

Insync Business Solutions Limited

Balance sheet as at March 31, 2023

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

UDIN: 23087853BGWCCV6635

Particulars	Note No.	As at	As at
		March 31, 2023	March 31, 2022
[I] ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	0.463	0.463
(b) Financial assets			
- Loans & Advances	4	8.793	-
- Other Financial Assets	5	8.252	8.188
(c) Deferred tax assets (Net)	6	0.066	0.066
(d) Non Current Tax Assets (Net)	7	1.151	5.177
2. Current Assets			
(a) Financial assets			
- Trade Receivables	8	11.807	11.234
- Cash and cash equivalents	9	38.279	34.600
- Loans and advances	10	0.520	47.622
(b) Other current assets	11	5.243	3.350
TOTAL		74.575	110.699
[II] EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share capital	12	5.000	5.000
(b) Other Equity	13	49.504	97.328
2. Non-current liabilities			
(a) Financial liabilities			
(b) Provisions	14	3.853	3.734
3. Current liabilities			
(a) Financial liabilities			
- Trade payables	15	-	-
(i) Total outstanding dues of Micro and Small Enterprise		-	-
(ii) Total outstanding dues of creditors other than Micro and Small Enterprise		11.467	0.577
(b) Provisions	16	0.261	0.228
(c) Other Current Liabilities	17	4.490	3.833
TOTAL		74.575	110.699
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For SPMG & Company
Chartered Accountants
Firm Regd. No.: 509249C


(Sharad Poddar)

Partner
M. No. 087853

Place: Delhi
Date: 26.05.2023



For and on behalf of the Board of Directors of
Insync Business Solutions Limited


(Shayam Sunder Sharma)

Director
DIN: 00272803

Place: Delhi
Date: 26.05.2023


(Sunil Sharma)

Director
DIN: 05359128

Insync Business Solutions Limited

Statement of Profit and Loss for the year ended March 31, 2023


(All amounts are in Indian Rupees, unless otherwise stated,

UDIN: 23087853BGWCCV6635

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations	18	46.111	45.704
Other income	19	0.925	1.918
Total Income		47.036	47.622
Expenses			
Employee benefit expense	20	40.869	38.686
Finance cost	21	0.001	0.078
Depreciation and amortisation expense	22	-	0.005
Other Operating expense	23	53.388	20.517
Total expenses		94.258	59.286
Profit/ (loss) before exceptional items and tax		(47.221)	(11.664)
Exceptional items		-	-
Profit/ (loss) before tax		(47.221)	(11.664)
Tax Expenses	24		
a) Current tax		-	-
b) Deferred tax		-	0.027
Profit/ (loss) for the period from continuing operations		(47.221)	(11.690)
Profit/ (loss) for the period		(47.221)	(11.690)
Other comprehensive income			
- Items that will not be reclassified to profit or loss			
1 Remeasurement of defined employee benefits plan		0.269	0.252
Net Other Comprehensive Income		0.269	0.252
Total comprehensive income for the period (Profit/ loss + other comprehensive income)		(46.952)	(11.438)
Earnings per equity share (for continuing operations)	25		
a) Basic		(94.443)	(23.381)
b) Diluted		(94.443)	(23.381)

The accompanying notes are an integral part of the Financial Statements
As per our report of even date attached


For SPMG & Company
Chartered Accountants
Firm Regd. No.: 509249C


(Sharad Poddar)
Partner
M. No. 087853

Place: Delhi
Date: 26.05.2023



For and on behalf of the Board of Directors of
Insync Business Solutions Limited


(Shayam Sunder Sharma)
Director
DIN: 00272803

Place: Delhi
Date: 26.05.2023


(Sunil Sharma)
Director
DIN: 05359128

Insync Business Solutions Limited

Statement of Cash Flows for the year ended 31 March 2023

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

UDIN: 23087853BGWCCV6635


Accounting Policy:

Cash flows are reported using the indirect method, whereby profit for the year 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.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
1. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(47.221)	(11.664)
Adjustments for:		
Depreciation and amortisation	-	0.005
Interest income	(0.925)	(1.069)
Finance costs	0.001	0.078
	<u>(48.146)</u>	<u>(12.649)</u>
Working capital adjustments:		
(Increase)/Decrease in Trade Receivables	(0.573)	20.254
(Increase)/Decrease in Loans and Advances	38.309	(25.185)
(Increase)/Decrease in Other Assets	2.067	(3.458)
Increase/(Decrease) in Trade Payables	10.890	0.392
Increase/(Decrease) in Provisions	(0.450)	0.695
Increase/(Decrease) in Current Liabilities	0.658	(1.375)
Cash Generated from Operations	<u>2.754</u>	<u>(21.325)</u>
Income Tax Paid	-	-
NET CASH GENERATED/(USED IN) BY OPERATING ACTIVITIES (1)	<u>2.754</u>	<u>(21.325)</u>
2. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Income	0.925	1.069
NET CASH GENERATED/(USED IN) BY INVESTING ACTIVITIES (2)	<u>0.925</u>	<u>1.069</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Finance costs	(0.001)	(0.078)
NET CASH GENERATED/(USED IN) BY FINANCING ACTIVITIES (3)	<u>(0.001)</u>	<u>(0.078)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (1+2+3)	<u>3.679</u>	<u>(20.335)</u>
Cash and cash equivalents at the beginning of the year	34.600	54.935
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>38.279</u>	<u>34.600</u>
a. Components of Cash and Cash Equivalents:		
(i) Balances with banks		
- In current accounts	15.308	11.629
(ii) Cash in hand	22.971	22.971
Total	<u>38.279</u>	<u>34.600</u>

As per our report of even date attached

For SPMG & Company
Chartered Accountants
Firm Regd. No : 509249C


(Sharad Poddar)
Partner
M. No. 087853



Place: Delhi
Date: 26.05.2023

For and on behalf of the Board of Directors of
Insync Business Solutions Limited


(Shayam Sunder Sharma)
Director
DIN: 00272803


(Sunil Sharma)
Director
DIN: 05359128

Place: Delhi
Date: 26.05.2023

Insync Business Solutions Limited

Statement of changes in equity for the year ended March 31, 2023

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

UDIN: 23087853BGWCCV6635

a. Equity share capital

	Opening balance as at 01 Apr 2022	Changes in equity share capital during the year	Closing balance as at 31 March, 2023
Equity shares of Rs.10 each	5.000	-	5.000
	5.000	-	5.000

	Opening balance as at 01 Apr 2021	Changes in equity share capital during the year	Closing balance as at 31 March 2022
Equity shares of Rs.10 each	5.000	-	5.000
	5.000	-	5.000

b. Other Equity

For the year ended 31 March, 2023

Particulars	Share premium	Retained earnings	Other Items of OCI	Total Equity
As at 1 April 2022	-	98.487	(1.159)	97.328
Profit for the period	-	(47.221)	-	(47.221)
Other Adjustments	-	(0.871)	-	(0.871)
Other comprehensive income/(loss)	-	-	0.269	0.269
TOTAL	-	50.394	(0.890)	49.504

For the year ended 31 March, 2022

Particulars	Share premium	Retained earnings	Other Items of OCI	Total Equity
As at 1 April 2021	-	110.190	(1.411)	108.779
Profit for the period	-	(11.690)	-	(11.690)
Other Adjustments	-	(0.013)	-	(0.013)
Other comprehensive income/(loss)	-	-	0.252	0.252
TOTAL	-	98.487	(1.159)	97.328

Summary of significant accounting policies

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For SPMG & Company

Chartered Accountants

Firm Regd. No.: 509249C



(Sharad Poddar)

Partner

M. No. 087853

Place: Delhi

Date: 26.05.2023



For and on behalf of the Board of Directors of

Insync Business Solutions Limited



(Shayam Sunder Sharma)

Director

DIN: 00272803

Place: Delhi

Date: 26.05.2023



(Sunil Sharma)

Director

DIN: 05359128

Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2023:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2022:	-	-	-	7.926	1.339	-	9.265
Additions	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2023:	-	-	-	7.926	1.339	-	9.265
Accumulated depreciation as of April 1, 2022:	-	-	-	7.530	1.272	-	8.802
Depreciation	-	-	-	-	-	-	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2023:	-	-	-	7.530	1.272	-	8.802
Carrying value as of March 31, 2023:	-	-	-	0.396	0.067	-	0.463

PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment consist of the following for the year ended March 31, 2022:

Particulars	Land	Buildings	Office Equipment	Computer equipment	Furniture and fixtures	Vehicles	Total
Gross carrying value as of April 1, 2021:	-	-	-	7.926	1.339	-	9.265
Additions	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-
Gross carrying value as of March 31, 2022:	-	-	-	7.926	1.339	-	9.265
Accumulated depreciation as of April 1, 2021:	-	-	-	7.530	1.267	-	8.797
Depreciation	-	-	-	-	0.005	-	0.005
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2022:	-	-	-	7.530	1.272	-	8.802
Carrying value as of March 31, 2022:	-	-	-	0.396	0.067	-	0.463



Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

	As at 31.03.2023	As at 31.03.2022
4 Non Current Financial Assets - Loans & Advances :		
- Loans to Others	8.793	-
Total:	8.793	-
	As at 31.03.2023	As at 31.03.2022
5 Non Current Financial Assets - Others :		
- Long term Bank deposits	8.102	8.038
- Security deposits	0.150	0.150
Total:	8.252	8.188
	As at 31.03.2023	As at 31.03.2022
6 Deferred Tax Assets (Net) :		
Deferred tax assets (net)		
- Depreciation and Amortisation	0.066	0.066
Total:	0.066	0.066
	As at 31.03.2023	As at 31.03.2022
7 Non Current Tax Assets (Net) :		
- Income Tax Paid (Net of Provisions)	1.151	5.177
Total:	1.151	5.177

The management, based on future projections, is of the view that there would be sufficient taxable income in foreseeable future, which will enable the Company to utilize the Deferred tax assets.

Note: Income Tax paid has been reclassified from Other current assets in prior year to Non-current tax assets in current year.



Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

8 Current Financial Assets - Trade Receivables :

Unsecured
- Considered good

	As at 31.03.2023	As at 31.03.2022
	11.807	11.234
Total:	11.807	11.234

The trade receivables ageing schedule for the years ended as on March 31, 2023 is as follows:

Particulars	Less than 6 months	6 Months-1 years	1-2 years	2-3 years	More than 3 years	Total
1. Undisputed Trade Receivables- Considered Goods	3.909	-	-	7.898	-	11.807
2. Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-
3. Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
4. Disputed trade receivables -credit impaired	-	-	-	-	-	-
Total	3.909	-	-	7.898	-	11.807

Less: Allowance for credit loss

Total Trade Receivables

11.807

The trade receivables ageing schedule for the years ended as on March 31, 2022 is as follows:

Particulars	Less than 6 months	6 Months-1 years	1-2 years	2-3 years	More than 3 years	Total
1. Undisputed Trade Receivables- Considered Goods	3.336	-	7.898	-	-	11.234
2. Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-
3. Disputed Trade Receivables- Considered Goods	-	-	-	-	-	-
4. Disputed trade receivables -credit impaired	-	-	-	-	-	-
Total	3.336	-	7.898	-	-	11.234

Less: Allowance for credit loss

Total Trade Receivables

11.234

9 Cash and Cash Equivalents :

(i) Balances with banks
- In current accounts

(ii) Cash on hand

	As at 31.03.2023	As at 31.03.2022
	15.308	11.629
	22.971	22.971
Total:	38.279	34.600

10 Current Financial Assets - Loans & Advances :

- Advances to Employee
- Advance to Suppliers*

	As at 31.03.2023	As at 31.03.2022
	0.520	0.415
	-	47.207
Total:	0.520	47.622

* Includes advance to Holding Company (Refer Note No. 27)

47.207

11 Other Current Assets :

- Indirect Tax Recoverables
- Unbilled Revenue

	As at 31.03.2023	As at 31.03.2022
	2.315	0.324
	2.928	3.026
Total:	5.243	3.350



Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Particulars	As at	As at
	31.03.2023	31.03.2022
12. Share capital		
A. Authorised Capital		
1,00,000 Equity Shares of Re. 10/- each fully paid up with voting rights	10,000	10,000
B. Issued, Subscribed And Fully Paid Up		
50,000 Equity Shares of Rs. 10/ each fully paid up with voting rights	5,000	5,000
Total :	5,000	5,000

Rights, preferences and restrictions attached to shares

- I) The Company has one class of equity shares having a par value of Rs 10/- each. Each shareholder is eligible for one vote per share held. The dividend, if any as and when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- II) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.
- III) The Company's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return capital to shareholders, issue new shares or buy back issued shares. As of March 31, 2023, the Company has only one class of equity shares and has no debt. Consequent to the above capital structure, there are no externally imposed capital requirements.

12A. Details of shareholders holding more than 5% shares in the Company

Equity shares of Rs. 10 each, fully paid up held by:

	As at 31 March, 2023		As at 31 March, 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
-FCS Software Solutions Limited	50,000	100.00%	50,000	100.00%

12B. Reconciliation of number of shares outstanding and amount of share capital as at March 31, 2023 and March 31, 2022

	As at 31 March, 2023		As at 31 March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning of the period	50000	500,000	50000	500,000
Add/Less: Changes in number of shares	-	-	-	-
Number of shares at the end of the period	50000	500,000	50000	500,000

12C. Details of shareholding of Promoters;

Equity shares of Rs. 10 each, fully paid up held by promoters at the end of the year

As at 31st March, 2023

S. No.	Promoter Name	No. of Shares	% of Total Shares	% change during the year
1	FCS Software Solutions Limited	50,000	100.00%	-

As at 31st March, 2022

S. No.	Promoter Name	No. of Shares	% of Total Shares	% change during the year
1	FCS Software Solutions Limited	50,000	100.00%	-

12D. Bonus issue and Buyback of Shares

The Company has made nil bonus issue/ buy back of shares in last 5 years (PY: nil).

13. Other Equity

Other equity consist of the following:

(a) Retained earnings

	As at 31.03.2023	As at 31.03.2022
(i) Opening balance	97.328	108.779
(ii) Add: Profit for the period	(47.221)	(11.690)
(iii) Add: Remeasurement of defined employee benefit plans	0.269	0.252
	50.375	97.341
Less : Appropriations		
(i) Appropriation/Adjustments	(0.871)	(0.013)
	49.504	97.328

Total : **49.504** **97.328**

Note: Retained earnings comprises of the Company's undistributed earnings after taxes.



Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

	As at 31.03.2023	As at 31.03.2022
14 Non-Current Provisions :		
- Provision for Leave Encashment	0.753	0.717
- Provision for gratuity	3.100	3.017
Total:	3.853	3.734

	As at 31.03.2023	As at 31.03.2022
15 Current Financial Liabilities - Trade Payables :		
(i) Total outstanding dues of Micro and Small Enterprise		
(ii) Total outstanding dues of creditors other than Micro and Small Enterprise	11.467	0.577
Total:	11.467	0.577

The Trade Payables ageing schedule for the years ended as on March 31, 2023 is as follows:

Particulars.	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
1. MSME	-	-	-	-	-
2. OTHERS	11.467	-	-	-	11.467
3. DISPUTED DUES-MSME	-	-	-	-	-
4. DISPUTED DUES- OTHERS	-	-	-	-	-

The Trade Payables ageing schedule for the years ended as on March 31, 2022 is as follows:

Particulars	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
1. MSME	-	-	-	-	-
2. OTHERS	0.577	-	-	-	0.577
3. DISPUTED DUES-MSME	-	-	-	-	-
4. DISPUTED DUES- OTHERS	-	-	-	-	-

	As at 31.03.2023	As at 31.03.2022
16 Current Provisions :		
- Provision for Leave Encashment	0.056	0.052
- Provision for gratuity	0.205	0.175
Total:	0.261	0.228

	As at 31.03.2023	As at 31.03.2022
17 Other Current Liabilities :		
- Others (Payables)	3.666	2.934
- Audit Fee Payables	0.250	0.250
- Indirect tax payable and other statutory liabilities	0.574	0.649
Total:	4.490	3.833



Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated.)

	As at 31.03.2023	As at 31.03.2022
18 REVENUE FROM OPERATIONS		
IT Enabled Services;		
- Domestic	46.111	45.704
Total:	46.111	45.704

- Unbilled revenue of Rs. 3,02,620/- is billed during the year ended March 31, 2023 (March 31, 2022 : Nil). Refer Note No. 11

	As at 31.03.2023	As at 31.03.2022
19 OTHER INCOME		
Other income (net) consist of the following:		
- Interest income	0.925	1.069
- Other Income	-	0.849
Total:	0.925	1.918
Interest income comprise:		
- Interest on bank deposits	0.065	0.791
- Interest income on financial assets	0.746	-
- Other interest (including interest on income tax refunds)	0.114	0.278
Total:	0.925	1.069

	As at 31.03.2023	As at 31.03.2022
20 EMPLOYEE BENEFIT EXPENSES		
Employee costs consist of the following:		
- Salaries, incentives and allowances	38.842	36.795
- Contributions to provident and other funds	2.027	1.891
Total:	40.869	38.686

	As at 31.03.2023	As at 31.03.2022
21 FINANCE COSTS (at effective interest rate method)		
Finance costs consist of the following:		
- Bank Charges	0.001	0.078
Total:	0.001	0.078

	As at 31.03.2023	As at 31.03.2022
22 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of Property, Plant and equipment	-	0.005
Total:	-	0.005

	As at 31.03.2023	As at 31.03.2022
23 OTHER OPERATING EXPENSES		
Other operating expenses consist of the following:		
- Fees to external consultants	34.804	0.672
- Communication expenses	2.321	2.021
- Rent Expenses	15.600	15.600
- Auditors Remuneration (refer to note (i) below)	0.250	0.250
- Other expenses	0.412	1.974
Total:	53.388	20.517
(i) payment to Auditors net of GST, where applicable		
- Annual Audit fee	0.250	0.250
Total:	0.250	0.250



Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

24. Tax Expenses

Income tax expense in the statement of profit and loss comprises;

Particulars	For the Year Ended 31.03.2023	For the Year Ended 31.03.2022
Income Taxes Recognised in Profit and Loss:		
Current taxes		
In respect of the current period	-	-
Adjustments for prior periods	-	-
Deferred taxes		
In respect of the current period	-	0.027
Total Income Tax Expense for the period	-	0.027

The Company has decided to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 on 20th September, 2019. After adoption of Section 115BAA, the Company will be outside the scope and applicability of MAT provisions under Section 115JB of Income Tax Act, 1961. Further, Provision for Tax has been Computed at the rate permitted under section 115BAA of Income Tax Act, 1961 for the year ending 31.03.2023 and 31.03.2022

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the Year Ended 31.03.2023	For the Year Ended 31.03.2022
Profit before tax	(47.221)	(11.664)
Tax rate	25.17%	25.17%
Computed expected tax expense	-	-
Tax Effect of non-deductible expenses	-	-
Tax Effect of deductible expenses	-	-
Tax Effect of Timing Difference on Depreciation	-	0.027
Total tax expense	-	0.027

25. Earnings per equity share

The Company's Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti dilutive.

Particulars	For the Year Ended 31.03.2023	For the Year Ended 31.03.2022
Net Profit/(Loss) attributable to equity shareholders	(47.221)	(11.690)
Profit/(Loss) per equity share:		
Nominal value of equity share	10.000	10.000
Weighted-average number of equity shares for basic and diluted	0.500	0.500
Basic Earnings per share	(94.443)	(23.381)
Diluted Earnings per share	(94.443)	(23.381)



Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

26. Related Party Transactions

A. Details of related Parties with whom transactions have taken place :

Entities where Control/significant Influence of KMP exists

- FCS Software Solutions Ltd : Holding Company

List of Directors/Key Managerial Personnel

- Dalip Kumar – Director
- Shayam Sunder Sharma – Director
- Sunil Sharma – Director

B. Transactions with the Related Parties

Particulars	For the Year Ended 31.03.2023	For the Year Ended 31.03.2022
Rent Expenses		
- FCS Software Solutions Ltd	15.600	15.600
Services Received		
- FCS Software Solutions Ltd	34.000	-

C. Outstanding Balance Receivable as at year end :

Particulars	For the Year Ended 31.03.2023	For the Year Ended 31.03.2022
FCS Software Solutions Ltd	-	47.207

D. Outstanding Balance Payable as at year end :

Particulars	For the Year Ended 31.03.2023	For the Year Ended 31.03.2022
FCS Software Solutions Ltd	11.151	-



Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

27. Corporate Social Responsibility

Corporate Social Responsibility (CSR) committee has not been formed by the Company, as the company does not qualified the norms specified as required under section 135 of Companies Act, 2013. During the year the Company has not undertaken Corporate Social Responsibility activities as there was no obligation to undertake CSR activities as specified in Schedule VII of the Companies Act 2013.

Gross amount spent by the Company during the year ended 31st March, 2023 and 31st March, 2022 are Nil

Additional Regulatory Information

28. Ratios

The ratios for the years ended March 31, 2023 and March 31, 2022 are as follows:

S. No.	Particulars	Numerator	Denominator	As at 31.03.2023	As at 31.03.2022	Change#
1	Current Ratio	Current Assets	Current Liabilities	3.44	31.31	-1287.01%
2	Return on Equity Ratio	Net Profit after Taxes	Shareholder's Equity	-44.64%	-11.42%	-75.21%
3	Inventory Turnover Ratio	Inventory	Turnover	0.00	0.00	0.00%
4	Trade Receivables Turnover Ratio	Trade Receivables	Turnover	0.26	0.25	1.03%
5	Trade Payables Turnover Ratio	Trade Payables	Turnover	0.25	0.09	23.61%
6	Net Capital Turnover Ratio	Turnover	Working Capital	1.16	0.50	66.74%
7	Net Profit Ratio	Net Profit after Taxes	Revenue	-102.41%	-25.58%	-76.83%
8	Return on Capital Employed	Earning Before Interest and Taxes	Capital Employed	-0.87	-0.11	-75.32%

** Capital Employed represents Networth + Total Borrowings



Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

Note 29: Employee benefits

29.1	Particulars	As at 31 March 2023	As at 31 March 2022
	Contribution to provident fund	1.873	1.891
	Contribution to gratuity	0.695	0.743
	Contribution to leave encashment	0.118	0.126

29.2 The Company operates a Gratuity Benefit Plan.

A) Actuarial Assumptions

Particulars	As at 31 March 2023	As at 31 March 2022
Economic Assumptions		
Discount rate	7.50% p.a	7.25% p.a
Salary Growth Rate	5.00% p.a	5.00% p.a
Demographic Assumptions		
Retirement age	58	58
Mortality table used	IALM 2012-14	IALM 2012-14

Notes:

1. The discount rate is based on the prevailing market yield of Government bond as at the balance sheet date
2. The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors
3. The expected return on plan assets over the accounting period, based on an assumed rate of return

B) Movements in present value of the defined benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of obligation as at the beginning of the year	3.193	2.879
Interest cost	0.234	0.214
Current service cost	0.461	0.529
Past service cost	-	-
Benefit paid	(0.202)	(0.160)
Actuarial (gain)/loss	(0.380)	(0.269)
Present value of the obligation at the end year	3.305	3.193

C) Amount recognised in the Balance Sheet

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of obligation at the end of the year	3.305	3.193
Fair value of plan assets at the end of the year	-	-
Net liability/ (assets) recognised in the Balance Sheet	3.305	3.193

D) Expenses recognised in the Statement of Profit and Loss during the year:

Particulars	As at 31 March 2023	As at 31 March 2022
Current service cost	0.461	0.529
Past service cost	-	-
Net interest cost	0.234	0.214
Expense recognised in the Statement of Profit and Loss	0.695	0.743



E) Expenses recognised in Other Comprehensive Income during the year:

Particulars	As at	As at
	31 March 2023	31 March 2022
Actuarial (gain) / loss for the year	(0.380)	(0.269)
Expenses recognised in Other Comprehensive Income	(0.380)	(0.269)

F) Bifurcation of Defined Benefit Obligations at the end of year as current and non current:

Particulars	As at	As at
	31 March 2023	31 March 2022
Current liability (Amount due within one year)	0.205	0.175
Non-Current liability (Amount due over one year)	3.100	3.017
Total PBO at the end of year	3.305	3.193

G) Sensitivity analysis of the defined benefit obligation

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at	As at
	31 March 2023	31 March 2022
a) Impact of the change in discount rate		
-Impact due to increase of 1 %	2.956	2.845
-Impact due to decrease of 1 %	3.724	3.614
b) Impact of the change in salary increase		
-Impact due to increase of 1 %	3.731	3.619
-Impact due to decrease of 1 %	2.945	2.835

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

H) The employer's best estimate of contribution expected to be paid during the next year:

Particulars	As at	As at
	31 March 2023	31 March 2022
Expected contribution of the next year	0.138	0.139



Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

29.3 The Company operates a Leave Encashment Benefit Plan.

A) Actuarial Assumptions

Particulars	As at 31 March 2023	As at 31 March 2022
Economic Assumptions		
Discount rate	7.50% p.a	7.25% p.a
Salary Growth Rate	5.00% p.a	5.00% p.a
Demographic Assumptions		
Retirement age	58	58
Mortality table used	IALM 2012-14	IALM 2012-14

Notes:

- The discount rate is based on the prevailing market yield of Government bond as at the balance sheet date
- The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors
- The expected return on plan assets over the accounting period, based on an assumed rate of return

B) Movements in present value of the defined benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of obligation as at the beginning of the year	0.769	0.626
Interest cost	0.052	0.049
Current service cost	0.066	0.077
Past service cost	-	-
Benefit paid	(0.189)	-
Actuarial (gain)/loss	0.111	0.017
Present value of the obligation at the end year	0.809	0.769

C) Amount recognised in the Balance Sheet

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of obligation at the end of the year	0.809	0.769
Fair value of plan assets at the end of the year	-	-
Net liability/ (assets) recognised in the Balance Sheet	0.809	0.769

D) Expenses recognised in the Statement of Profit and Loss during the year:

Particulars	As at 31 March 2023	As at 31 March 2022
Current service cost	0.066	0.077
Past service cost	-	-
Net interest cost	0.052	0.049
Expense recognised in the Statement of Profit and Loss	0.118	0.126

E) Expenses recognised in Other Comprehensive Income during the year:

Particulars	As at 31 March 2023	As at 31 March 2022
Actuarial (gain) / loss for the year	0.111	0.017
Expenses recognised in Other Comprehensive Income	0.111	0.017



F) **Bifurcation of Defined Benefit Obligations at the end of year as current and non current:**

Particulars	As at	As at
	31 March 2023	31 March 2022
Current liability (Amount due within one year)	0.056	0.052
Non-Current liability (Amount due over one year)	0.753	0.717
Total PBO at the end of year	0.809	0.769

G) **Sensitivity analysis of the defined benefit obligation**

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Particulars	As at	As at
	31 March 2023	31 March 2022
a) Impact of the change in discount rate		
-Impact due to increase of 1 %	0.725	0.686
-Impact due to decrease of 1 %	0.908	0.868
b) Impact of the change in salary increase		
-Impact due to increase of 1 %	0.910	0.869
-Impact due to decrease of 1 %	0.722	0.684

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.



Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023
(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

30 Fair Value Disclosures

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are divided into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3

ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

iii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	31 March 2023	31 March 2022
		Amount	Amount
Financial assets			
Loans	Level 3	9.313	47.622
Other financial assets	Level 3	8.252	8.188
Total financial assets		17.565	55.809
Borrowings			
Other financial liabilities	Level 3	-	-
Total financial liabilities		-	-

The management assessed that cash and cash equivalents, other bank balances, trade receivables, other receivables, trade payables and short-term borrowings approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Long-term fixed-rate and variable-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables

31 Financial risk management

i) Financial instruments by category

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	-	-	-	-	-	-
Loans	-	-	9.313	-	-	47.622
Other financial assets	-	-	8.252	-	-	8.188
Trade Receivables	-	-	11.807	-	-	11.234
Cash and cash equivalents	-	-	38.279	-	-	34.600
Total	-	-	67.651	-	-	101.643
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	-	-	11.467	-	-	0.577
Other financial liabilities	-	-	-	-	-	-
Total	-	-	11.467	-	-	0.577

ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors
Market risk - security price	Investments in equity securities	Sensitivity analysis	Company presently does not make any investments in equity shares, except for entities where it exercises control or joint control or significant influence.

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity



A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 11.81 Lakhs and 11.23 Lakhs as at March 31, 2023 and March 31, 2022, respectively and unbilled revenue amounting to 2.93 Lakhs and 3.03 lakhs as at March 31, 2023 and March 31, 2022, respectively. Trade Receivables and unbilled revenue are typically unsecured and are derived from revenue from customers.

Credit risk has always been managed by the Company and continuously monitoring the creditworthiness of the customers to which the Company grants credit terms in the normal course of business. The Company uses the expected credit loss model to assess any required allowances; and uses a provision matrix to compute the expected credit loss allowance for trade receivables and unbilled revenues.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Exposure to customers is diversified and there is no single customer contributing more than 10% of outstanding trade receivables and unbilled revenues.

The details in respect of percentage of revenues generated from top five customers and top ten customers are as follows ;

Particulars	31 March 2023	31 March 2022
Revenue from top five customers	46,111	45,704
Revenue from top ten customers	46,111	45,704
Total	92,221	91,409

a) Expected credit losses

The Company provides for expected credit losses based on the following:

Trade receivables

- (i) The company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by analysing historical trend of default relevant to each business segment based on the criteria defined above. And such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables (other than those where default criteria are met)

Particulars	31 March 2023	31 March 2022
	IT & IT Enable Services	IT & IT Enable Services
Gross amount of sales	46,111	45,704
Expected loss rate	0.00%	0.00%
Expected credit loss (loss allowance provision)	-	-
Receivables due from customers where specific default has occurred	-	-

- (ii) Reconciliation of loss allowance provision from beginning to end of reporting period:

Reconciliation of loss allowance	Trade Receivables
Loss: Allowance on 01 April 2021	-
Add/ (Less): Changes in loss allowances due to write off/recovery	-
Add/ (Less): Changes in loss allowances due to assets originated or purchased	-
Loss: Allowance on 31 March 2022	-
Add/ (Less): Changes in loss allowances due to write off/recovery	-
Add/ (Less): Changes in loss allowances due to assets originated or purchased	-
Loss: Allowance on 31 March 2023	-

Other financial assets measured at amortised cost

Company provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provides for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.



a) Financing arrangements

The Company had access to the following borrowing facilities at the end of the reporting period:

Particulars	31 March 2023	31 March 2022
	Borrowings	Borrowings
0-1 year	-	-
1-3 years	-	-
More than 3 years	-	-
Total	-	-

b) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Non-derivatives					
Long term borrowings	-	-	-	-	-
Trade payables	11,467	-	-	-	11,467
Total	11,467	-	-	-	11,467

31 March 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Non-derivatives					
Long term borrowings (including bonds)	-	-	-	-	-
Trade payables	0,577	-	-	-	0,577
Total	0,577	-	-	-	0,577

c) Market Risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of any of the Company entities. Considering the low volume of foreign currency transactions, the Company's exposure to foreign currency risk is limited and the Company hence does not use any derivative instruments to manage its exposure. Also, the Company does not use forward contracts and swaps for speculative purposes.

(i) Foreign currency risk exposure in USD:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rs. are as follows:

Particulars	31 March 2023	31 March 2022
Financial assets	67,651	101,643
Financial liabilities	11,467	0,577
Net exposure to foreign currency risk (liabilities)	56,184	101,066

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	31 March 2023	31 March 2022
USD sensitivity		
INR/USD- increase by 100 bps (31 March 2021 100 bps)*	-	-
INR/USD- decrease by 100 bps (31 March 2021 100 bps)*	-	-

* Holding all other variables constant

b) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2023 and 31 March 2022, the Company is exposed to changes in interest rates through bank borrowings at variable interest rates. The Company's investments in fixed deposits carry fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to Interest rate risk:

Particulars	31 March 2023	31 March 2022
Variable rate borrowing	-	-
Fixed rate borrowing	-	-
Total borrowings	-	-

ii) Assets

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

c) Price risk

The Company does not have any significant investments in equity instruments which create an exposure to price risk.

32 Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	31 March 2023	31 March 2022
Net debt	-	-
Total equity	54,504	102,328
Net debt to equity ratio	-	-

The Company has not declared dividend in current year or previous year.



Insync Business Solutions Limited

Notes to the Financial Statements for the year ended 31 March, 2023

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

33. Contingent liabilities and commitments :

Claims against the Company, not acknowledged as debts for the year ending 31st March, 2023 and for the year ending 31st March, 2022 is Nil

34. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 :

Particular	For the Year Ended 31.03.2023	For the Year Ended 31.03.2022
Principal amount remaining unpaid as at year end	-	-
Interest due thereon remaining unpaid as at year end	-	-
Interest paid by the company in terms of Section 16 of MSME Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment but without adding the interest specified under MSME Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at year end.*	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises.	-	-

35. Classification and Grouping

Previous year figures have been re-grouped/re-classified wherever necessary to correspond with the current year's classification/disclosures

36. Approval of financial statements:

The financial statements for the year ended 31 March 2023 were approved by the Board of Directors on 26th May, 2023.

AUDITOR'S REPORT

As per our separate report of even date

For SPMG & Company
Chartered Accountants
Firm Regd. No.: 509249C

(Sharad Poddar)
Partner
M. No. 087853
UDIN: 23087853BGWCCV6635



For and on behalf of the Board of Directors of
Insync Business Solutions Limited

(Shayam Sunder Sharma)
Director
DIN: 00272803

(Sunil Sharma)
Director
DIN: 05359128

Place: Delhi
Date: 26.05.2023

Place: Delhi
Date: 26.05.2023

INSYNC BUSINESS SOLUTIONS LIMITED

Notes Forming Part of Accounts for the Year Ended 31st March, 2023

CIN: U72900DL2009PLC196146

NOTES FORMING PART OF FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Insync Business Solutions Limited ('the company') was incorporated on 18th November, 2009 in India. The company business consists of software development and marketing and providing support services mainly for corporate business entities in the BPO and software development services.

The company is a public limited company incorporate and domiciled in India and has its registered office at 205, 2nd Floor, Aggarwal Chamber IV, 27, Veer Sawarkar Block, Vikas Marg, Shakarpur, Delhi – 110092.

The financial statements for the year ended 31st March 2023 were approved and authorized for issue by the Board of Directors on May 26, 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. 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.

These financial statements are prepared in Indian Rupees (“INR”) which is also the Company’s functional currency. All Amount is reported in Lakhs of Indian Rupees unless otherwise stated.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The Company uses the following critical accounting estimates in preparation of its financial statements:

a) Revenue Recognition

The Company’s contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involve significant judgment.



b) Useful lives of Property, Plant and Equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. 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.

c) 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.

d) Provision of Income Tax and Tax Assets

The major tax jurisdiction for the Company is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments.

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, 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. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.



e) 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 judgements 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 recognized nor disclosed in the financial statements.

f) Employee Benefits

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions.

2.3 Revenue Recognition

Revenue from software development services and other projects on as time-and material basis is recognized based on service rendered and billed to clients as per the terms of specific contracts. In the case of fixed-price contracts, revenue is recognized based on the milestones achieved, as specified in the contracts, on a percentage of completion basis. Interest on development of surplus funds is recognized using the time-proportion method, based on interest rates implicit in the transaction.

Revenue on time-and-material and unit-of-work-based contracts, are recognized as the related services are performed. Fixed-price maintenance revenue is recognized ratably either on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or ratably using a percentage-of-completion method when the pattern of benefits from the services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of contract because the services are generally discrete in nature and not repetitive. Revenue from other fixed-



price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method. Efforts or costs expended have been used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts. Estimates of transaction price and total costs or efforts are continuously monitored over the term of the contracts. Revenues and the estimated total costs or efforts are subject to revision as the contract progresses.

The company presents revenues net of indirect taxes in its Statement of Profit & Loss Account.

2.4 Other Income

Other income is comprised primarily of interest income and amount written back of creditors no longer payables. Interest income is recognized using the effective interest method.

2.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation and impairment loss, if any. All direct costs are capitalized till the assets are ready to be put to use, as intended by the management.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. 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. All other repair and maintenance costs are recognized in statement of profit or loss as incurred. The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.



2.6 Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortization and impairment loss, if any. Intangible fixed assets are capitalized where they are expected to provide future enduring economic benefits. Capitalization costs include license fees and cost of implementation/system integration services. The costs are capitalized in the year in which the software is fully implemented for use. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

Intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e the higher of the fair value less cost to sell and the value in use) is determined on an individual assets basis unless the asset does not generate cash flows that are largely independent of those from other assets.

2.7 Foreign Currency Transactions and Translation

2.7.1 Functional and Presentation Currency:

The functional currency of the Company is the Indian rupee. These financial statements are presented in Lakhs of Indian rupees.

2.7.2 Foreign Currency Transactions and Translations:



Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the Balance sheet.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction

2.8 Income Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements as prescribed in Ind-AS-12. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is



expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.9 Borrowing Costs

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 are capitalized 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 costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.10 Financial Instruments

2.10.1 Initial Recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. 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. Regular way purchase and sale of financial assets are accounted for at trade date.

2.10.2 Subsequent Measurement

a) Non- Derivative financial instruments

(i) Financial Assets Carried at Amortized Cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows.



(ii) Financial Assets at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

(iv) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

(v) Investment in Subsidiaries and others

Investments in subsidiaries are carried at cost as per Ind AS 27 "Separate Financial Statements". However, the provision for impairment on these investments is recognized as per the valuation report taken from the registered valuer as prescribed u/s 247 of The Companies Act, 2013 read with Companies (Registered Valuers & Valuation) Rules 2018 is considered in compliance of the provisions of Companies Act, 2013.

b) Derivative Financial Instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency. However, The Company does not holds any derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.



2.10.3 Derecognition of Financial Instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.10.4 Fair value of Financial Instruments

The Company records certain financial assets and liabilities at fair value on a recurring basis. The Company determines fair values based on the price it would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market for that asset or liability.

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 - Quoted inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations, in which all significant inputs are directly or indirectly observable in active markets.

Level 3 - Valuations derived from valuation techniques, in which one or more significant inputs are unobservable inputs which are supported by little or no market activity.

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:



- (a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- (b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting method.
- (c) Cost approach-Replacement cost method

2.10.5 Impairment

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

2.11 Impairment of Non-Financial Assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.



Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.12 Provisions, Contingent Liabilities and Contingent Assets

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 date and are adjusted to reflect the current best estimates.

The Company uses significant judgment 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 recognized nor disclosed in the financial statements. However, when inflow of economic benefit is probable, related asset is disclosed.

2.13 Employee Benefits

2.13.1 Gratuity

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees of FCS. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's base salary and the tenure of employment with the Company (subject to a maximum of ` 20 lacs per employee).

Actuarial gains/losses are recognized immediately in the balance sheet with a



corresponding debit or credit to retained earnings through other comprehensive income in the year in which they occur.

2.13.2 Provident Fund

Eligible Employees of the Company receive benefits under the provident fund, a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The companies have no further obligation to the plan beyond its monthly contributions.

2.13.3 Compensated Absences

The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to the specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the statement of profit and loss in the year in which the absences occur. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

2.14 Earnings Per Share (EPS)

Basic earnings per share is computed by dividing the net profit attributable to the equity holders of the Company by weighted average number of equity shares outstanding during the year in conformity with the Ind-AS-33.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares).



Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for bonus shares.

2.15 Recently issued 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 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

a) Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statement.

b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Error

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

c) Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

