  
**Partner**

**Membership No.:155537**  
**UDIN: 241555 37BKCR Qk1566**



**Place: Mumbai**  
**Date: May 27, 2024**

**Re: 3I INFOTECH DIGITAL BPS LIMITED****Annexure – 'B' to the Auditors' Report**

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

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

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

We have audited the internal financial controls over financial reporting of "3I INFOTECH DIGITAL BPS LIMITED" (Formerly known as 3I INFOTECH BPO LIMITED) ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For GMJ & Co  
Chartered Accountants  
FRN: 103429W



CA Madhu Jain  
Partner

Membership No.: 155537

UDIN: 241555 37BKCR QK1566



Place: Mumbai  
Date: May 27, 2024

**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
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(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
		<b>874.73</b>	<b>239.53</b>
<b>(2) Current Assets</b>			
(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
		<b>6,684.57</b>	<b>6,510.03</b>
<b>TOTAL ASSETS</b>		<b>7,559.29</b>	<b>6,749.56</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	9	10.00	10.00
(b) Other Equity	10	5,510.10	5,309.11
		<b>5,520.10</b>	<b>5,319.11</b>
<b>Liabilities</b>			
<b>(1) Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	11	14.41	18.93
(ii) Lease Liabilities	14	511.35	-
(b) Provisions	13	169.12	163.79
		<b>694.88</b>	<b>182.72</b>
<b>(2) Current Liabilities</b>			
(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
		<b>1,344.32</b>	<b>1,247.73</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,559.29</b>	<b>6,749.56</b>

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****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
<b>REVENUE</b>			
(I) Revenue from Operations	17	9,550.42	8,963.75
(II) Other Income	18	331.77	267.08
<b>(III) Total Income (I+II)</b>		<b>9,882.19</b>	<b>9,230.83</b>
<b>(IV) EXPENSES</b>			
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
<b>Total Expenses (IV)</b>		<b>9,521.95</b>	<b>8,795.57</b>
<b>(V) Profit/(loss) before exceptional items and tax (III-IV)</b>		<b>360.24</b>	<b>435.26</b>
Exceptional Items		-	-
<b>(VI) Profit/(loss) before tax</b>		<b>360.24</b>	<b>435.26</b>
<b>(VII) Tax Expense:</b>			
Current Tax	24	151.79	123.43
Deferred Tax	24	8.61	39.19
<b>(VIII) Profit/(loss) for the period (VI-VII)</b>		<b>199.84</b>	<b>272.64</b>
<b>(IX) Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:</b>			
Remeasurement of Gains (Losses) on defined benefit plans		1.54	(47.64)
Income Tax effect		(0.39)	11.99
<b>Other Comprehensive income for the year</b>		<b>1.15</b>	<b>(35.65)</b>
<b>(X) TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>200.99</b>	<b>236.99</b>
<b>Earnings per share for profit attributable to equity shareholders</b>			
(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: 241SSS 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
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit/(Loss) before income tax	360.24	435.26
<b>Adjustments for:</b>		
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)	-
<b>Change in operating assets and liabilities:</b>		
(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
<b>Cash generated from operations</b>	<b>1,827.25</b>	<b>(22.83)</b>
Less: Income taxes paid	(151.79)	(393.83)
<b>Net Cash from / (used in) Operating Activities before Exceptional item</b>	<b>1,675.47</b>	<b>(416.66)</b>
Exceptional Item	-	-
<b>Net cash inflow from operating activities</b>	<b>1,675.47</b>	<b>(416.66)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
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	-
<b>Net cash outflow from investing activities</b>	<b>0.22</b>	<b>(40.74)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
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
<b>Net cash inflow (outflow) from financing activities</b>	<b>(1,275.45)</b>	<b>452.45</b>
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	-	-
<b>Cash and Cash Equivalents at end of the year</b>	<b>553.67</b>	<b>153.43</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement:</b>		
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
<b>Balances per statement of cash flows</b>	<b>553.67</b>	<b>153.43</b>



**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

*M. 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 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
<b>March 31, 2023</b>			
Numbers	1,00,000	-	1,00,000
Amount	10	-	10
<b>March 31, 2024</b>			
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
<b>As at April 01, 2022</b>	<b>5,074.75</b>	<b>(2.64)</b>	<b>5,072.12</b>
Profit for the year	-	272.64	272.64
Other comprehensive income	-	(35.65)	(35.65)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>236.99</b>	<b>236.99</b>
<b>As at March 31, 2023</b>	<b>5,074.75</b>	<b>234.35</b>	<b>5,309.11</b>
Profit for the year	-	199.84	199.84
Other comprehensive income	-	1.15	1.15
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>200.99</b>	<b>200.99</b>
<b>As at March 31, 2024</b>	<b>5,074.75</b>	<b>435.34</b>	<b>5,510.10</b>

*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 378KCR 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**

### **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.



### 31 INFOTECH DIGITAL BPS LIMITED

### 31 INFOTECH DIGITAL BPS LIMITED

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

3 (a) PROPERTY, PLANT AND EQUIPMENT				
Particulars	Computer Hardwares	Office Equipments	Vehicle	Total
<b>GROSS CARRYING VALUE</b>				
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
<b>ACCUMULATED DEPRECIATION/IMPAIRMENT</b>				
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
<b>GROSS CARRYING VALUE</b>	
As at April 01, 2022	-
Additions	-
Disposals	-
As at March 31, 2023	-
Additions	682.19
Disposals	-
As at March 31, 2024	682.19
<b>ACCUMULATED DEPRECIATION/IMPAIRMENT</b>	
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	
<b>(a) INVESTMENTS</b>			
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)			
<b>Total</b>	<b>1.00</b>	<b>1.00</b>	
<b>(b) LOANS</b>			
Current			
<i>Unsecured, considered good unless otherwise stated</i>			
Loans to Related Parties	3,879.12	2,713.84	
<b>Total</b>	<b>3,879.12</b>	<b>2,713.84</b>	
<b>(c) OTHER FINANCIAL ASSETS</b>			
Non Current			
Financial assets carried at amortised cost			
Security Deposits	65.05	1.75	
Less: Loss Allowances	-	-	
<b>Total</b>	<b>65.05</b>	<b>1.75</b>	
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	
<b>Total</b>	<b>726.04</b>	<b>878.87</b>	

**5. INCOME TAX**

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



# 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)
<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>53.12</b>	<b>62.12</b>

### 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	-	-
<b>Closing balance as at March 31, 2024</b>	<b>53.12</b>	<b>62.12</b>

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
<b>Income tax expense recognised in profit or loss</b>	<b>160.40</b>	<b>162.62</b>

#### 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)
<b>Income tax expense recognised in OCI</b>	<b>0.39</b>	<b>(11.99)</b>

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%
<b>Income tax on accounting profits</b>	<b>94.42</b>	<b>109.55</b>
<b>Effect of</b>		
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
<b>Tax at effective income tax rate</b>	<b>160.40</b>	<b>162.62</b>



**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	
<b>Non Current</b>			
Capital Advances	-	-	
<b>Others</b>			
- Payment of Taxes (Net of Provisions)	133.51	133.51	
<b>Total</b>	<b>133.51</b>	<b>133.51</b>	
<b>Current</b>			
<b>Advances other than Capital advances</b>			
- Advances to Related Parties	-	905.34	
- Advances to Creditors	0.80	26.92	
- Other Advances	9.89	10.15	
<b>Others</b>			
- Prepaid Expenses	1.18	35.48	
- Balances with Statutory, Government Authorities	0.26	0.26	
<b>Total</b>	<b>12.13</b>	<b>978.15</b>	

**7. TRADE RECEIVABLES**

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

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

Particulars	Outstanding for the following period as on March 31, 2024					Total
	Less than 6 months	6months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
(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

(Amount in INR Lakhs)

Particulars	Outstanding for the following period as on March 31, 2023						Total
	Less than 6 months	6months - 1 Year	1-2 Years	2-3 Years	More than 3 years		
(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**

(Amount in INR Lakhs)		
Particulars	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	-	-
<b>Total</b>	<b>553.67</b>	<b>153.43</b>



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

(Amount in INR Lakhs)

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
<b>Total</b>	<b>1,00,000</b>	<b>-</b>	<b>-</b>

(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
<b>Total</b>	<b>5,510.10</b>	<b>5,309.11</b>

**(a) Securities Premium Account**

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

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)
<b>Closing balance</b>	<b>435.34</b>	<b>234.35</b>

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
<b>Non Current Borrowing</b>		
<b>Secured</b>		
(a) Term Loans		
From Bank:		
Vehicle Loan (Hypothecated against the car)	19.11	23.26
From Others	-	-
(A)	19.11	23.26
<b>Current Maturity of Non Current Borrowings</b>		
<b>Secured</b>		
(a) Term Loans		
From Bank:		
Vehicle Loan (Hypothecated against the car)	4.70	4.33
From Others	-	-
(B)	4.70	4.33
<b>Total (A) - (B)</b>	<b>14.41</b>	<b>18.93</b>
<b>Current Borrowing</b>		
<b>Secured</b>		
(a) Term Loans		
From Bank:		
Vehicle Loan (Hypothecated against the car)	4.70	4.33
From Others	-	-
<b>Total</b>	<b>4.70</b>	<b>4.33</b>

**12. TRADE PAYABLES**

Particulars	March 31, 2024	March 31, 2023
<b>Current</b>		
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
<b>Total</b>	<b>296.81</b>	<b>171.60</b>

**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
<b>Non Current</b>		
Provision for employee benefits		
Gratuity	138.93	134.97
Leave encashment	30.19	28.82
<b>Total</b>	<b>169.12</b>	<b>163.79</b>
<b>Current</b>		
Provision for employee benefits		
Gratuity	59.88	58.04
Leave encashment	25.69	37.56
<b>Total</b>	<b>85.57</b>	<b>95.60</b>

**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	-
<b>Total</b>	<b>619.21</b>	<b>-</b>

**15. OTHER FINANCIAL LIABILITIES**

Particulars	March 31, 2024	March 31, 2023
<b>Current</b>		
Financial Liabilities at amortised cost		
Dues to employees	620.77	345.78
<b>Total</b>	<b>620.77</b>	<b>345.78</b>

**16. OTHER LIABILITIES**

Particulars	March 31, 2024	March 31, 2023
<b>Current</b>		
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
<b>Total</b>	<b>228.61</b>	<b>630.43</b>



**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	-	-	-	-	-
	<b>Total Trade Payable</b>	<b>150.10</b>	<b>140.21</b>	<b>6.50</b>	<b>-</b>	<b>296.81</b>

**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	-	-	-	-	-
	<b>Total Trade Payable</b>	<b>441.93</b>	<b>4.33</b>	<b>-</b>	<b>141.51</b>	<b>171.60</b>

\*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
<b>Total</b>	<b>9,550.42</b>	<b>8,963.75</b>

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	-	-
<b>Total</b>	<b>9,550.42</b>	<b>8,963.75</b>

**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
	<b>9,550.42</b>	<b>8,963.75</b>

**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	-	-
<b>Balance as at end of the year</b>	<b>682.05</b>	<b>848.90</b>

**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	-
<b>Total</b>	<b>331.77</b>	<b>267.08</b>

**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
<b>Total</b>	<b>5,564.32</b>	<b>5,286.94</b>



**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
<b>Total</b>	<b>3,285.64</b>	<b>2,949.10</b>

**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	-
<b>Other borrowing costs:</b>		
Others	0.02	0.17
<b>Total</b>	<b>43.06</b>	<b>1.07</b>

**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	-
<b>Total</b>	<b>101.28</b>	<b>6.60</b>

**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
<b>Total</b>	<b>527.64</b>	<b>551.86</b>

**(a) Details of Payments to Auditors**

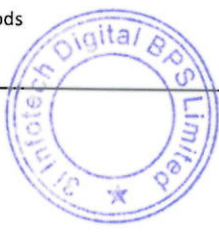
Particulars	March 31, 2024	March 31, 2023
<b>As Auditor</b>		
Audit Fee	2.00	2.00
Tax Audit Fee	2.00	2.00
<b>In other capacity</b>		
Other services (certification fees)	0.40	0.25
Re-imbursement of expenses	0.08	0.06
<b>Total</b>	<b>4.48</b>	<b>4.31</b>

**(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
<b>Total</b>	<b>160.40</b>	<b>162.62</b>



**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		
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share	199.84	272.64
Diluted earnings per share		
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
<b>Total Employee Benefit Obligation</b>	<b>85.57</b>	<b>169.12</b>	<b>254.70</b>	<b>95.60</b>	<b>163.79</b>	<b>259.39</b>

#### (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
<b>As at April 01, 2022</b>	<b>155.42</b>	<b>-</b>	<b>155.42</b>
Current service cost	19.49	-	19.49
Interest expense/(income)	9.47	-	9.47
<b>Total amount recognised in profit or loss</b>	<b>28.97</b>	<b>-</b>	<b>28.97</b>
<b>Remeasurements</b>			
(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
<b>Total amount recognised in other comprehensive income</b>	<b>47.64</b>	<b>-</b>	<b>47.64</b>
Employer contributions	-	-	-
Benefit payments	(39.01)	-	(39.01)
<b>As at March 31, 2023</b>	<b>193.00</b>	<b>-</b>	<b>193.00</b>
Current service cost	27.74	-	27.74
Interest expense/(income)	13.83	-	13.83
<b>Total amount recognised in profit or loss</b>	<b>41.57</b>	<b>-</b>	<b>41.57</b>
<b>Remeasurements</b>			
(Gain)/Loss from change in demographic assumptions	-	-	-
(Gain)/Loss from change in financial assumptions	-	-	-
Experience variance (gains)/losses	(1.54)	-	(1.54)
<b>Total amount recognised in other comprehensive income</b>	<b>(1.54)</b>	<b>-</b>	<b>(1.54)</b>
Employer contributions	-	-	-
Benefit payments	(34.22)	-	(34.22)
<b>As at March 31, 2024</b>	<b>198.82</b>	<b>-</b>	<b>198.82</b>

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	-	-
<b>Deficit of unfunded gratuity plan</b>	<b>198.82</b>	<b>193.00</b>



## 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	
	1% Increase	1% Decrease	1% Increase	1% Decrease	50% Increase	50% Decrease
<b>March 31, 2024</b>						
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%)
<b>March 31, 2023</b>						
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	
	10% Increase	10% Decrease
<b>March 31, 2024</b>		
Impact on defined benefit obligation	198.84	198.79
% Impact	0.00%	0.00%
<b>March 31, 2023</b>		
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 benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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

The average duration of the defined benefit plan obligation at the end of the reporting period is 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

Contingent Liabilities	(Amount in INR Lakhs)	
	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
<b>Loans to/Interest receivable from related parties</b>				
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		Fair Value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>FINANCIAL ASSETS</b>				
<b>Amortised cost</b>				
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
<b>Total</b>	<b>6,737.48</b>	<b>5,533.64</b>	<b>6,737.48</b>	<b>5,533.64</b>
<b>FINANCIAL LIABILITIES</b>				
<b>Amortised cost</b>				
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	-
<b>Total</b>	<b>1,555.89</b>	<b>540.64</b>	<b>1,555.89</b>	<b>540.64</b>

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)
<b>Financial Assets</b>								
<b>At Amortised Cost</b>								
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	-	-	-
<b>Total Financial Assets</b>	<b>6,737.48</b>	-	-	-	<b>5,533.64</b>	-	-	-
<b>Financial Liabilities</b>								
<b>At Amortised Cost</b>								
Trade Payables	296.81	-	-	-	171.60	-	-	-
Other financial liabilities	620.77	-	-	-	345.78	-	-	-
Borrowing	19.11	-	-	-	23.26	-	-	-
Lease Liability	619.21	-	-	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>1,555.89</b>	-	-	-	<b>540.64</b>	-	-	-

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:

Particulars	(Amount in INR Lakhs)			
	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:

Particulars	(Amount in INR Lakhs)			
	USD	GBP	EUR	Total
Total Financial Assets	-	-	-	-
Total Financial Liabilities	(4.84)	-	-	(4.84)
Total	(4.84)	-	-	(4.84)
Appreciation/Depreciation @1%	(0.05)	-	-	(0.05)

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



## **3I INFOTECH DIGITAL BPS LIMITED**

### **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**

Particulars	(Amount in INR Lakhs)	
	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**

Particulars	(Amount in INR Lakhs)				
	Due in 1 year	Due in 1-2 year	Due in 2-5 year	Due after 5 years	Total
<b>Non-derivative financial liabilities:</b>					
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
<b>Total</b>	<b>1,083.60</b>	<b>352.35</b>	<b>259.30</b>	-	<b>1,695.24</b>

**March 31, 2023**

Particulars	(Amount in INR Lakhs)				
	Due in 1 year	Due in 1-2 year	Due in 2-5 year	Due after 5 years	Total
<b>Non-derivative financial liabilities:</b>					
Trade and Other Payables	171.60	-	-	-	171.60
Other Financial Liabilities	345.78	-	-	-	345.78
Borrowings	4.33	4.59	14.34	-	23.26
<b>Total</b>	<b>521.71</b>	<b>4.59</b>	<b>14.34</b>	-	<b>540.64</b>



**31 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
<b>March 31, 2024</b>						
<b>Financial Assets</b>						
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
<b>Total</b>	<b>8,833.97</b>	<b>(3,332.22)</b>	<b>5,501.76</b>	<b>-</b>	<b>-</b>	<b>5,501.76</b>
<b>Financial Liabilities</b>						
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
<b>Total</b>	<b>(2,397.09)</b>	<b>3,332.22</b>	<b>935.13</b>	<b>-</b>	<b>-</b>	<b>935.13</b>
<b>March 31, 2023</b>						
<b>Financial Assets</b>						
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
<b>Total</b>	<b>7,429.67</b>	<b>(2,898.39)</b>	<b>4,531.29</b>	<b>-</b>	<b>-</b>	<b>4,531.29</b>
<b>Financial Liabilities</b>						
Trade Payables	(2,726.78)	2,898.39	171.60	-	-	171.60
Borrowing	23.26	-	23.26	-	-	23.26
<b>Total</b>	<b>(2,703.52)</b>	<b>2,898.39</b>	<b>194.86</b>	<b>-</b>	<b>-</b>	<b>194.86</b>



**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)
<b>Net Debt</b>	<b>84.65</b>	<b>(130.17)</b>
Equity	10.00	10.00
Other Equity	5,510.10	5,309.11
<b>Total Capital</b>	<b>5,520.10</b>	<b>5,319.11</b>
<b>Capital and Net Debt</b>	<b>5,604.74</b>	<b>5,188.94</b>
<b>Gearing Ratio</b>	<b>0.02</b>	<b>(0.03)</b>



### 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)	
	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.



**31 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	AS AT 31.03.2024		AS AT 31.03.2023	
		Numerator	Denominator	Numerator	Denominator
1	Current Ratio	Current Asset	Current Liabilities	6,684.57	6,510.03
2	Debt - Equity ratio	Debt	Equity	638.31	23.26
3	Debt service coverage ratio	Earning for Debt Service	Debt Service	322.57	286.35
4	Return on Equity (ROE)	Net Profit After tax	Average Shareholder Equity	199.84	272.64
5	Trade Receivables turnover ratio	Net credit sales	Avg Accounts Receivables	9,550.42	8,963.75
6	Trade Payables turnover ratio	Net Credit Purchase	Average Trade Payable	3,834.58	3,494.35
7	Net capital turnover ratio	Net sales	working capital	9,550.42	8,963.75
8	Net profit ratio	Net Profit	Net Sales	199.84	272.64
9	Return on Capital Employed (ROCE)	Earning before interest and tax	Capital Employed	403.30	436.32
10	Return on Investment	Other Income	Average Cash & Cash equivalents & other Marketable Securities	325.62	254.11
					3,084.79

(Amount in INR Lakhs)

**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:



## NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

- (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 Shekoy  
Director  
DIN : 07288534

Place: Navi Mumbai  
Date: May 27, 2024