

# B S R & Associates LLP

Chartered Accountants

Embassy Golf Links Business Park,  
Pebble Beach, B Block, 3<sup>rd</sup> Floor, No. 13/2,  
Off Intermediate Ring Road,  
Bengaluru-560 071 India

Telephone: + 91 80 4682 3000  
Fax: + 91 80 4682 3999

## Independent Auditor's Report

**To the Members of Supr Infotech Solutions Private Limited**

**Report on the Audit of the Financial Statements**

### Opinion

We have audited the financial statements of Supr Infotech Solutions Private Limited (the "Company") which comprise the balance sheet as at 31 March 2022, 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 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss and 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 SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and our auditor's report thereon.

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

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

### Management's and Board of Directors Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the

Registered Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

## Independent Auditor's Report (Continued)

### Supr Infotech Solutions Private Limited

Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and 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.

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

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant

**Independent Auditor's Report (Continued)**

**Supr Infotech Solutions Private Limited**

ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. 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 flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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:

- a. The Company does not have any pending litigations which would impact its financial position.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d (i) 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 persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Company or

provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

**Independent Auditor's Report (Continued)**

**Supr Infotech Solutions Private Limited**

directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company.

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No.:116231W/W-100024



**Ashish Chadha**

*Partner*

Place: Bengaluru

Date: 30 September 2022

Membership No.: 500160

ICAI UDIN:22500160AXMYTM1764

**Annexure A to the Independent Auditor's Report on the Financial Statements of Supr Infotech Solutions Private Limited for the year ended 31 March 2022**

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies/discrepancy were/was noticed on such verification.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (i) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage followed by management were appropriate. No discrepancies were noticed on verification between physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided 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 during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products sold/services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

**Annexure A to the Independent Auditor's Report on the Financial Statements of Supr Infotech Solutions Private Limited for the year ended 31 March 2022 (Continued)**

- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2022. Accordingly, clause 3(ix) (f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has

**Annexure A to the Independent Auditor's Report on the Financial Statements of Supr Infotech Solutions Private Limited for the year ended 31 March 2022 (Continued)**

- been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has incurred cash losses of Rs 4,609 Million in the current financial year and Rs 2,722 Million in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 the 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.

**Annexure A to the Independent Auditor's Report on the Financial Statements  
of Supr Infotech Solutions Private Limited for the year ended 31 March 2022  
(Continued)**

- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No.:116231W/W-100024



**Ashish Chadha**

*Partner*

Place: Bengaluru

Membership No.: 500160

Date: 30 September 2022

ICAI UDIN:22500160AXMYTM1764

**Annexure B to the Independent Auditor's Report on the financial statements of Supr Infotech Solutions Private Limited for the year ended 31 March 2022**

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of Supr Infotech Solutions Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to 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 (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to 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 financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

**Annexure B to the Independent Auditor's Report on the financial statements of Supr Infotech Solutions Private Limited for the year ended 31 March 2022 (Continued)**

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

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

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

For **B S R & Associates LLP**

*Chartered Accountants*

Firm's Registration No.:116231W/W-100024

**Ashish Chadha**

*Partner*

Place: Bengaluru

Date: 30 September 2022

Membership No.: 500160

ICAI UDIN:22500160AXMYTM1764

SUPR Infotech Solutions Private Limited  
Balance Sheet

	Notes	As at	
		March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	93	71
Right-of-use assets	5	31	232
Other intangible assets	4	-	6
Financial assets			
Other financial assets	10	17	19
Income tax assets	6	32	2
Other assets	11	5	33
		<u>178</u>	<u>363</u>
<b>Current assets</b>			
Inventories			
Financial assets	7	110	96
Trade receivables			
Cash and cash equivalents	8	210	52
Other balances with banks	9 (a)	37	175
Other financial assets	9 (b)	8	11
Other assets	10	52	100
	11	<u>338</u>	<u>97</u>
		<u>755</u>	<u>531</u>
		<u>933</u>	<u>894</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	10	10
Other equity	13	(6,308)	(1,887)
<b>Total equity</b>		<u>(6,298)</u>	<u>(1,877)</u>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	14	5,825	1,754
Lease liabilities	5	-	76
Provisions	15	25	20
		<u>5,850</u>	<u>1,850</u>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	5	36	157
Trade payables	16		
Outstanding dues to micro and small enterprises			
Outstanding dues of creditors other than micro and small enterprises		2	4
Other financial liabilities	17	640	308
Contract liabilities	18	514	76
Other current liabilities	19	-	281
Provisions	15	122	56
		<u>67</u>	<u>39</u>
		<u>1,381</u>	<u>921</u>
<b>Total liabilities</b>		<u>7,231</u>	<u>2,771</u>
<b>Total equity and liabilities</b>		<u>933</u>	<u>894</u>

Significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date

for B S R & Associates LLP

Chartered Accountants

Firm's Registration Number: 116231W/W-100024



Ashish Chadha

Partner

Membership No: 500160

Bengaluru

Date: September 30, 2022

2

for and on behalf of the Board of Directors of  
SUPR Infotech Solutions Private Limited

  
Sriharsha Majety

Director  
DIN: 06680073

Bengaluru  
Date: September 30, 2022

  
Lakshmi Nandan Reddy Obul

Director  
DIN: 06686145

Bengaluru  
Date: September 30, 2022

SUPR Infotech Solutions Private Limited  
Statement of Profit and Loss

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
<b>INCOME</b>			
Revenue from operations	20	6,416	4,728
Other income	21	5	17
<b>Total income</b>		<b>6,421</b>	<b>4,745</b>
<b>EXPENSES</b>			
Purchases of stock-in-trade		6,147	4,570
Changes in inventories of stock-in-trade	22	(75)	(58)
Employee benefits expense	23	2,341	1,494
Finance costs	24	332	73
Depreciation and amortisation expenses	25	136	106
Other expenses	26	2,285	1,388
<b>Total expenses</b>		<b>11,166</b>	<b>7,573</b>
<b>Loss before exceptional items and tax</b>		<b>(4,745)</b>	<b>(2,828)</b>
<b>Exceptional Items</b>	38	<b>166</b>	<b>-</b>
<b>Loss before tax</b>		<b>(4,911)</b>	<b>(2,828)</b>
<b>Tax expense</b>			
Current tax		-	-
Deferred tax		-	-
<b>Loss for the year</b>		<b>(4,911)</b>	<b>(2,828)</b>
<b>Other comprehensive income ('OCI')</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
- Re-measurement of defined benefit plans (Refer Note 29(b))		8	(1)
<b>Total other comprehensive loss for the year, net of taxes</b>		<b>8</b>	<b>(1)</b>
<b>Total comprehensive loss for the year</b>		<b>(4,903)</b>	<b>(2,829)</b>
<b>Loss per equity share (Equity share of par value ₹ 10 each)</b>			
- Basic and Diluted	27	(5,058)	(2,937)
Significant accounting policies	2		
The accompanying notes are an integral part of the financial statements			

As per our report of even date  
for B S R & Associates LLP  
Chartered Accountants  
Firm's Registration Number: 116231W/W-100024



Ashish Chadha

Partner  
Membership No: 500160

Bengaluru  
Date: September 30, 2022

for and on behalf of the Board of Directors of  
SUPR Infotech Solutions Private Limited

  
Sriharsha Majety

Director  
DIN: 06680073

Bengaluru  
Date: September 30, 2022



  
Lakshmi Nandan Reddy  
Obul  
Director  
DIN: 06686145

Bengaluru  
Date: September 30, 2022

SUPR Infotech Solutions Private Limited  
Statement of Cash Flows

	Year ended March 31 2022	Year ended March 31 2021
<b>A. Cash flows from operating activities:</b>		
Loss before tax	(4,911)	(2,828)
<i>Adjustments to reconcile net profit to net cash provided by operating activities:</i>		
Depreciation and amortization expense	136	106
Loss on disposal / write off of property, plant and equipment	12	-
Impairment of property, plant & equipment	105	-
Written down of inventory	61	-
Advances/Deposits Written off	6	7
Allowance for expected credit loss	1	-
Fair value gain on financial instruments measured at fair value through profit or loss (including profit)	-	(5)
Gain on termination of leases	(1)	(7)
Interest on Borrowings	315	58
Interest on Lease Liabilities	17	15
Share-based compensation expense	482	712
Interest income	(4)	(5)
<b>Operating cash flow before working capital changes</b>	<b>(3,781)</b>	<b>(1,947)</b>
<b>Changes in:</b>		
Inventories	(75)	(58)
Trade receivables	(159)	(25)
Other assets	(241)	(28)
Other financial assets	48	(46)
Trade payables	330	104
Other financial liabilities	269	6
Other liabilities	(215)	38
Provisions	41	35
<b>Cash (used in) from operations</b>	<b>(3,783)</b>	<b>(1,921)</b>
Direct taxes paid (net of refund)	(30)	(2)
<b>Net cash used in operating activities</b>	<b>(3,813)</b>	<b>(1,923)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets (net of disposal)	(142)	(58)
Purchase of investments	-	(1,170)
Proceeds from sale of mutual funds	-	1,175
Investment in term deposits	3	-
Interest income on deposits	-	1
<b>Net cash (used in) investing activities</b>	<b>(139)</b>	<b>(52)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issue of equity shares	-	1
Proceeds from securities premium on issue of equity shares	-	379
Proceeds from term loan	4,071	1,754
Repayment of principal portion of lease liabilities	(84)	(72)
Payment of interest portion of lease liabilities	(17)	(15)
Interest paid	(156)	-
<b>Net cash generated from financing activities</b>	<b>3,814</b>	<b>2,047</b>
<b>Net (decrease)/ increase in cash and cash equivalents during the year (A+B+C)</b>	<b>(138)</b>	<b>72</b>
Cash and cash equivalents at the beginning of the year	175	103
<b>Cash and cash equivalents at the end of the year (refer note 9)</b>	<b>37</b>	<b>175</b>

Significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements

As per our report of even date  
for B S R & Associates LLP  
Chartered Accountants  
Firm's Registration Number: 116231W/W-100024

  
Ashish Chadha

Partner  
Membership No: 500160

Bengaluru  
Date: September 30, 2022

for and on behalf of the Board of Directors of  
SUPR Infotech Solutions Private Limited

  
Sriharsha Majety

Director  
DIN: 06680073

Bengaluru  
Date: September 30, 2022



Lakshmi Nandan Reddy  
Obul  
Director  
DIN: 06686145

Bengaluru  
Date: September 30, 2022

**1 Company overview**

SUPR Infotech Solutions Private Limited ("the Company" or "Supr") was incorporated on December 23, 2016 as a private limited company. The Company has its registered office in Bangalore, India. The Company is primarily in the B2B segment and is present in 7 states across India, where it sells milk, groceries, fruits, vegetables and other daily essentials to its customers.

The Company has licensed its e-commerce platform to its customers for selling the aforesaid products on its platform. The Company is also in the business of providing delivery services and customer support services to its customers.

**2 Significant accounting policies**

**2.1 Statement of compliance and basis of preparation**

The Financial Statements of the Company comprises of Assets and Liabilities as at March 31, 2022 and March 31, 2021 and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the years ended March 31, 2022 and March 31, 2021, Notes to the Financial Statements as at and for the years ended March 31, 2022 and March 31, 2021 (together referred to as 'Financial Statements').

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time, under the historical cost convention on the accrual basis, except for certain financial instruments, defined benefit plans and share based payments which are measured at fair value or amortised cost at the end of each reporting period, as explained further in the accounting policies below. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupee (₹) which is the functional currency of the Company and all the values are rounded off to the nearest Million (INR 000,000) except when otherwise indicated.

The financial statements are approved and authorised for issue in accordance with a resolution of Board of Directors on September 30, 2022.

The significant accounting policies used in preparation of these financial statements have been discussed in the respective notes.

**Going concern**

The Company incurred a loss of ₹ 4,911 million (2021: ₹ 2,828 million) for the year ended 31 March 2022, the Company's total liabilities exceeded its total assets by ₹ 6,298 million (2021: ₹ 1,877 million) as at 31 March 2022. Notwithstanding these, the financial statements of the Company have been prepared on a going concern basis, as subsequent to balance sheet date the Company received from the immediate and ultimate holding company a deposit amounting to ₹ 1,420 Million carrying interest rate of 8.6% p.a with a maturity of 3 years and the immediate and the ultimate holding Company has provided an undertaking that it will continue to give such financial support to the Company as necessary to enable it to continue its operations and meet its liabilities as and when they fall due. Management has assessed that the immediate and ultimate holding Company has the ability to provide the financial support.

**2.2 Use of estimates, assumptions and judgements**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses for the year. Actual results could differ from those estimates.

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

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

**a Fair value measurement of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The policy has been further explained under note 31.

**b Defined benefit plans and compensated absences**

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation is determined using actuarial valuation. 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 reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. These mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. The assumptions and models used for defined benefit plan are disclosed in note 28.

**c Share-based payments**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility, dividend yield, forfeiture rate and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 35.

**d Useful lives of property, plant and equipment and intangible assets**

The Company depreciates property, plant and equipment and intangible assets on a straight-line basis over estimated useful lives of the assets. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

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



Significant accounting policies (contd..)

e Taxes

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes and tax credits including the amount expected to be paid or refunded.

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible.

f Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate to the lease being evaluated or for a portfolio of leases with similar characteristics.

g Expected credit losses on financial assets:

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

h Provisions and contingent liabilities:

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgement to disclose contingent liabilities. 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 the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the Financial Statement.

2.3 Current and Non-current classification

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

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
  - Held primarily for the purpose of trading
  - Expected to be realised within twelve months after the reporting period, or
  - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
  - It is due to be settled within twelve months after the reporting period, or
  - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The Company classifies all other liabilities as non-current.

2.4 Revenue recognition

**General revenue recognition:**

The Company generates revenue mainly from sale of groceries, fruits & vegetables, dairy products and other daily essential products, licensing of platform, transportation and call centre services.

Revenue is recognised when control of goods and services is transferred to the customer upon the satisfaction of performance obligation under the contract at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Where performance obligation is satisfied over time, Company recognizes revenue over the contract period. Where performance obligation is satisfied at a point in time, Company recognizes revenue when customer obtains control of promised goods and services in the contract. Revenue is measured net of taxes.

**Income from sale of goods:**

Revenue from sale of goods are recognised when the performance obligations are satisfied i.e. when control of promised goods are transferred to the customer i.e. when the goods are delivered to the customer.

**Discounts:**

The Company periodically provides discounts to customers which are recorded as a reduction in revenues, generally on the date the corresponding order revenue is recognized.

**Income from sale of services:**

Revenue from licensing of platform, transportation and call centre services is recognised over the period on a systematic basis in accordance with the terms of agreement entered into with the customer.

**Other income:**

Interest income is recognised using the effective interest method or time-proportion method, based on rates implicit in the transaction.



**2.5 Property, plant and equipment**

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the plant and equipment to its working condition for the intended use and cost of replacing part of the plant and equipment.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Gains or losses arising from derecognition of the assets are measured as the difference between the net disposal proceeds and the carrying amounts of the assets and are recognized in the statement of profit and loss when the assets are derecognized.

**2.6 Intangible assets**

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

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

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

**2.7 Depreciation and amortisation**

Depreciation on property, plant and equipment and amortisation on intangible assets with finite useful lives is calculated on a straight-line basis over the useful lives of the assets estimated by the management.

The estimated useful life of assets is reviewed and where appropriate are adjusted, annually. The Company has used the following useful lives to provide depreciation on plant and equipment and amortisation of intangible assets:

Asset category	Useful lives estimated by the management (In Years)
Plant & machinery*	5
Office equipments*	1.5 - 5
Computer and printer	3
Furniture and fixtures *	5
Leasehold Improvements	Lease term or 5
Electrical installations	10
Server	6
Computer software	10

\* Based on an internal technical evaluation, management believes that the useful lives as given above are realistic and reflect fair approximation of the period over which the assets are likely to be used. Hence, the useful lives for these assets is different from the useful lives as prescribed under part C of Schedule II of The Companies Act 2013. From April 01, 2019, the useful life of these asset class has been revised based on the above mentioned internal technical evaluation carried out by the management.

Company is assuming terminal value of 5% of the cost of the asset i.e. only 95% of the original cost of asset is depreciated.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**2.8 Impairment**

**Financial Assets:**

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

**Impairment of non-financial assets:**

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

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Standalone Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.



## 2.9 Leases

### Company as a lessee

The Company's lease assets primarily consist of leases for offices, warehouses and hubs. The Company assesses whether a contract contains a lease at the 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.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing obligations to make lease payments and right-of-use assets representing the right to use the underlying assets.

### i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the estimated useful lives of the assets whichever is earlier.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.8, Impairment of non-financial assets.

### ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date as the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in financial liabilities.

### iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease exemption (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

## 2.10 Financial instruments

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.

Financial assets and liabilities are recognised when the Company becomes a party to the contract that gives rise to financial assets and liabilities. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

### a Cash and cash equivalents

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

### b Financial assets

Retained earnings are the profit / (loss) that the Company has earned / incurred till date, less any transfers to other reserves, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement (loss) / gain on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.



**Financial assets at amortised cost (debt instruments) (contd...)**

The financial asset is measured at the amortised cost if both the following conditions are met:

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

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

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

**Financial assets at FVTPL (Debt instrument)**

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**Financial assets at FVOCI (Debt instrument)**

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

a) The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

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

**Derecognition**

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

• The rights to receive cash flows from the asset have expired, or

• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

**c Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost (loans and borrowings, payables), as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

**Subsequent measurement**

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

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

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

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**Derecognition:**

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

**d Offsetting of financial instruments**

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



**2.11 Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

**Fair value hierarchy:**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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.

For assets and liabilities that are recognised in the Financial Information on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**2.12 Inventories**

Inventory is stated at the lower of cost and net realisable value. Cost of inventories comprise of all cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined using weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**2.13 Borrowing cost**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**2.14 Share issue expenses**

Share issue expenses eligible to be capitalised are adjusted with securities premium.

**2.15 Foreign currency**

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates, at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised as income or expenses in the period in which they arise.

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.

**2.16 Share based payments**

The Company grants stock option of its holding company. The Holding Company measures compensation cost relating to employee stock options plans using the fair valuation method in accordance with Ind AS 102, Share-Based Payment. Compensation expense is amortized over the vesting period as per graded vesting method. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in employee stock options reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

When an award is cancelled by the Company or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit and Loss.

**2.17 Employee benefits**

Employee benefits consists of Salaries, wages, bonus, contribution to provident and other funds, share bases payment expense and staff welfare expense.

**Defined contribution plans**

The Company's contributions to defined contribution plans (provident fund) are recognized in Statement of Profit and Loss when the employee renders related service.

**Defined benefit plans**

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is carried out based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its Standalone Balance Sheet as liability. Actuarial gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in OCI are not to be subsequently reclassified to the Statement of Profit and Loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to "surplus/(deficit) in the statement of profit and loss under other equity.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Standalone Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.



Employee benefits (contd...)

*Short-term employee benefits*

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. Compensated absences, which are expected to be utilised within the next 12 months, are treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

*Long-term employee benefits*

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employees render the related services are treated as long-term employee benefits for measurement purpose. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end, less the fair value of the plan assets out of which the obligations are expected to be settled. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire compensated absences balance as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

2.18 Taxes on income

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in other equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

*Current income tax*

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted as at the balance sheet date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity).

*Deferred income tax*

Deferred income tax is recognised using the balance sheet approach, deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned 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, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

2.19 Provision (other than employee benefits) and contingent liabilities

A provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. If the effect of time value of money is material, provision is discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits received/ expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.20 Earnings/(loss) per share

Basic earnings/(loss) per share is computed by dividing the profit/(loss) after tax attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest (net of any attributable taxes) other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share or increase the net loss per share. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The Company did not have any potentially dilutive securities in any of the years presented.



#### 2.21 Segment reporting

Operating segment are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chief Executive Officer has been identified as the chief operating decision maker.

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance, the analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to the segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

#### 2.22 Statement of cash flow

Cash flows are reported using the indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of statement of cash flows, cash and cash equivalents comprise the total of current portion of cash and cash equivalents as disclosed in cash and cash equivalent schedule.

#### 2.23 Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022.

(i) *Ind AS 16 - Property Plant and equipment* : The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

(ii) *Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets* : The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and the impact is not expected to be material.

(iii) *Ind AS 103 - Business combination* : The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

(iv) *Ind AS 109 - Financial Instruments* : The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.



SUPR Infotech Solutions Private Limited  
Statement of Changes in Equity

a. Equity share capital (refer Note 12)

(₹ in Million)

Particulars	Amount
As at March 31, 2020	9
Add: Issued during the year	1
As at March 31, 2021	10
Add: Issued during the year	-
As at March 31, 2022	10

b. Other equity

Particulars	Reserve and surplus			Items of other comprehensive income	Total other equity
	Securities premium	Share based payment reserve	Retained earnings	Re-measurement of defined benefit plans	
Balance as at March 31, 2020	2,722	189	(3,060)	-	(149)
Loss for the year	-	-	(2,828)	-	(2,828)
Re-measurement of defined benefit plans	-	-	-	(1)	(1)
Premium on equity shares issued during the year	379	-	-	-	379
Share based payment expense (refer note 22)	-	712	-	-	712
Transferred to retained earnings	-	-	(1)	1	-
Balance as at March 31, 2021	3,101	901	(5,889)	-	(1,887)
Loss for the year	-	-	(4,911)	-	(4,911)
Re-measurement of defined benefit plans	-	-	-	8	8
Premium on equity shares issued during the year	-	-	-	-	-
Share based payment expense (refer note 22)	-	482	-	-	482
Transferred to retained earnings	-	-	8	(8)	-
Balance as at March 31, 2022	3,101	1,383	(10,792)	-	(6,308)

Significant accounting policies (refer note 2)

The accompanying notes are an integral part of the financial statements

As per our report of even date

for B S R & Associates LLP

Chartered Accountants

Firm's Registration Number: 116231W/W-100024



Ashish Chadha

Partner

Membership No: 500160

Bengaluru

Date: September 30, 2022

for and on behalf of the Board of Directors of  
SUPR Infotech Solutions Private Limited



Sriharsha Majety

Director

DIN: 06680073

Bengaluru

Date: September 30, 2022



Lakshmi Nandan Reddy Obul

Director

DIN: 06686145

Bengaluru

Date: September 30, 2022

3 Property, plant and equipment

	(₹ in Million)							
	Plant and equipment	Office Equipment	Computer equipment	Furniture and fixtures	Leasehold improvements	Electrical installation and equipment	Server	Total
<b>Cost</b>								
As at April 1, 2020	3	16	54	18	-	-	1	92
Additions	2	3	4	15	-	-	-	26
Disposal	-	-	-	-	-	2	-	-
As at March 31, 2021	5	19	58	33	-	2	1	118
Adjustment	-	-	-	(19)	19	-	-	-
Additions	6	8	19	5	137	5	-	180
Disposal	-	3	3	4	-	-	-	10
As at March 31, 2022	11	24	74	15	156	7	1	288
<b>Accumulated depreciation</b>								
As at April 1, 2020	1	1	17	2	-	-	-	21
Charge for the year	1	4	17	4	-	-	-	26
Disposal	-	-	-	-	-	-	-	-
As at March 31, 2021	2	5	34	6	-	-	-	47
Adjustment	-	-	-	(3)	3	-	-	-
Charge for the year	1	4	20	4	17	-	-	46
Impairment for the year (refer note 38)	2	9	1	5	83	5	-	105
Disposal	-	1	2	-	-	-	-	3
As at March 31, 2022	5	17	53	12	103	5	-	195
<b>Net block</b>								
As at March 31, 2021	3	14	24	27	-	2	1	71
As at March 31, 2022	6	7	21	3	53	2	1	93

4 Other intangible assets

	(₹ in Million)	
	Computer software	Total
<b>Cost</b>		
As at April 1, 2020	-	-
Additions	11	11
Disposal	-	-
As at March 31, 2021	11	11
Additions	-	-
Disposal	-	-
As at March 31, 2022	11	11
<b>Amortisation</b>		
As at April 1, 2020	-	-
Charge for the year	4	4
As at March 31, 2021	1	1
Charge for the year	5	5
Disposal	-	-
As at March 31, 2022	5	5
<b>Net block</b>		
As at March 31, 2021	6	6
As at March 31, 2022	-	-

<< This space has been intentionally left blank >>



5 Leases

The company has entered into lease contracts for premises to use it for commercial purpose to carry out its business i.e. warehouses, hubs for its storage of inventories and office buildings. These lease contracts of premises have lease terms between 2 and 5 years. Lease agreements does not depict any restrictions/covenants imposed by lessor. The company also has certain leases of buildings (temporary spaces) with lease terms of 12 months or less. The company has elected to apply the recognition exemption for leases with a lease term (or remaining lease term) of twelve months or less. Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss over the lease term.

A The carrying amounts of right-of-use assets recognised and the movements during the period:

	(₹ in Million)
	Warehouses and Buildings
<b>Cost</b>	
As at April 1, 2020	298
Additions	193
Disposal	156
As at March 31, 2021	335
Additions	43
Disposal	84
As at Mar 31, 2022	294
<b>Accumulated depreciation</b>	
As at April 1, 2020	81
Charge for the period	79
Disposal	57
As at March 31, 2021	103
Charge for the period	90
Disposal	35
Impact of remeasurement	105
As at Mar 31, 2022	263
<b>Net Block</b>	
As at March 31, 2021	232
As at March 31, 2022	31

B The carrying amounts of lease liabilities (included under financial liabilities) and the movements during the period:

	(₹ in Million)
	Warehouses and Buildings
As at April 1, 2020	221
Additions	188
Disposal	104
Accretion of interest	15
Payment	87
As at March 31, 2021	233
Additions	40
Disposal	48
Accretion of interest	17
Payment	101
Impact of remeasurement	105
As at March 31, 2022	36

Current and Non-current classification:

	As at March 31, 2022	As at March 31, 2021
Current	36	157
Non-current	-	76
	36	233

C The amounts recognised in the statement of profit and loss

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation expense of right-of-use assets	90	79
Interest expense on lease liabilities	17	15
Gain on termination of Leases	1	7

D Maturity analysis of lease liabilities - contractual undiscounted cash flow:

	As at March 31, 2022	As at March 31, 2021
Less than one year	36	157
One to five years	-	76
More than five years	-	-

E Other disclosures

- Expenses relating to short-term leases have been disclosed under rent expense in note 26.
- The incremental borrowing rate of 9.5% p.a has been applied to lease liabilities recognised in the balance sheet.



6 Income tax assets

		(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021	
Tax deducted at source	32	2	
	32	2	

7 Inventories

		(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021	
Stock-in-trade (at lower of cost or net realisable value)	171	96	
Less: write-down for the year (refer note 38)	61	-	
	110	96	

8 Trade receivables  
(Carried at amortised cost)

		(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021	
<b>Current</b>			
Unsecured, considered good	210	52	
Trade receivables - credit impaired	38	37	
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>			
Trade receivables - credit impaired	(38)	(37)	
	210	52	

The allowance for doubtful debts as of March 31, 2022 and March 31, 2021 and changes in the allowance for doubtful debts during the year ended as of that date are as follows:

	As at March 31, 2022	As at March 31, 2021
Opening balance	37	37
Add: Provision of trade receivables-credit impaired	1	-
Closing balance	38	37

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Refer note 34 (i)(a) for further details on trade receivables.

Trade receivables are non - interest bearing and are generally on terms of 0 to 45 days.

Trade receivables ageing schedules for the year ended March 31, 2022 and March 31, 2021:

Particulars	Unbilled dues	Outstanding as at March 31, 2022 from the due date of payment					Total
		< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	95	111	4	-	-	-	210
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	38	38
(iv) Disputed Trade receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>95</b>	<b>111</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>248</b>

Particulars	Unbilled dues	Outstanding as at March 31, 2021 from the due date of payment					Total
		< 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	12	40	-	-	-	-	52
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	37	-	37
(iv) Disputed Trade receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>12</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>37</b>	<b>-</b>	<b>89</b>



9 (a) Cash and cash equivalents

	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- In current accounts		
Cash on hand*	37	175
	<u>37</u>	<u>175</u>

\* Amount less than a million has been rounded off.

9 (b) Other balances with banks

	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
Fixed deposit with original maturity greater than 3 and less than 12 months	5	6
Bank balances held as margin money / security against guarantees	3	5
	<u>8</u>	<u>11</u>

\* Represents (a) Term deposit of ₹ 3 million (March 31, 2021: ₹ 3 million) with banks as margin money against corporate credit cards (b) Term deposit of ₹ Nil (March 31, 2021: ₹ 2 million) with bank as security against the bank guarantee.

10 Other Financial assets

	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
<b>Unsecured, considered good</b>		
Security deposits	17	19
	<u>17</u>	<u>19</u>
<b>Current</b>		
<b>Unsecured, considered good</b>		
Security deposits		
Others	52	50
	<u>52</u>	<u>100</u>

11 Other assets

	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
Capital advance	5	33
	<u>5</u>	<u>33</u>
<b>Current</b>		
Balance with statutory and government authorities	252	55
Advance to suppliers	68	29
Prepaid expenses	13	4
Other	5	9
	<u>338</u>	<u>97</u>

<< This space has been intentionally left blank >>



12 Share capital

(₹ in Million)

	As at March 31, 2022	As at March 31, 2021
Authorised share capital 10,70,000 (March 31, 2021 : 10,70,000) equity shares of ₹ 10 each.	11	11
Issued, subscribed and fully paid-up share capital 969,255 (March 31, 2021: 969,255) equity shares of ₹ 10 each fully paid up	10	10
Total issued, subscribed and fully paid-up share capital	10	10

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

	No of shares	Amount
Balance outstanding as at March 31, 2020	8,69,355	9
Issued during the year	99,900	1
Balance outstanding as at March 31, 2021	9,69,255	10
Issued during the year	-	-
Balance outstanding as at Mar 31, 2022	9,69,255	10

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share (March 31, 2021: ₹ 10). Each holder of equity shares is entitled to one vote per share. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(c) Shares held by the holding company

	As at March 31, 2022		As at March 31, 2021	
	No.	% of total	No.	% of total
Bundl Technologies Private Limited	9,69,254	100%	9,69,254	100%
	9,69,254	100%	9,69,254	100%

(d) Details of shareholders holding more than 5% shares of a class of shares

	As at March 31, 2022		As at March 31, 2021	
	No.	% of total	No.	% of total
Bundl Technologies Private Limited	9,69,254	100%	9,69,254	100%
	9,69,254	100%	9,69,254	100%

The Company has not allotted any fully paid up equity shares by way of bonus shares, or in pursuant to contract without payment being received in cash nor has bought back any equity shares since its incorporation. Further, there are no shares reserved for issue under employee stock options.

(e) Shareholding of promoters

As at March 31, 2022

Name of the Promoter	No. of shares at beginning of year	Change during the year	No. of shares at the end of year	% of total shares	% change during the year
Bundl Technologies Private Limited	9,69,254	-	9,69,254	100%	0%

As at March 31, 2021

Name of the Promoter	No. of shares at beginning of year	Change during the year	No. of shares at the end of year	% of total shares	% change during the year
Bundl Technologies Private Limited	8,69,354	99,900	9,69,254	100%	11%



13 Other equity

	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
<b>Securities Premium</b>		
At the beginning of the year	3,101	2,722
Addition during the year, on issue of shares	-	379
	<u>3,101</u>	<u>3,101</u>
<b>Share based payment reserve</b>		
At the beginning of the year	901	189
Share based payment expense (refer note 23)	482	712
	<u>1,383</u>	<u>901</u>
<b>Retained earnings</b>		
At the beginning of the year	(5,889)	(3,060)
Loss for the year	(4,911)	(2,828)
Transferred to retained earnings	8	(1)
	<u>(10,792)</u>	<u>(5,889)</u>
<b>Re-measurement of defined benefit plans</b>		
At the beginning of the year	-	-
Re-measurement gain / (loss) on defined benefit plans	8	(1)
Transferred to retained earnings	(8)	1
	<u>-</u>	<u>-</u>
<b>Total other Equity</b>	<u>(6,308)</u>	<u>(1,887)</u>

Nature and purpose of reserves:

**Securities premium**

Securities premium represents the premium on issue of shares. The reserve can be utilised only for limited purpose such as issue of bonus shares, utilisation towards the share issue expenses etc. in accordance with the provisions of Companies Act, 2013.

**Share based payment reserve**

The share based payment reserve represents the expenses recognised at fair value on the grant date, on the issue of ESOPs to employees of the Company, under Bundl ESOP 2015 plan.

**Retained earnings**

Retained earnings are the profit /(loss) that the Company has earned/incurred till date, less any transfers to other reserves, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement (loss) / gain on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

14 Borrowings

	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
<b>Unsecured</b>		
Term Loan	5,825	1,754
	<u>5,825</u>	<u>1,754</u>

\*During the year ended March 31, 2022, the Company had availed an Indian currency term loan from its parent Bundl Technologies Private Limited amounting to INR 4,071 Million (March 31, 2021: INR 1,754 Million), and is repayable after 3 years from the date of borrowing for each tranche. The loan carried an interest rate of 8.60% per annum, which is payable annually from the date of loan. The loan is unsecured.

15 Provisions

	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
<b>Provision for employee benefits</b>		
Gratuity (refer note 29(b))	25	20
	<u>25</u>	<u>20</u>
<b>Current</b>		
<b>Provision for employee benefits</b>		
Gratuity (refer note 29(b)) *	-	-
Compensated absences	67	39
	<u>67</u>	<u>39</u>

\* Amount less than a million has been rounded off



16 Trade payables

	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	2	4
Total outstanding dues of creditors other than micro enterprises and small enterprises	640	308
	<u>642</u>	<u>312</u>

Terms and conditions for above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 15-30 day terms.
- For explanation on Company's liquidity risk management, refer note 34 (ii)

Trade payable ageing Schedules for the year ended March 31, 2022 and March 31, 2021

Particulars	Outstanding for the year ended March 31, 2022 from the due date of payment				
	< 1 year	1-2 year	2- 3 years	>3 years	Total
(i) MSME	2	-	-	-	2
(ii) Others	636	4	-	-	640
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<u>638</u>	<u>4</u>	<u>-</u>	<u>-</u>	<u>642</u>

Particulars	Outstanding for the year ended March 31, 2021 from the due date of payment				
	< 1 year	1-2 year	2- 3 years	>3 years	Total
(i) MSME	4	-	-	-	4
(ii) Others	308	-	-	-	308
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<u>312</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>312</u>

Details of dues to micro and small enterprises as defined under MSMED Act 2006

	As at March 31, 2022	As at March 31, 2021
1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year (A+B)		
A) Principal amount due to micro and small enterprises	2	4
B) Interest due on above	-	-
2. The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
3. 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 MSMED Act 2006.	-	-
4. The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
5. 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 MSMED Act 2006	-	-

17 Other financial liabilities

	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
Security deposit from customers	255	-
Interest accrued but not due	217	58
Employee payable	30	18
Capital creditors	10	-
Others	2	-
	<u>514</u>	<u>76</u>

18 Contract liabilities

	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
Contract liabilities	-	281
	-	<u>281</u>

19 Other liabilities

	(₹ in Million)	
	As at March 31, 2022	As at March 31, 2021
Statutory liabilities	122	56
	<u>122</u>	<u>56</u>



## 20 Revenue from operations

	(₹ in Million)	
	Year ended March 31, 2022	Year ended March 31, 2021
Sale of products	5,882	4,557
Sale of services	534	171
	<u>6,416</u>	<u>4,728</u>

Disaggregation of revenue as per Ind AS 115: The entire source of Revenue is in India and the category of revenue is the same as disclosed above.

## Timing of rendering of services

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Revenue from sale of goods</b>		
Goods transferred at a point in time	5,882	4,557
<b>Revenue from sale of services</b>		
Services rendered over time	534	171
<b>Total</b>	<u>6,416</u>	<u>4,728</u>

## Contract balances

The following table provides information about trade receivables and contract liabilities from customers

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Trade receivables (refer note 1 below)	210	52
Contract liabilities (refer note 2 below)	-	281

## Notes:

- Trade receivables are non-interest bearing and generally carries credit period of 0 to 45 days. These also include unbilled receivables which primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date.
- Contract liabilities relates to payments received in advance of performance against which amount has been received from customer but services are yet to be rendered on the reporting date. Contract liabilities are recognized evenly over the period of service, being performance obligation of the Company.

Changes in contract liabilities during the year ended March 31, 2022 and March 31, 2021 were as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening balance	281	286
Add: Additions during the year	-	4,865
Less: Revenue recognised during the year	-	(4,870)
Less: Transferred to DailyDel Solutions Private Limited	(281)	-
Closing balance	<u>-</u>	<u>281</u>

The transaction price allocated to the remaining performance obligations as at March 31, 2022 and March 31, 2021 are as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
To be recognised within one year	-	281
To be recognised in more than one year	-	-
Closing Balance	<u>-</u>	<u>281</u>

## 21 Other income

	(₹ in Million)	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on:		
- Bank deposits*	-	1
- Security Deposits	1	1
- Interest income from financial assets carried at amortised cost	3	3
Fair value gain on financial instruments measured at fair value through profit or loss (including profit on sale)	-	5
Gain on termination of Leases	1	7
	<u>5</u>	<u>17</u>

\* Amount less than a million has been rounded off



22 Changes in inventories

Inventory at the beginning of the year	
Less: Inventory at the end of the year	

Year ended March 31, 2022	Year ended March 31, 2021
96	38
171	96
(75)	(58)

23 Employee benefits expense

Salaries, wages and bonus	
Contribution to provident and other fund (refer note 29(a))	
Employee stock compensation expense (refer note 36)	
Staff welfare expenses	

(₹ in Million)	
Year ended March 31, 2022	Year ended March 31, 2021
1,801	732
18	18
482	712
40	32
2,341	1,494

24 Finance costs

Interest on Borrowings	
Interest on Lease Liabilities	

(₹ in Million)	
Year ended March 31, 2022	Year ended March 31, 2021
315	58
17	15
332	73

25 Depreciation and amortisation expenses

Depreciation of Property, plant and equipment	
Depreciation of Right-of- use assets	
Amortization of other intangible assets	

(₹ in Million)	
Year ended March 31, 2022	Year ended March 31, 2021
46	26
90	79
-	1
136	106

26 Other expenses

Outsourcing support cost	
Advertising and marketing expense	
Rates and taxes	
Transportation charges	
Communication and technology expense	
Repairs & maintenance	
- Others	
Consumables	
Rent expense	
Legal and professional fees	
Placement / Recruitment	
Power and fuel	
Travelling and conveyance	
Write off of property, plant and equipment	
Allowance for expected credit loss	
Payment to auditors (refer Note 26a)	
Payment gateway expenses	
Bank charges	
Advances/Deposits Written off	
Miscellaneous Expenses	

(₹ in Million)	
Year ended March 31, 2022	Year ended March 31, 2021
953	618
382	131
188	105
218	159
195	124
77	25
52	70
45	16
38	28
25	20
21	10
20	8
12	-
1	-
4	3
-	41
1	1
6	7
47	22
2,285	1,388

26a Payment to auditors (excluding Goods and Service Tax)

Audit fees	
Reimbursement of expenses*	

(₹ in Million)	
Year ended March 31, 2022	Year ended March 31, 2021
4	3
-	-
4	3

\* Amount less than a million has been rounded off.



27 Loss per share

The following reflects the income and share data used in the basic and diluted loss per share (EPS) computations:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Nominal value per equity share ( ₹ )	10	10
Loss attributable to equity shareholders ( ₹ in Million)	(4,903)	(2,829)
Weighted average number of equity shares for basic EPS (No.)	9,69,255	9,63,331
Loss per share ( ₹ )	(5,058)	(2,937)

28 Income taxes

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2022 and March 31, 2021

(₹ in Million)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting profit before income tax		
At India's statutory income tax rate of 34.94% (March 31, 2021: 34.94%)	(4,911)	(2,828)
Income tax expense reported in the statement of profit and loss	-	-

Deferred tax

As at year ended March 31, 2022 and March 31, 2021 the Company is having net deferred tax assets primarily comprising of deductible temporary differences, unabsorbed depreciation and brought forward losses under tax laws. However in the absence of reasonable certainty as to its realization of Deferred Tax Assets (DTA), DTA has not been recognised. The unused tax losses may expire upto 8 years.

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax relates to the following:		
Deferred tax liability		
Accelerated depreciation for tax purpose	(1)	-
Deferred tax assets		
Gratuity	9	7
Employee compensated absences	23	14
Employee bonus	11	-
Leases	(2)	2
Share based payments	482	315
Others	-	22
	523	360
Net Deferred Tax Asset/(Liability)	522	360

Recognised in books

29 Employment benefit plans

(a) Defined contribution plan

The Company makes contributions to provident fund and Employee State Insurance ('esi') scheme contributions which are defined contribution plan for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹ 17 Million (March 31, 2021: ₹ 17 Million) for provident fund contribution and ₹ 1 Million (March 31, 2021: ₹ 1 Million) for employee state insurance scheme contribution in the Statement of profit and loss.

(b) Defined benefit plan

The Company offers Gratuity benefits to employees, a defined benefit plan, Gratuity plan is governed by the Payment of Gratuity Act, 1972. The Company's gratuity plan is unfunded and provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

Disclosure of Gratuity plan as per Ind AS 19:

Particulars	As at March 31, 2022	As at March 31, 2021
A Change in defined benefit obligation		
Obligation at the beginning of the year		
Current Service cost	20	8
Interest cost	12	11
Actuarial loss / (gain) (accounted through OCI)	1	-
Obligation at the end of the year	(8)	1
	25	20



Employee benefit plans (Contd..)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>B Plan assets</b>		
<b>C Net liability recognised in the balance sheet</b>	25	20
<b>D Expenses recognised in the statement of profit and loss:</b>		
Current Service cost	12	11
Interest cost (net)	1	-
Net gratuity cost	13	11
<b>E Remeasurement losses / (gains) in other comprehensive income</b>		
Actuarial (gain)/ loss due to change in demographic assumptions	-	-
Actuarial (gain)/ loss due to change in financial assumptions	(2)	1
Actuarial (gain)/ loss due to experience assumptions	(6)	-
<b>Total expenses recognised through OCI</b>	<b>(8)</b>	<b>1</b>
<b>F Assumptions</b>		
Discount rate	6.10%	5.25%
Salary escalation rate	12%	12%
Attrition rate - Contact Center and Operations	35%	35%
Attrition rate - Others	12%	12%
Retirement age (years)	58 years	58 years
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors, benefit obligation such as supply and demand in the employment market. Attrition rate considered is the management's estimate, based on previous years' employee turnover of the Company.

The weighted average duration of defined benefit obligation is 9 years (March 31, 2021: 10 years)

G Maturity profile of defined benefit obligations

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Five years pay-outs</b>		
0 - 1 year	-	-
2 - 5 years	10	7
6 - 10 years	12	9
> 10 years	28	22

H Sensitivity analysis

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Decrease	Increase	Decrease	Increase
Effect of change in discount rate (-/+ 1%)	11.3%	-9.6%	11.3%	-9.6%
Impact on defined benefit obligation	23	18	23	18
Effect of change in salary growth rate (-/+ 1%)	-7.5%	7.8%	-7.5%	7.8%
Impact on defined benefit obligation	19	22	19.00	22.00
Effect of change in attrition assumption (-/+ 50%)	57.5%	-29.3%	57.5%	-29.3%
Impact on defined benefit obligation	32	14	32.00	14.00
Effect of change in mortality rate (-/+ 10%)	0.0%	0.0%	0.0%	0.0%
Impact on defined benefit obligation	20	20	20.00	20.00

30 Commitments and contingencies

(a) Contingent liabilities

As at March 21, 2022, the company do not have any contingent liabilities.

(b) Capital Commitments

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for:

As at March 31, 2022, the Company had commitment of INR 16 Million (March 31, 2021: Nil) towards the procurement of property plant and equipment.



WR



31 Related party transactions

i. Related parties and their relationships with the Company:

*Holding Company:*

Bundl Technologies Private Limited From September 27, 2019

*Wholly owned subsidiary of Holding Company*

Scootsy Logistics Private Limited ("Scootsy") From August 03, 2018

*Associate Company of Holding Company*

Maverix Platforms Private Limited ("Maverix") From February 22, 2019  
Till December 26, 2021

ii. Related parties under Ind AS 24 and as per the Companies Act, 2013:

*Key management personnel*

Name	Designation	Date of appointment
Sriharsha Majety	Director	September 27, 2019
Lakshmi Nandan Reddy Obul	Director	September 27, 2019

iii. Details of transactions with the related parties:

Particulars	₹ in Million	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>a. Transactions with the holding company:</b>		
<i>Allotment of shares</i>		
Bundl Technologies Private Limited	-	380
	-	380
<i>Term Loan</i>		
Term loan availed from Bundl Technologies Private Limited	4,071	1,754
	4,071	1,754
<i>Cross charge of expenses by holding company</i>		
Salary	23	-
Reimbursement of other expenses	23	1
	46	1
<i>Capital infusion from holding company*</i>		
Bundl Technologies Private Limited	482	712
	482	712
* Presents ESOP cross charge considered as capital infusion amounting to INR 482 Million (March 31, 2021: INR 712 Million)		
<i>Interest expenses on term loan taken from:</i>		
Bundl Technologies Private Limited	315	58
	315	58
<i>Sale of property, plant and equipment:</i>		
Bundl Technologies Private Limited	2	-
	2	-

iv. Details of balance receivable from and payable to related parties are as follows:

Particulars	₹ in Million	
	Year ended March 31, 2022	Year ended March 31, 2021
<i>Term Loan</i>		
Bundl Technologies Private Limited	5,825	1,754
<i>Interest accrued</i>		
Bundl Technologies Private Limited	217	58
<i>Trade payables</i>		
Bundl Technologies Private Limited	53	-
<i>Other Financial assets- Current</i>		
Bundl Technologies Private Limited	-	50



32 Financial instruments - category and fair value hierarchy

The carrying value and the fair value of the financial instruments by categories is as follows:

(i) Financial assets:

Particulars	Note	₹ in Million	
		As at March 31, 2022	As at March 31, 2021
<b>Financial assets measured at amortised cost:</b>			
Trade receivables	31.1	210	52
Security deposits	31.2	69	69
Other financial assets	31.1	-	50
		<u>279</u>	<u>171</u>
<b>Cash and cash equivalents and other balances with banks</b>			
Cash in hand	31.3	-	-
Balances with banks		-	-
In current accounts		37	175
Other balances with banks			
Deposits with original maturity of less than 3 months		5	6
Bank balances held as margin money / security against guarantees		3	5
		<u>45</u>	<u>186</u>

(ii) Financial liabilities:

Particulars	Note	₹ in Million	
		As at March 31, 2022	As at March 31, 2021
<b>Financial liabilities measured at amortised cost</b>			
Borrowings	31.2	5,825	1,754
Interest accrued but not due	31.2	217	58
Lease liabilities	31.2	36	233
Trade payables	31.1		
- Outstanding dues to micro and small enterprises		2	4
- Outstanding dues other than micro and small enterprises		640	308
Other financial liabilities	31.1	297	18
		<u>7,017</u>	<u>2,375</u>

Fair value hierarchy

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.  
Level 2 Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived  
Level 3 Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs)

31.1 The carrying value of these financial assets and liabilities in the financial statements are considered to be the same as their fair value, due to their short term nature.

31.2 The carrying value of these financial assets and liabilities in the financial statements are carried at amortised cost, to achieve a constant effective rate of interest over their respective lives.

31.3 These accounts are considered to be highly liquid / liquid and the carrying amount of these are considered to be the same as their fair value.

33 Capital management

For the purpose of Company's capital management, capital includes subscribed capital (equity), securities premium and all other equity reserves attributable to the owners of the Company. The Primary objective of the Company's capital management is to safe guard the Company's ability to continue as a going concern in order to finance the sustained growth in the business and to protect the shareholders value.

The Company is predominantly debt financed, which is evident from the capital structure below. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through debt and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

The capital structure and key performance indicators of the Company as at year end is as follows:

Particulars	₹ in Million	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>I Debt to equity position:</b>		
A Total equity attributable to the shareholders of the Company		
B Borrowings:	(6,298)	(1,877)
Non-current borrowings	5,825	1,754
C Total capital (A+B)	<u>(473)</u>	<u>(123)</u>
D Debt to equity ratio (%) (B/A)	-92%	-93%
E Total borrowings as a % of total capital (B/C)	-1233%	-1426%
F Total equity as a % of total capital (A/C)	1333%	1526%
<b>II Cash position:</b>		
Cash and cash equivalents	37	175
Other balances with banks	8	12
	<u>45</u>	<u>187</u>



34 Financial risk management

The Company is exposed to various financial risks majorly Credit risk, Liquidity risk and Market risk. The Company's senior management oversees the management of these risks with an objective to minimise the impact of these risks based on charters and (in)formal policies.

i. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its treasury activities, including deposits with banks and financial institutions, investments in money market and other financial instruments. Credit risk has always been managed by the Company through credit approvals, established credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit in the normal course of business.

a Trade receivables

The Company is primarily in the B2B segment and is present in 7 states across India, where it sells milk, groceries, fruits, vegetables and other daily essentials to its customers.

The Company has licensed its e-commerce platform to its customers for selling the aforesaid products on its platform. The Company is also in the business of providing delivery services and customer support services to its customers.

As per Ind AS 109, the Company uses the expected credit loss model to assess the impairment loss. The Company uses the provision matrix to compute the expected credit loss allowances for the receivable balances. Provision matrix is calculated based on the actual and credit loss experience that takes in to account the historical experience as well as the current economic conditions. Basis management assessment the expected credit losses (provision for impairment) relating to receivables is ₹ 38 million (March 31, 2021: ₹ 37 million). Refer note 8 for the outstanding trade receivable balance which is subject to credit risk exposure of the Company.

ii. Liquidity risk

Liquidity risk is the risk of being unable to meet the payment obligations resulting from financial liabilities, which may arise from unavailability of funds. The exposure to liquidity risk is closely monitored on company level using daily liquidity reports and regular cash forecast reports to ensure adequate distribution. The Company believes that cash and cash equivalents and other working capital are sufficient to meet its current requirements, accordingly, no liquidity risk is perceived.

The break up of cash and cash equivalents and deposits are as follows:

Particulars	₹ in Million	
	As at March 31, 2022	As at March 31, 2021
Cash in hand	-	-
Balances with banks	-	-
- In current accounts	37	175
Other balances with banks	-	-
Deposits with original maturity of less than 3 months	5	6
Bank balances held as margin money / security against guarantees	3	5
	<u>45</u>	<u>186</u>

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date. The amounts are based on contractual undiscounted

Particulars	Carrying value	On Demand	0-180 days	180-365 days	More than 365 days	Total
<b>As at 31 March 2022</b>						
Borrowings	5,825	-	-	-	6,326	6,326
Lease liabilities	36	-	19	17	-	36
Trade payables	642	642	-	-	-	642
Other financial liabilities	514	297	136	81	-	514
	<u>7,017</u>	<u>939</u>	<u>155</u>	<u>98</u>	<u>6,326</u>	<u>7,518</u>
<b>As at 31 March 2021</b>						
Borrowings	1,754	-	-	-	1,754	1,754
Lease liabilities	233	-	81	76	76	233
Trade payables	312	312	-	-	-	312
Other financial liabilities	76	76	-	-	-	76
	<u>2,375</u>	<u>388</u>	<u>81</u>	<u>76</u>	<u>1,830</u>	<u>2,375</u>

iii. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Company's exposure to foreign currency exchange rate risk is very limited, as the Company doesn't have any significant foreign exchange transactions. Accordingly, the Company is not significantly exposed to interest rate risk.



35 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company assesses the financial performance and position of the Company. The Chief Executive Officer has been identified as the chief operating decision maker (CODM). The Company's CODM reviews the Company level data for the purpose of resource allocation and assessment of Company's performance and hence, the Company has considered the above business as a single reportable segment. The Company is domiciled in India and earns revenue from operations in India. There are no assets held by the Company outside India.

36 Employee stock option plan (ESOP)

During the year, the Company's eligible employees were granted employee stock options by its holding company - "Bundl Technologies Private Limited" ("Bundl").

The Company recognizes compensation expenses relating to these share-based payments using fair value in accordance with Ind AS 102, Share-Based Payment. These Employee Stock Options granted are measured by reference to the fair value of the instrument at the date of grant. Bundl does not recharge the ESOP expenses relating to Supr employees. These expense are recognised in the statement of profit and loss under employee stock option expense with a corresponding credit in 'Other equity'.

Particulars	No of options	No of equity shares arising out of options	Range of exercise	Remaining life (years)*
<b>March 31, 2022</b>				
Bundl ESOP 2015 Plan	88,019	88,019	1	83
<b>March 31, 2021</b>				
Bundl ESOP 2015 Plan	56,726	56,726	1	83

\* Weighted average remaining contractual life in years

Particulars	Year ended March 31, 2022			
	Jan 01, 2022 to Mar 31, 2022	Oct 01, 2021 to Dec 31, 2021	July 01, 2021 to Sep 30, 2021	Apr 01, 2021 to June 30, 2021
Risk free interest rate	5.95%	5.62%	5.80%	5.53%
Expected life of options granted	5.01	5.01	5.18	4.65
Expected volatility (weighted average)	43.82%	39.33%	38.96%	39.26%
Dividend Yield (%)	-	-	-	-
Fair value of the option (in ₹)	2,32,566	2,32,563	2,23,905	2,11,741
Exercise price (in ₹)	1,401	1	1	1

Particulars	Year ended March 31, 2021	
	Aug 03, 2020 to Mar 31, 2021	Apr 01, 2020 to Aug-02-2020
Risk free interest rate	5%	6%
Expected life of options granted	5	4
Expected volatility (weighted average)	49%	48%
Dividend Yield (%)	-	-
Fair value of the option (in ₹)	1,94,170	1,94,170
Exercise price (in ₹)	1	1

37 Events after reporting date

Subsequent to balance sheet date the Company received from the holding company an Inter Corporate Deposit amounting to ₹ 1,420 Million carrying interest rate of 8.6% p.a with a maturity of 3 years.

38 Exceptional items

Particulars	₹ in Million	
	As at March 31, 2022	As at March 31, 2021
Impairment loss on Property, Plant and Equipment (refer note 38.1)	105	-
Write-downs of inventories to net realisable value (refer note 38.2)	61	-
	166	-

38.1 As per the board meeting held on 25th March 2022, the Company had passed a resolution to discontinue the operations in 5 out of 6 cities, i.e. Mumbai, NCR, Pune, Chennai and Hyderabad. On 12th May 2022 the Company had announced this decision publicly. Pursuant to the same, the Company has initiated the process of selling the property, plant and equipment and inventory.

IND AS 36 requires the entity to assess at the end of each reporting whether there is any indication that an asset shall be impaired. Considering there is an internal indicator of impairment, the Company has estimated the recoverable amount of the asset and recognize the impairment as applicable.

38.2 As mentioned in note 38.1, the entity has decided to discontinue operations in 5 cities and as a result of which the inventories present in these locations will be sold subsequently. IND AS 2 requires the entity to value the inventories as on closing date at lower of cost or net realisable value, whichever is lower. On account of closure of operations the entity expects to realise the inventories at lower than their cost price because of which these will need to be written down to their net realisable value.



39 Ratios

The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows:

Ratios	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Variance (in %)	Reason
Current ratio	Current assets	Current liabilities	0.55	0.58	-5%	
Debt Service Coverage Ratio	Net operating income	Debt service	-0.99	-1.45	-32%	Due to overall increase in the borrowings made during the year
Debt equity ratio	Total debt	Shareholder's equity	-0.93	-1.06	-12%	
Return on Equity Ratio	Net income	Average shareholder's equity	120%	280%	-57%	Due to overall increase in operating losses on account of higher employee benefit expenses and other expenses
Inventory turnover Ratio	Cost of goods sold	Average inventory	-161.92	-155.59	4%	
Trade Receivables turnover ratio	Net credit sales	Average accounts receivables	48.98	119.70	-59%	Due to overall increase in revenue during the year and receivables at the end of the year
Trade payables turnover ratio	Net credit purchases	Average accounts payable	17.85	23.21	-23%	Due to overall increase in accruals on account of restructuring of business
Net capital turnover ratio	Net Sales	Average Working Capital	-12.64	-12.84	-2%	
Net Profit ratio	Net Profit	Net sales	-77%	-60%	28%	Due to the exceptional expenses incurred on account of restructuring of business
Return on Capital employed	Earning Before Interest and Tax	Capital employed	1011%	-2505%	-140%	Due to increase in debt and operating losses during the year.
Return on investment	Net Income	Cost of Investment	0%	55%	-100%	During the year the entity has sold all its investments in MF. Hence there are no investment income for FY22

40 Reclassification/Regrouping of previous year

Numbers of financial year ended March, 2021 have been regrouped and reclassified, wherever necessary, to conform with previous year classification.

As per our report of even date  
for B S R & Associates LLP  
Chartered Accountants  
Firm's Registration Number: 116231W/W-100024



Ashish Chadha  
Partner  
Membership No: 500160

Bengaluru  
Date: September 30, 2022

for and on behalf of the Board of Directors of  
SUPR Infotech Solutions Private Limited



Shiharsha Majety  
Director  
DIN: 06680073

Bengaluru  
Date: September 30, 2022



Lakshmi Nandan Reddy Obul  
Director  
DIN: 06686145

Bengaluru  
Date: September 30, 2022