

INDEPENDENT AUDITOR'S REPORT

To the Members of Taal Tech India Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Taal Tech India Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit other 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the Director's report but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.



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This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.



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- (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (g) 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 in its standalone financial statements - Refer Note 35 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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.
 - (2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, 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.
 - (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
 - v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.
 - vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.



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3. In our opinion, according to information, explanations given to us, the provisions of Section 197 of the Act and the rules thereunder are not applicable to the Company as it is a private company.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration Number: 105047W

Harsh Jain

Harsh Jain

Partner

Membership Number: 305641

UDIN: 23305641BHABDZ7439



Place: Bengaluru

Date: May 26, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TAAL TECH INDIA PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Harsh Jain
Partner
Membership Number: 305641
UDIN: 23305641BHABDZ7439



Place: Bengaluru
Date: May 26, 2023

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TAAL TECH INDIA PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2023.

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i.
- (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) All the Property, Plant and Equipment, and right of use assets have not been physically verified by the management during the year but there is a regular programme of verification, 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 verification.
- (c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.
- ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) (a) of the Order are not applicable to the Company.
- iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products



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of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii.

- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub Clause (a) above which have not been deposited as on March 31, 2023 on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded	Amount Paid	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Income Tax Act, 1961	Disallowance of various deductions claimed by the Company and adjustments to taxable profits, etc.	4,94,06,027	3,95,24,703	FY 2015-16	The Commissioner of Income Tax (Appeals)	
		6,79,01,070	67,90,107	FY 2019-20	The Commissioner of Income Tax (Appeals)	

viii.

According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix.

The Company does not have any loans or borrowings and repayment to lenders during the year. Accordingly, the provision stated in paragraph 3(ix) (a) to (f) of the Order is not applicable to the Company.

x.

- (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3(x)(a) of the Order are not applicable to the Company.

- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.



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- xi.
- (a) Based on 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 report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.
 - (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the Standalone financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.
 - (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by applicable accounting standards. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act.
- xiv. In our opinion and based on our examination, the Company does not require to comply with provisions of Section 138 of the Act. Hence, the provisions stated in paragraph 3(xiv) (a) to (b) of the order are not applicable to the Company.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.
- xvi.
- (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3(xvi)(a) of the Order are not applicable to the Company.
 - (b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3(xvi)(b) of the Order are not applicable to the Company.
 - (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3(xvi)(c) of the Order are not applicable to the Company.
 - (d) The Group does not have more than one CIC as a part of its group. Hence, the provisions stated in paragraph 3(xvi)(d) of the Order are not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3(xviii) of the Order are not applicable to the Company.



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- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, 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 that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII. Accordingly, reporting under Clause 3(xx)(a) and Clause 3(xx)(b) of the Order is not applicable to the Company.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Harsh Jain

Harsh Jain
Partner
Membership Number: 305641
UDIN: 23305641BHABDZ7439



Place: Bengaluru
Date: May 26, 2023

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF TAAL TECH INDIA PRIVATE LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Taal Tech India Private Limited on the Financial Statements for the year ended March 31, 2023]

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Taal Tech India Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to standalone financial statements 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) (the "Guidance Note").

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 with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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



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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 with reference to standalone financial statements.

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration Number: 105047W

Harsh Jain

Harsh Jain
Partner
Membership Number: 305641
UDIN: 23305641BHABDZ7439



Place: Bengaluru
Date: May 26, 2023

TAAL Tech India Private Limited
Standalone Balance Sheet as at March 31, 2023
(INR in lakhs, unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	403.55	266.62
Intangible assets	5	49.15	61.86
Right to use assets	6	870.19	916.41
Financial assets			
Investments	7	32.58	32.58
Other financial assets	8	943.78	578.10
Deferred tax asset (net)	31	195.33	144.71
Other non-current assets	9	88.00	20.17
Total non-current assets		2,582.58	2,020.45
Current assets			
Financial assets			
Investments	7	2,149.88	296.02
Trade receivables	10	3,563.85	2,226.06
Cash and cash equivalents	11	1,464.17	1,869.13
Bank balances other than cash and cash equivalent	12	2,447.70	3,876.38
Loans	13	-	300.00
Other financial assets	14	650.16	588.40
Other current assets	15	707.12	600.67
Total current assets		10,982.88	9,756.66
Total assets		13,565.46	11,777.11
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	85.00	90.00
Other equity	17	9,019.12	6,906.03
Total equity		9,104.12	6,996.03
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	18	609.44	748.23
Provisions	19	11.25	21.35
Total non-current liabilities		620.69	769.58
Current liabilities			
Financial liabilities			
Trade payables	20	87.86	10.71
i) total outstanding dues of micro enterprises and small enterprises		87.86	10.71
ii) total outstanding dues of creditors other than micro enterprises and small enterprise		1,649.82	987.10
Lease liabilities	18	293.02	163.56
Other financial liabilities	21	1,005.19	2,128.09
Provisions	19	45.43	56.19
Other current liabilities	22	164.82	106.31
Current tax liabilities (net)	23	594.51	559.54
Total current liabilities		3,840.65	4,011.50
Total liabilities		4,461.34	4,781.08
Total equity and liabilities		13,565.46	11,777.11
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For M S K A & Associates
Chartered Accountants
Firm Registration Number: 105047W

Harsh Jain
Partner
Membership Number: 305641

Place: Bengaluru
Date: May 26, 2023



For and on behalf of the Board of Directors
TAAL Tech India Private Limited
CIN : U74900KA2012PTC067450

Salil Taneja
Chairman
DIN:00328668

Place: Pune
Date: May 26, 2023



TAAL Tech India Private Limited
 Standalone Statement of Profit and loss for the year ended March 31, 2023
 (INR in lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	24	15,914.15	12,935.68
Other income	25	434.33	872.78
Total income		16,348.48	13,808.46
Expenses			
Employee benefits expense	26	6,117.58	5,646.65
Cost of technical services	27	3,417.48	1,872.67
Finance costs	28	150.77	186.43
Depreciation and amortization expense	29	520.63	358.55
Other expenses	30	1,997.38	1,491.64
Total expenses		12,203.84	9,555.94
Profit before tax		4,144.64	4,252.52
Income tax expense	31		
Current tax		1,281.49	1,346.69
Deferred tax		(52.61)	33.69
		1,228.88	1,380.38
Profit for the year		2,915.76	2,872.14
Other comprehensive income			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Gain on cash flow hedges		(27.31)	0.19
Re-measurement gains/ (losses) on defined benefit plans		34.13	(3.63)
Income tax effect		(1.99)	1.06
Other comprehensive income for the year		4.83	(2.38)
Total comprehensive income for the year		2,920.59	2,869.76
Earnings per share	32		
Basic earnings per share (INR)		335.70	318.28
Diluted earnings per share (INR)		335.70	318.28
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For M S K A & Associates
 Chartered Accountants
 Firm Registration Number: 105047W

Harsh Jain

Harsh Jain
 Partner
 Membership Number: 305641



Place: Bengaluru
 Date: May 26, 2023

For and on behalf of the Board of Directors of
 TAAL Tech India Private Limited
 CIN: U74900KA2012PTC067450

Salil Taneja
 Salil Taneja
 Chairman
 DIN:00328668



Place: Pune
 Date: May 26, 2023

TAAL Tech India Private Limited
 Standalone Statement of Cash flows for the year ended March 31, 2023
 (INR in lakhs, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
Cash flow from operating activities		
Profit before tax	4,144.64	4,252.52
Adjustments for:		
Depreciation	520.63	358.55
Interest income on fixed deposits	(240.21)	(175.52)
Interest income on security deposits	(28.00)	(122.65)
Interest income on Debentures	(29.12)	(21.81)
Mark to market gain on investments	(55.79)	-
Income on sale of assets	0.02	(21.92)
Loss on re-measurement of liability towards buy back of shares	39.77	140.89
Interest expense	163.60	183.57
Operating loss before working capital changes	4,515.54	4,593.63
Changes in working capital		
(Decrease)/ Increase in trade payables	739.88	(19.46)
(Decrease)/ increase in other liabilities	58.50	6.21
(Decrease)/ Increase in other financial liabilities	19.84	181.24
(Decrease)/ Increase in provisions	11.29	(13.93)
Decrease / (increase) in trade receivables	(1,337.79)	(509.50)
Decrease/ (increase) in other financial assets	6.65	(159.06)
Decrease/ (increase) in other assets	(238.64)	(59.05)
Cash generated used in operations	3,775.27	4,020.08
Income tax paid	(1,264.76)	(951.61)
Net cash flows used in operating activities (A)	2,510.51	3,068.47
Cash flow from investing activities		
Payment for property, plant and equipment and intangible assets	(323.90)	(405.58)
Proceeds from sale of asset	0.62	26.92
Movement in other bank balances	1,078.48	(1,646.67)
Purchase of investments	(1,798.07)	(280.00)
Proceeds from sales of investments	-	106.59
Loans advanced to related parties	-	(320.00)
Repayment of loans by related parties	300.00	20.00
Interest received	178.89	268.64
Net cash flow from investing activities (B)	(563.98)	(2,230.10)
Cash flow from financing activities		
Dividends paid	(807.50)	(855.00)
Payment towards buyback of shares (including tax on buyback)	(1,162.06)	(919.67)
Repayment of lease liabilities	(381.93)	(267.16)
Net cash flow from financing activities (C)	(2,351.49)	(2,041.83)
Net increase in cash and cash equivalents (A+B+C)	(404.96)	(1,203.46)
Effect of exchange differences on cash & cash equivalents held in foreign currency	-	(0.29)
Cash and cash equivalents at the beginning of the year	1,869.13	3,072.88
Cash and cash equivalents at the end of the year	1,464.17	1,869.13
Cash and cash equivalents comprise (Refer note 11)		
Balances with banks		
On current accounts	1,139.17	1,868.97
Fixed deposits with maturity of less than 3 months	325.00	-
Cash on hand	-	0.16
	1,464.17	1,869.13

Summary of significant accounting policies (Note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For M S K A & Associates

Chartered Accountants

Firm Registration Number: 105047W

Harsh Jain

Harsh Jain

Partner

Membership Number: 305641



Place: Bengaluru

Date: May 26, 2023

For and on behalf of the Board of Directors of

TAAL Tech India Private Limited

CIN : U74900KA2012PTC067450

Satish Taneja

Satish Taneja

Chairman

DIN:00328668



Place: Pune

Date: May 26, 2023

TAAL Tech India Private Limited
 Standalone Statement of changes in equity for the year ended March 31, 2023
 (INR in lakhs, unless otherwise stated)

(A) Equity share capital

Particulars	As at		As at	
	March 31, 2023		March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of INR 10/- each issued, subscribed and fully paid up				
Opening	9,00,000	90.00	9,50,000	95.00
Changes in equity share capital	(50,000)	(5.00)	(50,000)	(5.00)
Closing	8,50,000	85.00	9,00,000	90.00

(B) Other equity

Particulars	Reserves and Surplus		Items of OCI	Total
	Capital Redemption Reserve	Retained earnings	Remeasurement of defined benefit liability (net of taxes)	
Balance as at April 01, 2022	10.00	6,896.03	-	6,906.03
Profit for the year	-	2,915.76	-	2,915.76
Transferred for Buy back	-	(5.00)	-	(5.00)
Other comprehensive income (net of taxes)	-	-	4.83	4.83
Transferred to retained earnings	-	4.83	(4.83)	-
Buy back of Shares	5.00	-	-	5.00
Dividends	-	(807.50)	-	(807.50)
Total comprehensive income for the year	15.00	2,108.09	-	2,113.09
Balance as at March 31, 2023	15.00	9,004.12	-	9,019.12

Particulars	Reserves and Surplus		Items of OCI	Total
	Capital Redemption Reserve	Retained earnings	Remeasurement of defined benefit liability (net of taxes)	
Balance as at April 01, 2021	5.00	5,055.94	-	5,060.94
Profit for the year	-	2,872.14	-	2,872.14
Transferred for Buy back	-	(5.00)	-	(5.00)
Other comprehensive income (net of taxes)	-	-	(2.38)	(2.38)
Transferred to retained earnings	-	(2.38)	2.38	-
Buy back of Shares	5.00	-	-	5.00
Tax on Buy back of Shares	-	(169.67)	-	(169.67)
Dividends	-	(855.00)	-	(855.00)
Total comprehensive income for the year	10.00	1,840.09	-	1,845.09
Balance as at March 31, 2022	10.00	6,896.03	-	6,906.03

Summary of significant accounting policies (Note 2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For M S K A & Associates
 Chartered Accountants
 Firm Registration Number: 105047W

Harsh Jain
 Harsh Jain
 Partner
 Membership Number: 305641



Place: Bengaluru
 Date: May 26, 2023

For and on behalf of the Board of Directors of
 TAAL Tech India Private Limited
 CIN : U74900KA2012PTC067450

Salil Taneja
 Salil Taneja
 Chairman
 DIN:00328668



Place: Pune
 Date: May 26, 2023

TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

1 General Information

TAAL Tech India Private Limited ('TTIPL' or 'Company') is a Company incorporated in India under the Companies Act, 1956. TTIPL was earlier a subsidiary of Taneja Aerospace and Aviation Limited (TAAL). However pursuant to scheme of Arrangement as approved/sanctioned by Honourable High Court of Madras, under section 391 to 394 of Companies Act, 1956 between TAAL and TAAL Enterprises Limited (TEL), Engineering Design services business conducted through TTIPL has been demerged into TEL w.e.f. October 1, 2014 and TTIPL has ceased to be subsidiary of TAAL and became subsidiary of TEL. TTIPL commenced its operation in India in the month of August 2013 and taken over the Engineering Services division of Taneja Aerospace & Aviation Limited (TAAL) as a result of hive-off. The Company's principal activity is providing of engineering services.

The standalone financial statements of the Company were approved in the meeting of the Board of Directors held on May 26, 2023.

2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as amended from time to time.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 01, 2021. Consequent to above, the Company has changed the classification/presentation of previous year balances to the extent applicable.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments) and
- ii) Embedded derivative

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

(c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Cost comprises the purchase price, borrowing costs, if capitalization criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of CENVAT credit or other tax credit available to the Company. When parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items (major components) of fixed asset.

Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

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 and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

Based on management's evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Company uses written down value method and has used following useful lives to provide depreciation of different class of its property, plant and equipment.



TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

Property, plant and equipment	Useful life
Leasehold improvement*	Lease period
Furniture and Fixtures	10 years
Office Equipment	5 years
Computers:	3 years
Vehicle	8 years

* Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property, plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Intangible Assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of CENVAT credit or other tax credit available to the Company.

Based on management's evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Company uses written down value method and has used following useful lives to provide depreciation of different class of its property, plant and equipment.

Intangible assets	Useful life	Useful life
Computer Software	3 years	6 years

Intangible assets with infinite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency. Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ▶ Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- ▶ Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



2.6 Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Ind AS 115 Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from operations based on five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A Contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of Consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when the Company satisfies a performance obligation.

Revenue from time and material service contracts is recognised pro-rata over the period of the contract as and when services are rendered and the collectability is reasonably assured.

Revenue from long term fixed price, fixed time frame contracts where the performance obligations are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method or the completion method, whichever best depicts measurement of the progress in transferring control to the customer and billed in terms of the agreement with and certification by the customer.

The company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs. The discounts are passed on to the customer either as direct payments or as a reduction of payments due from the customer.

The Company presents revenues net of indirect taxes in its Statement of Profit and loss.

Revenue recognized in excess of billings is classified as contract assets ('Unbilled revenue') included in other current financial assets. Billings in excess of revenue recognized is classified as contract liabilities ('Deferred revenue') included in other current liabilities.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists. Dividend is recognised when the Company's right to receive dividend is established.

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



TAAL Tech India Private Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(INR in lakhs, unless otherwise stated)

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(c) Minimum Alternate Tax (MAT)

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

2.8 Leases

As a lessee

The Company's lease asset classes primarily consist of leases for Land and Building. 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 asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

2.9 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.10 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources (including economic benefits) will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

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 recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are neither recognised nor disclosed in the financial statements.

2.11 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.12 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.



TAAL Tech India Private Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(INR in lakhs, unless otherwise stated)

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

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

a) at amortized cost; or

b) The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Lifetime ECL is the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

Trade Receivables

An impairment analysis is performed at each reporting date on an individual basis for major clients. It 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 analysed. On that basis, the group estimates the provision at the reporting date.

(iv) Derecognition of financial assets

A financial asset is derecognized only when:

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

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



TAAL Tech India Private Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(INR in lakhs, unless otherwise stated)

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.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized 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 amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized 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 recognized in the Statement of Profit and Loss as finance costs.

(c) Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract - with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. Derivatives embedded in all other host contract are separated if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

(C) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.13 Employee Benefits

(a) 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 year in which the employees render the related service are recognized in respect of employees' services up to the end of the year 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.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund and Employee Deposit Linked Insurance which are recognised in the Statement of Profit and Loss on accrual basis.

The Company has no further obligations under these plans beyond its monthly contributions.

(ii) Defined benefit plans

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the Balance Sheet date, in accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

(iii) Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.



TAAL Tech India Private Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(INR in lakhs, unless otherwise stated)

2.14 Investment in Subsidiary

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

When an entity prepares separate financial statements, it shall account for investments in subsidiaries, joint ventures and associates either:

- (a) at cost, or
- (b) in accordance with Ind AS 109.

Company accounts for its investment in subsidiary at cost.

2.15 Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing Costs directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of the assets, upto the date the asset is ready for its intended use. All other borrowing costs are recognised as an expense in the Statement of Profit and Loss in the year in which they are incurred.

2.16 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.17 Rounding off amounts

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

2.18 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating results separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Segments are identified having regard to the dominant source and nature of risks and returns and internal organization and management structure. The Company has considered business segments as the primary segments for disclosure. The business segment in which the Company operates is 'Engineering Design Services'. The Company does not have any geographical segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in the individual segment, and are as set out in the significant accounting policies.

Thus, as defined in Ind AS 108 - Operating Segments, The Company operates in a single business segment of 'Engineering Design Services'.

2.19 Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

3 Significant accounting judgments, estimates and assumptions and recent pronouncements

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.



TAAL Tech India Private Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(INR in lakhs, unless otherwise stated)

(a) **Defined benefits and Other long term benefits**

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

3.2 Recent pronouncements

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standard) Amendment Rules, 2023 dated March 31, 2023 to amend certain Ind ASs which are effective from April 01, 2023:

Below is a summary of such amendments:

(i) Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements

The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(ii) Definition of Accounting Estimates - Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors

The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023. The amendments are not expected to have a material impact on the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12 Income taxes

The amendment to Ind AS 12, requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Company is currently assessing the impact of the amendments.

iv) The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.



TAAL Tech India Private Limited
 Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
 (INR in Lakhs, unless otherwise stated)

4 Property, plant and equipment

	Gross block				Depreciation				Net block	
	As at April 1, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 1, 2022	For the year	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Owned assets										
Computer equipment	388.79	246.15	12.19	622.75	239.41	101.01	11.58	328.84	293.91	149.38
Office equipment	23.52	38.32	-	61.84	9.65	15.68	-	25.33	36.51	13.87
Vehicles	142.06	-	-	142.06	41.84	31.28	-	73.12	68.94	100.22
Leasehold improvements	88.66	-	34.66	123.32	88.66	-	38.66	50.00	-	-
Furniture & fixtures	4.99	2.27	-	7.26	1.84	1.23	-	3.07	4.19	1.15
Total	648.02	286.74	100.85	833.91	381.40	149.20	100.24	430.36	403.55	265.62

	Gross block				Depreciation				Net block	
	As at April 1, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 1, 2021	For the year	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Owned assets										
Computer equipments	286.05	161.01	58.27	388.79	247.55	19.12	57.25	239.41	149.38	38.50
Office equipments	13.36	14.61	4.97	23.02	10.74	7.68	3.97	7.65	13.37	2.72
Vehicles	12.77	129.09	-	142.06	10.78	10.36	-	41.34	100.22	1.94
Leasehold improvements	83.66	-	-	83.66	88.66	0.00	-	88.66	0.00	0.00
Furniture & fixtures	25.71	2.34	24.11	4.99	12.37	1.17	19.30	1.84	1.15	5.15
Total	421.35	317.12	97.35	648.02	379.39	38.33	80.52	381.40	254.92	57.37

5 Intangible assets

	Gross block				Depreciation				Net block	
	As at April 1, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 1, 2022	For the year	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Computer software	297.71	37.15	-	334.86	235.85	49.86	-	285.71	49.15	51.85
Total	297.71	37.15	-	334.86	235.85	49.86	-	285.71	49.15	61.86

	Gross block				Depreciation				Net block	
	As at April 1, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 1, 2021	For the year	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Computer software	203.25	34.46	-	237.71	195.91	39.92	-	235.85	51.86	7.32
Total	203.25	34.46	-	237.71	195.91	39.92	-	235.85	61.86	7.32



TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

5 Right of use asset

	Gross block				Depreciation				Net block	
	As at April 1, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 1, 2022	For the year	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Buildings	1,145.20	275.35	-	1,421.55	229.30	321.57	-	551.37	370.19	276.41
Total	1,145.20	275.35	-	1,421.55	229.80	321.57	-	551.37	870.19	916.41

	Gross block				Depreciation				Net block	
	As at April 1, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 1, 2021	For the year	Deductions/ Adjustments	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Building	814.97	1,146.20	814.97	1,146.20	314.97	229.30	814.97	229.80	916.41	-
Total	814.97	1,146.20	814.97	1,146.20	814.97	229.30	814.97	229.80	916.41	-



TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

7 Investments

	As at March 31, 2023	As at March 31, 2022
Investment in equity instrument		
Unquoted equity shares (Non-trade, stated at cost)		
20 (March 31, 2022: 20) Equity shares of CHF 1,000 each fully paid-up in TAAL Tech GmbH, Switzerland	13.70	13.70
25,000 (March 31, 2022 : 25,000) Equity shares of EUR 1 each fully paid-up in TAAL Tech Innovations GmbH, Austria	19.34	19.34
Less: Provision for impairment in value of investments	(19.34)	(19.34)
30,000 (March 31, 2022 : 30,000) Equity shares of USD 1 each fully paid-up in TAAL Technologies Inc, USA	18.88	18.88
Investments at fair value through profit and loss (fully paid)		
- Investments in mutual funds (quoted)	2149.88	296.02
Total investments	2182.46	328.60
Current	2149.88	296.02
Non-current	32.58	32.58
Total investments	2182.46	328.60
Aggregate book value of:		
Quoted investments	2149.88	296.02
Unquoted investments	32.58	32.58
Aggregate market value of:		
Quoted investments	2,149.88	296.02
Unquoted investments	32.58	32.58
Aggregate amount of impairment in value of investments	19.34	19.34

Details of investments (Quoted) designated at FVTPL:

	Number of units		Amount	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Motilal Oswal Financial Services Limited - Mutual fund	190	8	1,905.69	81.83
Kotak Mutual Fund	10,22,684	10,22,684	244.19	214.19

8 Other financial assets

	March 31, 2023	March 31, 2022
In fixed deposit accounts with maturity for more than 12 months from balance sheet date	800.20	450.00
Security deposits	143.58	123.10
Total other financial assets	943.78	578.10

9 Other non-current assets

	March 31, 2023	March 31, 2022
Prepaid expenses	88.00	20.17
Total other non-current other assets	88.00	20.17



TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

10 Trade receivables

	March 31, 2023	March 31, 2022
Unsecured		
-Considered good	3563.85	2,226.06
-Considered significant credit Risk	3.67	-
Less : Allowance for bad and doubtful debts	(3.67)	-
Total trade receivables	3,563.85	2,226.06
Further classified as:		
Receivable from related parties	131.73	-
Receivable from others	3,432.12	2,226.06
Total trade receivables	3,563.85	2,226.06

As on March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		less than Six months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables -considered good	2,121.53	1,368.80	48.92	24.60	-	-	3,563.85
Undisputed trade receivables -credit impaired	-	-	-	-	-	-	-
Disputed trade receivables -considered good	-	-	-	-	-	-	-
Disputed trade receivables -credit impaired	-	-	-	3.67	-	-	3.67

As on March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		less than Six months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables -considered good	1779.69	441.64	3.01	1.73	-	-	2,226.06
Undisputed trade receivables -credit impaired	-	-	-	-	-	-	-
Disputed trade receivables -considered good	-	-	-	-	-	-	-
Disputed trade receivables -credit impaired	-	-	-	-	-	-	-

11 Cash and cash equivalents

	March 31, 2023	March 31, 2022
Balances with banks		
On current accounts	1,139.17	1,363.97
Fixed deposits with maturity of less than 3 months	325.00	-
Cash on hand	-	0.16
Total cash and cash equivalents	1,464.17	1,869.13

12 Bank balances other than cash and cash equivalent

	March 31, 2023	March 31, 2022
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	2,447.70	3,876.38
Total bank balances other than cash and cash equivalent	2,447.70	3,876.38

13 Loans

	March 31, 2023	March 31, 2022
Loans to related parties	-	300.00
Total loans	-	300.00

14 Current Financial assets - others

	March 31, 2023	March 31, 2022
Interest accrued on fixed deposits	130.79	85.57
Advance recoverable in cash	103.54	81.43
Unbilled revenue	415.83	400.58
Foreign exchange forward contracts	-	20.82
Total current Financial assets - others	650.16	588.40

15 Other current assets

	March 31, 2023	March 31, 2022
Advance to supplier	7.08	18.24
Balance with government authorities	261.40	348.66
Prepaid expenses	438.64	233.77
Total other current assets	707.12	600.67



TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

16 Equity share capital

Company has only one class of equity share capital having a par value of INR 10 per share, referred to herein as equity shares.

	March 31, 2023	March 31, 2022
Authorized		
10,00,000 (March 31, 2022: 10,00,000) equity shares of INR 10/- each	100.00	100.00
	<u>100.00</u>	<u>100.00</u>
Issued, subscribed and paid up		
8,50,000 (March 31, 2022: 9,00,000) equity shares of INR 10/- each fully paid up	85.00	90.00
Total	<u>85.00</u>	<u>90.00</u>

(a) Reconciliation of equity shares outstanding at the beginning and at the

	March 31, 2023		March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	9,00,000	90.00	9,50,000	95.00
Less: Equity Shares Bought Back during the year	(50,000)	(5.00)	(50,000)	(5.00)
Outstanding at the end of the year	<u>8,50,000</u>	<u>85.00</u>	<u>9,00,000</u>	<u>90.00</u>

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to vote in proportion to his share of the paid up equity share capital of the Company. The shareholders are entitled to receive the dividend in proportion to the amount of paid up share capital held by them. Dividend if any declared is payable 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 except in case of the interim dividend. The repayment of equity share in the event of buy back of shares are possible subject to prevalent regulation.

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 in proportion to their shareholdings. However no such preferential amount exists as at March 31, 2023.

(c) Shares held by ultimate holding Company

	March 31, 2023	March 31, 2022
TAAL Enterprises Limited, the ultimate holding Company		
(No. of Shares: March 31, 2023: 850,000; March 31, 2022: 850,000)	85	85

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

Name of the shareholder	March 31, 2023		March 31, 2022	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
TAAL Enterprises Limited *	8,50,000	100.00%	8,50,000	94.44%
Prakash Saraiya	-	0.00%	50,000	5.56%

* Includes shareholders held by Nominee shareholders on behalf of the Company.

(e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(f) Shares reserved for issue under options

The Company does not have any shares reserved for issue under options, contract/commitments for sale of shares/disinvestments as at March 31, 2023 and March 31, 2022.

(g) Shareholding of promoters

Name of the promoter	March 31, 2023		
	No of Shares held	% of shares	% Change during the year
TAAL Enterprises Limited	8,50,000	100.00%	5.56%

Name of the promoter	March 31, 2022		
	No of Shares held	% of shares	% Change during the year
TAAL Enterprises Limited	8,50,000	94.44%	5.56%

17 Other equity

(A) Capital redemption reserve

	March 31, 2023	March 31, 2022
Opening balance	10.00	5.00
Add: Transfer	5.00	5.00
Closing balance	<u>15.00</u>	<u>10.00</u>

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.



TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

(B) Surplus in the Statement of Profit and Loss

	March 31, 2023	March 31, 2022
Opening balance	6,896.03	5,055.94
Net profit for the year	2,915.76	2,872.14
Transferred		
Less: Transfer to Capital Redemption Reserve	(5.00)	(5.00)
Tax on Buy back of Shares	-	(169.67)
Re-measurement (gain)/loss on post employment benefit obligation (net of tax)	4.83	(2.38)
Dividends	(807.50)	(855.00)
Closing balance	9,004.12	6,896.03
Retained earnings represents undistributed accumulated earnings of the Company as on the balance sheet date.		
Total other equity (A+B)	9,019.12	6,906.03

18 Leases Liabilities

	Non Current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Liabilities for leases	609.44	748.23	293.02	163.56
	609.44	748.23	293.02	163.56

19 Provisions

	Non Current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Provision for employee benefits				
Provision for gratuity (funded)	11.25	21.35	-	-
Provision for leave encashment (unfunded)	-	-	45.43	56.19
Total Provisions	11.25	21.35	45.43	56.19

20 Trade payables

	March 31, 2023	March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	87.86	10.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,649.82	987.10
Total trade payables	1,737.68	997.81

As on March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than one year	1-2 years	2-3 years	More than 3 years	
Due to MSME	87.86	-	-	-	87.86
Due to others	1,649.82	-	-	-	1,649.82
Disputed - dues to MSME	-	-	-	-	-
Disputed - dues to others	-	-	-	-	-

As on March 31, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than One year	1-2 years	2-3 years	More than 3 years	
Due to MSME	10.71	-	-	-	10.71
Due to others	987.10	-	-	-	987.10
Disputed - dues to MSME	-	-	-	-	-
Disputed - dues to others	-	-	-	-	-



TAAL Tech India Private Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(INR in lakhs, unless otherwise stated)

As at March 31, 2023 and March 31, 2022, there are outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

	March 31, 2023	March 31, 2022
i. The principal amount due thereon remaining unpaid as at the year end, Interest amount due and remaining unpaid as at the year end	87.86	10.71
ii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv. The amount of interest accrued and remaining unpaid as the year end in respect of principal amount settled during the year	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
21 Other financial liabilities	March 31, 2023	March 31, 2022
Employee related payables	423.39	434.37
Buyback of snares tranche 3 Derivative Liabilities	-	1,117.29
Other Payables	570.32	575.93
Foreign exchange forward contracts	6.48	-
Total other financial liabilities	1005.19	2,128.09
22 Other current liabilities	March 31, 2023	March 31, 2022
Statutory due payables	164.82	106.31
Total other current liabilities	164.82	106.31
23 Current tax liabilities (net)	March 31, 2023	March 31, 2022
Current tax Provision (net) of advance taxes (INR 1,671.45 (March 31, 2022: INR 408.64))	594.51	559.54
Total current tax liabilities	594.51	559.54



TAAL Tech India Private Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(INR in lakhs, unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
24 Revenue from operations		
Sale of services	15,914.15	12,935.68
Total revenue from operations	15,914.15	12,935.68
Desegregation of revenue (sale of services)		
Time & material contracts	15,445.15	12,695.22
Fixed price contracts	469.00	240.46
Total	15,914.15	12,935.68
Reconciliation of revenue recognised with contract price		
Contract price	15,921.73	12,945.15
Adjustments for:		
Volume discounts	(7.58)	(9.47)
Revenue recognised	15,914.15	12,935.68

Performance obligations and remaining performance obligations

Aggregate amount of the transaction price allocated to long term fixed price contracts that are partially or fully unsatisfied as on March 31, 2023 is INR 242.79 lakhs and as on March 31, 2022 is INR 10.51 lakhs which the Company expects to fully recognize as revenue in the financial year 2023-24 and financial year 2022-23 respectively. All other contracts are for one year or less or billed based on time incurred. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

	March 31, 2023	March 31, 2022
25 Other income		
Income from export incentives (SEIS)	-	347.40
Interest income	240.21	175.52
Net gain on foreign currency transactions	-	163.07
Income from sale of Investments (mutual funds & debenture)	29.12	21.82
Mark to market gain on investments	55.79	-
Other interest income	28.00	122.55
Provision no longer required written back	79.03	-
Miscellaneous income	2.16	23.16
Gain on sale of asset	0.02	19.16
Total other income	434.33	872.73

	March 31, 2023	March 31, 2022
26 Employee benefits expense		
Salaries, wages, bonus and other allowances	5,841.01	5,414.13
Contribution to provident fund	170.50	150.26
Gratuity (refer note 31)	72.57	65.92
Staff welfare expenses	33.50	16.34
Total employee benefits expense	6,117.58	5,646.65

	March 31, 2023	March 31, 2022
27 Cost of technical services		
Cost of technical subcontract	3,417.48	1,872.67
Total cost of technical services	3,417.48	1,872.67

	March 31, 2023	March 31, 2022
28 Finance costs		
Other interest	3.43	48.83
Interest on right of use asset	147.34	137.60
Total finance costs	150.77	186.43

	March 31, 2023	March 31, 2022
29 Depreciation and amortization expense		
Depreciation (Refer note 4)	149.20	88.83
Amortization (Refer note 5)	49.86	39.92
Depreciation on lease asset (refer note 6)	321.57	229.80
Total depreciation and amortization expense	520.63	358.55



TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
30 Other expenses		
Travelling and conveyance	257.89	101.89
Software charges	589.48	414.73
Customer claims	46.88	23.65
Visa and work permit expenses	36.19	28.30
Procurement for customer	-	1.40
Bank charges	16.40	14.99
Audit fees*	13.54	12.00
Rent	7.84	39.13
Power, fuel, gas and water	117.60	74.11
Repairs and maintenance	218.37	152.59
Insurance	38.68	42.60
Rates and taxes	86.85	5.14
Communication expenses	39.57	33.51
Provision for doubtful assets	-	101.97
Provision for bad debts	3.67	-
Professional fees	252.95	183.49
Recruitment & training expenses	40.17	17.94
Printing & stationery	8.09	4.62
Security & housekeeping expenses	62.18	29.35
Office expenses	14.14	7.70
CSR expenses	62.81	56.63
Net loss on foreign currency transactions	29.57	-
Miscellaneous expenses	14.74	5.01
Gain on re-measurement of liability towards buy back of shares	39.77	140.89
Total other expenses	1,997.38	1,491.64

*Note: The following is the break-up of auditors remuneration (excluding GST)

	March 31, 2023	March 31, 2022
As auditor:		
Statutory audit	11.50	11.50
Others	2.04	0.50
Total	13.54	12.00

31 Income Tax

(A) Deferred tax relates to the following:

	March 31, 2023	March 31, 2022
Deferred tax assets		
On property, plant and equipment	39.14	20.72
On provision for employee benefits	75.45	80.96
On others	80.74	43.03
Deferred tax asset (net)	195.33	144.71

(B) Recognition of deferred tax asset to the extent of deferred tax liability

	March 31, 2023	March 31, 2022
Balance sheet		
Deferred tax asset	195.33	144.71
Earlier year adjustment- tax credit	-	-
MAT credit entitlement	-	-
Deferred tax assets/ (liabilities) [net]	195.33	144.71

(C) Deferred tax liabilities/(assets) to be recognized in Statement of Profit and Loss

	March 31, 2023	March 31, 2022
Tax liability/(asset)	(52.61)	33.69
	(52.61)	33.69

(D) Reconciliation of deferred tax assets/ (liabilities) (net):

	March 31, 2023	March 31, 2022
Opening balance	144.71	295.00
Tax credit recognised in statement of profit and loss	52.61	(33.69)
Tax credit recognised in other comprehensive Income	(1.99)	1.06
MAT Credit utilised for current tax payment	-	(117.66)
Closing balance	195.33	144.71



TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

(E) Income tax expense

	March 31, 2023	March 31, 2022
Current tax	1,281.49	1,346.69
Deferred tax (excluding MAT credit entitlement)	(52.61)	33.69
Income tax expense reported in statement of profit and loss	<u>1,228.88</u>	<u>1,380.37</u>

(F) The reconciliation of tax expense and the accounting profit multiplied by India's tax rate :

	March 31, 2023	March 31, 2022
Profit from continuing operations before income tax expense	4,144.64	4,252.52
Enacted income tax rate in India applicable to the Company	29.12%	29.12%
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	1,206.92	1,238.33
Tax effect of:		
Permanent disallowances	59.89	-
Deferred tax on temporary differences not recognized earlier	(52.61)	33.69
Others	14.68	108.35
Income tax expense	<u>1,228.88</u>	<u>1,380.37</u>



TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

32 Earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2023	March 31, 2022
Profit attributable to equity holders	2,920.59	2,869.76
Weighted average number of equity shares (in lakhs)	8.70	9.02
Basic earnings per share (INR)	335.70	318.28
Diluted earnings per share (INR)	335.70	318.28

Diluted EPS is same as Basic EPS, as there are no outstanding potential shares as on date as well as in the corresponding previous year.

33 Employee benefits

(A) Defined contribution plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

	March 31, 2023	March 31, 2022
Employers' contribution to provident fund and employee state insurance	170.50	150.26

(B) Defined benefit plans

Gratuity payable to employees

i) Actuarial assumptions

	March 31, 2023	March 31, 2022
Discount rate (per annum)	7.30%	6.70%
Rate of increase in Salary	10.00%	9.00%
Expected rate of return on plan asset	6.70%	6.60%
Expected average remaining working lives of employees (years)	4.49%	6.04%
Attrition rate	22.00%	16.00%

*Actuarial liability calculated term of plan using probabilities of death, withdrawal and retirement.

ii) Changes in the present value of defined benefit obligation

	March 31, 2023	March 31, 2022
Present value of obligation at the beginning of the year	290.83	237.55
Interest cost	17.84	14.87
Past service cost	-	-
Current service cost	72.52	58.89
Benefits paid	(48.53)	(24.37)
Actuarial (gain)/ loss on obligations	(33.87)	3.88
Present value of obligation at the end of the year	298.79	290.83

iii) Changes in the fair value of plan assets are as follows:

	March 31, 2023	March 31, 2022
Fair value of plan assets at the beginning of the year	269.48	196.65
Interest income on plan assets	18.05	15.09
Contributions by employer	-	63.86
Mortality charges and taxes	(0.23)	(6.36)
Benefits Paid	-	-
Actuarial (gain)/ loss on plan assets	0.25	0.25
Fair value of plan assets at the end of the period	287.54	269.48

iv) Expense recognized in the Statement of Profit and Loss

	March 31, 2023	March 31, 2022
Current service cost	72.52	58.89
Past service cost	-	-
Interest cost	(0.20)	(0.21)
Actuarial (gain) / loss on obligations	(34.13)	3.63
Total expenses recognized in the Statement Profit and Loss*	38.19	62.31

*Included in Employee benefits expense (Refer Note 27). Actuarial loss of INR (34.13) (March 31, 2022: INR 3.63) is included in other comprehensive income.



TAAL Tech India Private Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(INR in lakhs, unless otherwise stated)

	March 31, 2023	March 31, 2022
v) Assets and liabilities recognized in the Balance Sheet:		
Present value of unfunded obligation as at the end of the year	298.79	290.83
Fair value of plan assets at the end of the period	(287.54)	(269.48)
Net asset / (liability) recognized in Balance Sheet*	11.25	21.35
*Included in provision for employee benefits		
vi) Expected contribution to the fund in the next year		
Gratuity	10.00	21.00
vii) The major categories of plans assets are as follows:		
Fund managed by LIC of India	287.54	269.48
Total amount	287.54	269.48
viii) A quantitative sensitivity analysis for significant assumption as at 31 March 2023 is as shown below:		
Impact on defined benefit obligation		
Discount rate		
2% decrease	312.48	308.76
2% increase	286.25	274.80
Rate of increase in salary		
2% decrease	289.06	277.45
2% increase	309.20	305.46
Withdrawal rate		
2% decrease	300.34	288.39
2% increase	297.39	293.00
ix) Maturity profile of defined benefit obligation		
Year	March 31, 2023	March 31, 2022
0 to 1 year	52.59	38.95
1 to 2 years	51.98	39.77
2 to 3 years	52.86	42.79
3 to 4 years	61.07	47.76
4 to 5 years	53.71	61.50
More than 5 years	313.86	297.76

C) The Code on Social Security 2020 (the Code) relating to employee benefits, during the employment and post employment, has received Presidential assent on September 28, 2020. The code has been published in the Gazette of India. Further ministry of Labour and Employment has released draft rules for the code on November 13, 2020. However, the effective date from which changes are applicable is yet to be notified and rules for quantifying the financials are also not yet issued. The company will assess the impact of the Code and will give appropriate impact in the financials statements in the period in which the code becomes effective and the related rules to determine the financial impact are published.

34 Leases

Leases where Company is a lessee:

The Company's lease asset classes 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.

(i) Changes in the carrying value of Right-of-use Assets

Category of Right of Use Asset: Asset Class 1 (Land and building)

Particulars	March 31, 2023	March 31, 2022
Opening balance	916.40	-
Additions	275.36	1,146.20
Depreciation	(321.57)	(229.80)
Adjustments	-	-
Closing balance	870.19	916.40



TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

(ii) Changes in the Lease liabilities

Particulars	March 31, 2023	March 31, 2022
Opening balance	911.79	-
Additions	275.36	1,146.20
Lease Payments	(381.93)	(267.16)
Interest expenses and other adjustments	97.24	32.75
Closing balance	902.46	911.79

(iii) Break-up of current and non-current lease liabilities

Particulars	March 31, 2023	March 31, 2022
Current lease liabilities	293.02	163.56
Non-current lease liabilities	609.44	748.23

(iv) Maturity analysis of lease liabilities

Particulars	March 31, 2023	March 31, 2022
Less than one year	293.02	163.56
One to five years	609.44	748.23
More than five years	-	-
Total	902.46	911.79

As per Para B11 of Ind AS 107 Financial Instruments: Disclosure, In preparing the maturity analyse an entity uses its judgement to determine an appropriate number of time bands.

(iv) Amounts recognised in statement of Profit and Loss account

Particulars	March 31, 2023	March 31, 2022
Interest on lease liabilities	147.34	137.60
Total	147.34	137.60

(v) Amounts recognised in statement of Cash Flows

Particulars	March 31, 2023	March 31, 2022
Total Cash outflow for leases	(381.93)	(267.16)
	(381.93)	(267.16)

35 Contingent Liabilities not provided for in respect of:

	March 31, 2023	March 31, 2022
Income tax (tax on expenses subject to inadmissibility under income tax laws)*	777.92	98.31
*Regarding the assessment order under section 143(3) for AY 2016-17 and AY 2020-21 under Income tax act, 1961 received by the Company.		

36 Related Party Disclosures

(A) Names of related parties and description of relationship with the Company:

Ultimate Holding Company
Vishkul Enterprises Private Limited

Holding Company
TAAL Enterprises Limited

Entities under common control
ISMT Limited (till March 10, 2022)
Laurus Tradecon Private Limited (erstwhile known as Lighto Technologies Private Limited)
TAAL Enterprises Limited
First Airways Inc.
Taneja Aerospace and Aviation Limited
Katra Auto Engineering Private Limited
Indian Seamless Enterprises Ltd.

Subsidiary Companies
TAAL Technologies Inc, USA
TAAL Tech Innovations GmbH, Austria
TAAL Tech GmbH, Switzerland
TAAL Tech (UK) Limited (voluntarily dissolved on May 10, 2022)

Key Management Personnel (KMP) and their relative
Mr. Salil Baldev Raj Taneja - Managing Director

Non whole-time Directors
Mr. Muralidhar Chittetti Reddy



TAAL Tech India Private Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(INR in lakhs, unless otherwise stated)

Additional Director
Mr. Shyam Powar
Mr. Arvind Nanda

(B) Details of transactions with related party in the ordinary course of business for the year ended:

Name of the related party	Nature of Transaction	March 31, 2023	March 31, 2022
Mr. Salil Taneja	Director Remuneration	313.80	312.86
Mr. Prakash Saralaya	Buyback of Share	1,162.06	750.00
TAAL Technologies Inc, USA	Service Received	3,292.28	1,754.43
TAAL Technologies Inc, USA	Sale of services	458.59	-
TAAL Tech GmbH, Switzerland	Service Received	125.20	118.25
Taneja Aerospace & Aviation	Loan provided during the year	-	320.00
Taneja Aerospace & Aviation	Repayment of loans during the year	300.00	20.00
Taneja Aerospace & Aviation	Interest Received	10.25	29.78
Mr. Arvind Nanda	Sitting Fee	2.34	2.07
C M Reddy	Sitting Fee	2.34	2.07
Mr. Shyam Powar	Sitting Fee	1.44	1.08

(C) Balance of Amounts (Payable) / Receivable from :-

Name of related party	March 31, 2023	March 31, 2022
Mr. Salil Taneja	(133.80)	(132.86)
Taneja Aerospace & Aviation Limited	-	300.00
TAAL Technologies Inc, USA	(1,484.32)	(851.53)
TAAL Technologies Inc, USA	131.73	-
TAAL Tech GmbH, Switzerland	(39.56)	(30.10)

(D) Terms and conditions of transactions with related parties

The transactions with 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 free except for borrowings and settlement occurs in cash. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2022: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

37 Segment reporting

The Chief Operating Decision Maker (CODM) regularly monitors and review the operating results separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Company operates only in one segment i.e. 'Engineering Design Services'. The Company operates predominantly within one geographical segment i.e. India and accordingly, this is considered as the only secondary segment.

Major Customer

Revenue from one customer of the Company's engineering services amounting to INR 1,821.03 lakhs (March 31, 2022: revenue from one customer amounting to INR 1,939.24 lakhs) is more than 10% of the total revenue of the company.

38 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
 - Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
 - Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
- No financial assets/liabilities have been valued using level 1 fair value measurements.



TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

	March 31, 2023	March 31, 2022
Level 1		
<u>Financial assets measured at fair value</u>		
Investments in mutual funds at fair value through profit and loss	2,149.88	296.02
Level 2	Nil	Nil
Level 3		
<u>Financial assets measured at amortized cost</u>		
Trade receivables	3,563.85	2,226.06
Cash and cash equivalents	1,464.17	1,869.13
Bank balances other than cash and cash equivalent	2,447.70	3,876.38
Investments in subsidiary	32.58	32.58
Loans	-	300.00
Other financial assets	1,593.93	1,166.49
<u>Financial liabilities measured at amortized cost</u>		
Trade payables	1,737.68	997.81
Lease liabilities	902.46	911.79
Other financial liabilities	1,005.19	2,128.09

The fair values of security deposits 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 own and counterparty credit risk.

The carrying amount of cash and cash equivalents, trade receivables, fixed deposits, trade payables, other payables and short-term borrowings are considered to be the same as their fair values. The fair values of borrowings, liability component of convertible preference shares and security deposits 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 own and counterparty credit risk.

39. Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. The Company is exposed primarily to fluctuations in foreign currency exchange rates.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).



TAAL Tech India Private Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(INR in lakhs, unless otherwise stated)

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	(i)		(ii)		(iii)		(iv)	
	Change in US\$ rate	Effect on profit before tax	Change in NOK rate	Effect on profit before tax	Change in Euro rate	Effect on profit before tax	Change in CAD rate	Effect on profit
March 31, 2023	+2.5%	65.04	+5%	0.30	+2%	15.93	+1.5%	2.37
	-2.50%	(65.04)	-5%	(0.30)	-2%	(15.93)	-1.5%	(2.37)
March 31, 2022	+2.5%	34.52	+5%	1.11	+2%	10.96	+1.5%	0.74
	-2.50%	(34.52)	-5%	(1.11)	-2%	(10.96)	-1.5%	(0.74)

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the landlords before taking any property on lease and has not had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk. The Company does not foresee any credit risks on deposits with regulatory authorities.

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

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts as mentioned in Note 7 to 15.



TAAL Tech India Private Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(INR in lakhs, unless otherwise stated)

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities:

	Less than 12 months	1 to 5 years	More than 5 years	Total
March 31, 2023				
Trade payables	1,737.69	-	-	1,737.69
Lease liabilities	293.02	609.44	-	902.46
Other financial liabilities	1,005.19	-	-	1,005.19
	3,035.90	609.44	-	3,645.34
March 31, 2022				
Trade payables	997.81	-	-	997.81
Lease liabilities	163.56	748.23	-	911.79
Other financial liabilities	2,128.09	-	-	2,128.09
	3,289.46	748.23	-	4,037.69

40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		March 31, 2023	March 31, 2022
Total equity	(i)	9,104.12	6,996.03
Total debt	(ii)	-	-
Overall financing	(ii) + (i) - (iii)	9,104.12	6,996.03
Gearing ratio	(iii) / (iii)	-	-

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

41 Buyback of Shares

During the financial year 2019-20, the Company has approved to buy back 1,50,000 equity shares from Mr. Prakash Saralaya. The buyback will be completed on a progressive basis in 3 equal tranches as per terms and other conditions of the buyback agreement. Pursuant to the aforementioned all the tranches of the buyback has been completed.

Pursuant to Board Resolution during the year for third tranche, 50,000 equity shares of the Company which are issued, subscribed and paid-up equity share capital of the Company were bought back from the eligible shareholder as on notified record date at a price of INR 2.324 per equity share.

43 Dividends

The Board of Directors had declared interim dividend of INR 95 per Equity Share (Face Value INR 10 each) in their meeting held on September 09, 2022. The interim dividend has been paid on September 12, 2022.

44 The Board of Directors in their meeting held on October 18, 2022 approved the draft scheme of amalgamation of the Company with TAAL Enterprises Limited (Transferee Company). The Company has made the required submissions to National Company Law Tribunal for approval of the draft scheme of amalgamation on December 15, 2022. The NCLT wide order dated April 19, 2023 has reserved the order.

45 The Office of the Commissioner of Central tax had conducted the audit enquiry in respect of the Company records for the period July 2017 to March 2022 and issued the enquiry report to the Management on May 05, 2023. The audit enquiry report, has observations of reversing the GST Input/ create a GST liability of INR 237.42 lakhs. However, the Company has reversed GST input/created provision for an amount of INR 133.70 lakhs. For the remaining balance of INR 103.72 the Company is confident of obtaining relief from the department with further submission.

46 Corporate social responsibility expenditure (CSR)

	March 31, 2023	March 31, 2022
(a) Gross amount required to be spent by the Company during the year	62.81	56.63

(b) Amount spent during the year ended on 31 March

	March 31, 2023	March 31, 2022
Paid in cash	-	-
Yet to be paid in cash	62.81	56.63

(i) Construction / Acquisition of any asset

(ii) On purposes other than (i) above

the amount spent is towards construction of school, medical expenses and related administrative expenses

(c) There is no cumulative shortfall in CSR expenditure at the end of the year (March 31, 2022 : Nil)



TAAL Tech India Private Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(INR in Lakhs, unless otherwise stated)

47. Ratios

S No.	Ratio	Formula	Particulars		March 31, 2021		March 31, 2022		Ratio as on March 31, 2023	Ratio as on March 31, 2022	Variation	Reason if variation is more than 25%
			Numerator	Denominator	Numerator	Denominator						
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets - Current Investment - Trade Receivable - Cash & Cash Equivalents - Other Current Assets - Loans	Current Liabilities - Short Term Borrowings - Trade Payables - Other Current Liabilities - Provisions - Other Current Liabilities	53,432.58	1,140.33	1,156.95	4,371.50	2.36	2.43	-11.56%	
(b)	Return on Equity Ratio	Profit after tax + Dividend / Shareholder's Equity	Net Income - Net Income after taxes - Preference Dividend	Shareholder's Equity	2,820.59	9,269.12	2,869.15	5,766.23	0.32	0.41	21.78%	
(c)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sales	Opening Trade Receivables + Closing Trade Receivables / 2	15,214.13	2,444.93	12,451.68	1,371.21	5.30	6.56	16.21%	
(d)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	Opening Trade Payables + Closing Trade Payables / 2	1,417.48	1,367.75	1,372.57	1,307.33	2.50	1.86	-24.42%	Variance due to increase in cost of services from Subsidiaries during the year
(e)	Net Capital Employed Ratio	Assets / Average Working Capital	Equity	3 months Working Capital Average (Current assets - Current liabilities)	15,414.13	4,443.59	11,935.58	5,362.71	2.47	2.17	-11.48%	
(f)	Net Debt Ratio	Net Debt / Net Sales	Net Debt	Net Sales	2,920.17	15,914.15	2,869.15	12,451.68	0.18	0.22	17.02%	
(g)	Return on Capital Employed	EBIT / Capital Employed	EBIT - Employee Benefit Provisions - Current Tax	Capital Employed - Short Term Borrowings	4,134.44	9,234.21	4,252.32	7,745.51	0.41	0.55	32.17%	
(h)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment in Equity	2,820.59	8,134.12	2,869.15	5,995.03	0.32	0.41	21.78%	



TAAL Tech India Private Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(INR in lakhs, unless otherwise stated)

48 Additional regulatory information required by Schedule III

(i) Details of benami property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(ii) Wilful defaulter

The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

(iv) Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) Compliance with number of layers of companies

The Company has complied with 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.

(vi) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vii) Valuation of property, plant and equipment, intangible asset and investment property

The Company has not revalued its property, plant and equipment and investment property or both during the current or previous year.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Utilisation of borrowed funds and share premium

The Company has 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 has 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.

49 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

As per our report of even date attached.

For M S K A & Associates
Chartered Accountants
Firm Registration Number: 105047W

Harsh Jain

Harsh Jain
Partner
Membership Number: 305641

Place: Bengaluru
Date: May 26, 2023



For and on behalf of the Board of Directors
TAAL Tech India Private Limited
CIN: U74900KA2012PTC067450

Salil Taneja
Salil Taneja
Chairman
DIN:00328668

Place: Pune
Date: May 26, 2023

