

B S R & Co. LLP

Chartered Accountants

Building No.10,12th Floor, Tower-C,
DLF Cyber City, Phase-II,
Gurugram – 122 002, India

Telephone: +91 124 719 1000
Fax: +91 124 235 8613

Independent Auditor's Report

To the Members of Busy Infotech Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Busy Infotech Private Limited (the "Company") which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the 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 2023, and its profit 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 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 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

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

Independent Auditor's Report (Continued)

Busy Infotech Private Limited

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 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.

Independent Auditor's Report (Continued)**Busy Infotech Private Limited****Other Matter**

The financial statements of the Company for the year ended 31 March 2022 and the transition date opening balance sheet as at 1 April 2021 included in these financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the years ended 31 March 2022 and 31 March 2021 dated 11 May 2022 and 15 November 2021 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

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 of the Company as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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, as disclosed in the Note 34 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Independent Auditor's Report (Continued)

Busy Infotech Private Limited

- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 34 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (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) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- 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, no remuneration has been paid by the Company to any of its directors. Accordingly, provisions of Section 197 of the Act relating to remuneration to directors are not applicable. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

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Prince Sharma

Partner

Place: Gurugram

Date: 27 April 2023

Membership No.: 521307

ICAI UDIN:23521307BGYFUB7507

Annexure A to the Independent Auditor's Report on the Financial Statements of Busy Infotech Private Limited for the year ended 31 March 2023

(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 every year. In accordance with this programme, all 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 were 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.
- (ii) (a) The Company is engaged in sale of accounting software and allied services. Hence, it does not hold any physical inventories. Accordingly, clause 3(ii)(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 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 provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and other parties during the year. The Company has not made any investments in firms and limited liability partnership. The Company has granted loans to companies, in respect of which the requisite information is as below. The Company has not granted any loans, secured or unsecured, to firms, limited liability partnership or any other parties.
- (a) A. The Company does not have any subsidiary, associate or joint venture. Accordingly, clause 3(iii)(a) A of the Order is not applicable.

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans as below:

Annexure A to the Independent Auditor's Report on the Financial Statements of Busy Infotech Private Limited for the year ended 31 March 2023 (Continued)

Particulars	Amount (INR Million)
Aggregate amount during the year	
– Others (Inter-corporate deposits)	195.00
Balance outstanding as at balance sheet date	
– Others (Inter-corporate deposits)	52.12

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made and the terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given in our opinion, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party 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 is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of records, the Company has not given any loans or provided guarantees or securities as specified under section 185 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made. The Company has not provided security as specified under section 186 of the Companies Act, 2013.
- (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 and services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (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

Annexure A to the Independent Auditor's Report on the Financial Statements of Busy Infotech Private Limited for the year ended 31 March 2023 (Continued)

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 2023 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 did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (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) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (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 subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (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 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) Based on the information and explanations provided to us, the Company does not have a vigil

Annexure A to the Independent Auditor's Report on the Financial Statements of Busy Infotech Private Limited for the year ended 31 March 2023 (Continued)

- mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (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 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 not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and we have duly taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (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.
- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing project, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section

**Annexure A to the Independent Auditor's Report on the Financial Statements
of Busy Infotech Private Limited for the year ended 31 March 2023 (Continued)**

135(6) of the said Act.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

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Prince Sharma

Partner

Place: Gurugram

Date: 27 April 2023

Membership No.: 521307

ICAI UDIN:23521307BGYFUB7507

Annexure B to the Independent Auditor's Report on the financial statements of Busy Infotech Private Limited for the year ended 31 March 2023

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 Busy Infotech Private Limited ("the Company") as of 31 March 2023 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 2023, 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 Busy Infotech Private Limited for the year ended 31 March 2023 (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 & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

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Prince Sharma

Partner

Place: Gurugram

Date: 27 April 2023

Membership No.: 521307

ICAI UDIN:23521307BGYFUB7507

Busy Infotech Private Limited
Balance Sheet as at 31 March 2023
(Amounts in INR million, unless otherwise stated)

		As at	As at	As at
	Notes	31 March 2023	31 March 2022	1 April 2021
Assets				
Non-current assets				
Property, plant and equipment	5A	7.66	8.65	4.60
Right-of-use assets	5B	-	2.71	3.61
Other Intangible assets	6	0.52	0.77	0.51
Financial assets				
(i) Loans	7	-	-	29.83
(ii) Others financial assets	7	-	88.62	106.06
Deferred tax assets (net)	24	21.75	54.97	39.72
Non-current tax assets (net)	17	16.58	9.97	8.81
Other Non-current assets	10	0.06	-	-
Total Non-current assets		46.57	165.69	193.14
Current assets				
Financial assets				
(i) Investments	7	754.91	443.52	278.62
(ii) Trade receivables	8	54.73	82.82	84.21
(iii) Cash and cash equivalents	9	47.47	45.36	25.37
(iv) Bank balances other than (iii) above	9	-	9.72	9.62
(v) Loans	7	52.12	31.60	49.34
(vi) Others financial assets	7	1.80	-	-
Other current assets	10	4.02	4.05	4.92
Total Current Assets		915.05	617.07	452.08
Total Assets		961.62	782.76	645.22
Equity and Liabilities				
Equity				
Share capital	11	0.45	0.45	0.45
Other equity	12	582.41	473.66	395.13
Total Equity		582.86	474.11	395.58
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Lease liabilities	14	-	2.30	3.18
Contract liabilities	16	51.11	42.93	1.03
Provisions	15	9.60	10.02	3.52
Total Non-current liabilities		60.71	55.25	7.73
Current liabilities				
Financial liabilities				
(i) Lease liabilities	14	-	0.88	0.73
(ii) Trade payables				
(a) Total outstanding dues of micro enterprises and small enterprises	13	1.07	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	12.91	15.66	15.70
iii) Other financial liabilities	14	55.34	30.79	37.59
Contract liabilities	16	221.60	178.57	157.64
Other current liabilities	16	16.93	23.89	23.04
Provisions	15	10.20	3.61	2.27
Current tax liabilities (net)		-	-	4.94
Total Current liabilities		318.05	253.40	241.91
Total Liabilities		378.76	308.65	249.64
Total Equity and Liabilities		961.62	782.76	645.22

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 & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/ W-100022

Prince Sharma
Digitally signed by Prince Sharma
Date: 2023.04.27 12:39:47 +05'30'

Prince Sharma

Partner

Membership No.: 521307

Place : Gurugram

Date : 27 April 2023

For and on behalf of the Board of Directors of
Busy Infotech Private Limited

Brijesh Kumar Agrawal
Digitally signed by Brijesh Kumar Agrawal
Date: 2023.04.27 11:52:39 +05'30'

Brijesh Kumar Agrawal
(Managing Director & CEO)

DIN: 00191760

Place : Noida

Date : 27 April 2023

PRATEEK CHANDRA
Digitally signed by PRATEEK CHANDRA
Date: 2023.04.27 11:56:37 +05'30'

Prateek Chandra

Director

DIN: 00356853

Place : Noida

Date : 27 April 2023

Busy Infotech Private Limited
Statement of Profit and Loss for the year ended 31 March 2023
(Amount in INR million, unless otherwise stated)

		For the year ended 31 March 2023	For the year ended 31 March 2022
	Notes		
Income:			
Revenue from operations	18	433.06	353.75
Other income	19	38.35	29.87
Total income		471.41	383.62
Expenses:			
Employee benefits expense	20	218.31	175.06
Finance costs	21	0.31	0.40
Depreciation and amortisation expense	22	6.59	3.71
Other expenses	23	111.92	91.90
Total expenses		337.13	271.07
Profit before tax		134.28	112.55
Tax expense			
Current tax	24	-	45.14
Deferred tax	24	31.28	(14.21)
Total tax expense		31.28	30.93
Profit for the year		103.00	81.62
Other Comprehensive Income			
Items that will not be re-classified to profit or loss			
Re-measurements gains/(losses) on defined benefit plans		7.68	(4.13)
Income tax relating to items that will not be reclassified to profit or loss		(1.93)	1.04
Other comprehensive income / (loss) for the year, net of tax		5.75	(3.09)
Total comprehensive income for the year		108.75	78.53
Earnings per equity share	25		
Basic earnings per equity share (INR) - face value of INR 10 each		2,288.99	1,813.80
Diluted earnings per equity share (INR) - face value of INR 10 each		2,288.99	1,813.80
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 & Co. LLP
Chartered Accountants
ICAI Firm Registration No.: 101248W/ W-100022

Prince Sharma Digitally signed by Prince Sharma
Date: 2023.04.27 12:40:22 +05'30'

Prince Sharma

Partner

Membership No.: 521307

Place : Gurugram
Date : 27 April 2023

For and on behalf of the Board of Directors of
Busy Infotech Private Limited

Brijesh Kumar
Agrawal Digitally signed by Brijesh Kumar Agrawal
Date: 2023.04.27 11:53:05 +05'30'

Brijesh Kumar Agrawal
(Managing Director & CEO)
DIN: 00191760

Place : Noida
Date : 27 April 2023

PRATEEK CHANDRA Digitally signed by PRATEEK CHANDRA
Date: 2023.04.27 11:56:56 +05'30'

Prateek Chandra

Director

DIN: 00356853

Place : Noida
Date : 27 April 2023

Busy Infotech Private Limited
Statement of Cash Flows for the year ended 31 March 2023
(Amount in INR million, unless otherwise stated)

		For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax		134.28	112.55
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Depreciation and amortisation expense	22	6.59	3.71
Interest income under the effective interest method			
- on bank deposits	19	(5.69)	(6.80)
- on corporate deposits and loans	19	(7.36)	(5.54)
Other Interest Income	19	-	(0.12)
Dividend Income	19	-	(0.07)
Gain on sale of Investments (net)	19	(5.06)	(6.57)
Gain on de-recognition of Right-of-use assets	19	(0.46)	-
Financial assets at FVTPL-net change in fair value			
-Mandatorily measured at FVTPL-others	19	(19.00)	(10.66)
Net gain on disposal of property, plant and equipment	19	(0.48)	-
Net loss on disposal of property, plant and equipment		-	0.05
Interest expense on lease liabilities	21	0.31	0.40
		103.13	86.95
Net Change in			
Trade receivables		28.09	1.39
Other financial assets		(1.40)	-
Other assets		0.03	0.88
Other financial liabilities		24.55	(6.80)
Trade payables		(1.69)	(0.03)
Contract liabilities		51.22	62.83
Provisions and other liabilities		8.46	4.54
Cash generated from operations		212.39	149.76
Income taxes paid (net)		(6.60)	(51.39)
Net cash generated from operating activities		205.79	98.37
Cash flows from investing activities:			
Proceeds from sale of property, plant and equipment		7.74	0.30
Purchase of property, plant and equipment, other Intangible assets		(11.70)	(7.44)
Proceeds from sale of Investments		725.17	-
Acquisition of other investments		(1,012.50)	(147.64)
Acquisition of Inter corporate deposits placed with financial institutions		(195.00)	-
Redemption of Inter-corporate deposits placed with financial institutions		176.84	47.56
Proceeds from maturity of bank deposits		97.95	17.33
Dividend Income from investment in equity instruments		-	0.07
Interest received		9.01	12.57
Net cash used in investing activities		(202.49)	(77.25)
Cash flows from financing activities			
Interest paid on lease liabilities		(0.31)	(0.40)
Principal payment of lease liabilities		(0.88)	(0.73)
Net cash used in financing activities		(1.19)	(1.13)
Net Increase in cash and cash equivalents		2.11	19.99
Cash and cash equivalents at the beginning of the year	9	45.36	25.37
Cash and cash equivalents at the end the year	9	47.47	45.36

Notes:

1 Components of cash and cash equivalents:

Balances with banks			
- On current accounts		5.76	32.89
- On bank deposits with original maturity of less than three months		41.71	12.25
Cash on hand		-	0.22
		47.47	45.36

Significant accounting policies

2

The statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows"

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

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/ W-100022

Prince Sharma
Digitally signed by Prince Sharma
Date: 2023.04.27 12:40:40 +05'30'

Prince Sharma

Partner

Membership No.: 521307

Place : Gurugram
Date : 27 April 2023

For and on behalf of the Board of Directors of
Busy Infotech Private Limited

Brijesh Kumar Agrawal
Digitally signed by Brijesh Kumar Agrawal
Date: 2023.04.27 11:53:22 +05'30'

Brijesh Kumar Agrawal
(Managing Director & CEO)
DIN: 00191760

Place : Noida
Date : 27 April 2023

PRATEEK CHANDRA
Digitally signed by PRATEEK CHANDRA
Date: 2023.04.27 11:57:19 +05'30'

Prateek Chandra
Director
DIN: 00356853

Place : Noida
Date : 27 April 2023

Busy Infotech Private Limited
Statement of changes in equity for the year ended 31 March 2023
(Amount in INR million, unless otherwise stated)

(a) Equity Share Capital (Refer Note 11)

Equity shares of INR 10 each issued, subscribed and fully paid up	Number of shares	Amount
As at 1 April 2022	45,000	0.45
Changes in equity share capital during the year	-	-
As at 31 March 2023	45,000	0.45
As at 1 April 2021	45,000	0.45
Changes in equity share capital during the year	-	-
As at 31 March 2022	45,000	0.45

(b) Other equity (Refer Note 12)

Particulars	Reserves and surplus		Total other equity
	General Reserves	Retained Earnings	
Balance as at 1 April 2022	403.17	70.49	473.66
Total comprehensive income for the year ended 31 March 2023			
Profit for the year	-	103.00	103.00
Other Comprehensive Income for the year	-	5.75	5.75
Total comprehensive income for the year	-	108.75	108.75
Balance as at 31 March 2023	403.17	179.24	582.41
Balance as at 1 April 2021 (Refer Note 4.4)	403.17	(8.04)	395.13
Total comprehensive income for the year ended 31 March 2022			
Profit for the year	-	81.62	81.62
Other Comprehensive loss for the year	-	(3.09)	(3.09)
Total comprehensive income for the year	-	78.53	78.53
Balance as at 31 March 2022 (Refer Note 4.4)	403.17	70.49	473.66

Other comprehensive income on remeasurement of defined employee benefit plans of INR 5.75 (net of tax) (previous year loss of INR 3.09 (net of tax) is recognised as a part of retained earnings for the year ended 31 March 2023 and 31 March 2022 respectively.

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

As per our report of even date.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/ W-100022

Prince
Sharma

Digitally signed by
Prince Sharma
Date: 2023.04.27
12:40:55 +05'30'

Prince Sharma

Partner

Membership No.: 521307

Place : Gurugram

Date : 27 April 2023

For and on behalf of the Board of Directors of

Busy Infotech Private Limited

Brijesh Kumar
Agrawal

Digitally signed by
Brijesh Kumar Agrawal
Date: 2023.04.27
11:53:37 +05'30'

Brijesh Kumar Agrawal

(Managing Director & CEO)

DIN: 00191760

Place : Noida

Date : 27 April 2023

PRATEEK
CHANDRA

Digitally signed
by PRATEEK
CHANDRA
Date: 2023.04.27
11:57:42 +05'30'

Prateek Chandra

Director

DIN: 00356853

Place : Noida

Date : 27 April 2023

Busy Infotech Private Limited**Notes to Financial Statements for the year ended 31 March 2023**

(Amount in INR millions, unless otherwise stated)

1 Corporate information

Busy Infotech Private Limited ('the Company') is a private limited company domiciled in India and was incorporated on August 12, 1997 under the provisions of Companies Act applicable in India. The registered office of the Company is at 1st Floor, 29 Daryaganj, Netaji Subhash Marg, New Delhi - 110002. The Company is a developer of accounting software 'Busy', an integrated business accounting and management software for Micro, Small & Medium Enterprises.

2 Significant Accounting policies**2.1 Statement of Compliance**

The financial statements for the year ended 31 March 2023 have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 ('Act').

The financial statements are approved for issue by the Company's Board of Directors on 27 April 2023.

Details of the Company's accounting policies, including changes thereto, are included in Note 2, 3 and Note 4.

The Company's financial statements up to and for the year ended 31 March 2022 were prepared in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act 2013 ('Previous GAAP').

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 4.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis as explained in the accounting policies below, except for the following:

- certain financial assets and liabilities measured at fair value where Ind AS requires a different accounting treatment (refer accounting policy regarding financial instruments);

- net defined benefit (asset)/liability - Fair value of plan assets less present value of defined benefit obligations.

The preparation of these financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Note 3.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded to the nearest millions, unless otherwise indicated.

2.4 Summary of Significant accounting policies

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, to all the periods presented in these financial statements.

a) Current versus non-current classification

The Company presents assets and liabilities in balance sheet based on current/non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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 classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

b) Fair value measurement

The Company measures financial instruments, such as investment in mutual funds, equity instruments, bonds, debentures & market linked debentures at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the Financial Statement 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 statements 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.

c) Revenue from contract with customers

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.

The Company primarily earns revenue from the sale of software license product 'Busy' along with sale of Busy license subscription ('BLS') to software license customers. The Company also provides support and maintenance services, upgrades and add-ons services to its customers.

Sale of license

In arrangements for sale of software license and related services, the Company has applied the guidance of Ind AS 115, 'Revenue from Contract with Customers' by applying the revenue recognition criteria for each separately identifiable component of a single transaction. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes). The transaction price is allocated between the different performance obligations based on the fair value, i.e. the stand-alone price of such services applicable at the time of sale of new license

Revenue from license where the customer obtains a "right to use" the license is recognised at the time the license is made available to the customer. The performance obligation of the Company is satisfied at the point in time when the license is delivered and activated by the customer at which point the revenue is recognised. The arrangement to deliver the software license has an element of BLS where the customer obtains the "right to access" and as such the revenue is recognised over the access period.

Sale of credits

Revenue from sale of credits are recognised as and when such credits are utilised by the customer. Upgrades provided to the customer are recognised as revenue on the date of activation of such upgrade as there are no unfulfilled performance obligation which remains after utilisation such credits for upgrades provided to the customer

Sale of subscription services

The performance obligation of the Company towards sale of subscription is evenly satisfied over the subscription period and the customers simultaneously receive and consume the benefits of these subscription during the underlying contract period. Consequently, revenue from sale of subscription is recognised rateably over the period of the respective subscription

Sale of services - Annual Maintenance Contract

The performance obligation of the Company towards sale of annual maintenance contract ('AMC') is evenly satisfied over the period of the AMC. Consequently, revenue from annual maintenance contract is recognised rateably over the period of the respective AMC period

Sale of services - Others

Revenue from sale of services other than AMC are recognised as and when such services are provided to the customer.

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received.

The Company recognizes an onerous contract provision when the expected unavoidable costs of meeting the future obligations exceed the expected economic benefits to be received under a contract. Such provision, if any, is recorded in the period in which such losses become probable.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Revenue towards satisfaction of a performance obligation is measured at the transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Volume discounts, or any other form of variable consideration is estimated using either the sum of probability weighted amounts in a range of possible consideration amounts (expected value), or the single most likely amount in a range of possible consideration amounts (most likely amount), depending on which method better predicts the amount of consideration realizable. Transaction price includes variable consideration only to the extent it is probable that a significant reversal of revenues recognized will not occur when the uncertainty associated with the variable consideration is resolved. Our estimates of variable consideration and determination of whether to include estimated amounts in the transaction price may involve judgment and are based largely on an assessment of our anticipated performance and all information that is reasonably available to us.

d) Recognition of Dividend Income, Interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

e) Property Plant and Equipments

i. Recognition and Measurement

Property, plant and equipment, capital work in progress are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Capital work in progress includes cost of property, plant and equipment under development as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date, are disclosed under capital work-in-progress.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2021, measured as per the Previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably

iv. Depreciation

Depreciation is calculated on a written down value basis using the rates arrived at based on the useful lives prescribed under Schedule II to Companies Act, 2013. The Company has used the following rates to provide depreciation on its Property, plant and equipment:

Asset	Management's estimate of useful life	Useful life as per Schedule II
Computers	3 years	3 years
Furniture and fittings	10 years	10 years
Office equipment	5 years	5 years
Motor Vehicles	8 years	8 years

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.

Property, plant and equipment individually costing ` 5,000 or less are depreciated at 100% in the year in which such assets are ready to use.

f) Other Intangible Assets

i. Recognition and Measurement

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 (if any). Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

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. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Advances paid towards the acquisition of intangible assets outstanding at each balance sheet date are classified as capital advances and cost of assets not ready for use at the balance sheet date, are disclosed under intangible assets under development.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Gains or losses arising from de-recognition 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 or loss when the asset is derecognised.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in depreciation and amortisation in Statement of profit and loss.

The estimated useful life is as follows:

- Softwares 3 years

iv. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible assets as at 1 April 2021, measured as per the Previous GAAP, and use that carrying value as the deemed cost of Intangible assets.

g) Leases

The company's lease asset classes primarily consist of lease of buildings. At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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

As a lessee

At commencement or on modification of a contract that contains a lease component, the company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and

the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term

h) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. For impairment testing, assets are grouped together into the smallest Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its 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 no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. 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. 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 statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

i) Taxes

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it related to items recognised in other comprehensive income

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (loss) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (loss) or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

j) Provisions, Contingent Liabilities & Contingent Assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where the company expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

Contingent Liabilities

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 recognised 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 recognised because it cannot be measured reliably.

The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent Assets

Contingent asset is not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

k) Retirement & Other Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured on undiscounted basis at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current financial liabilities in the balance sheet.

Post-employment obligations

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan for its employees i.e. gratuity. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The Company recognises the following changes in the net defined benefit obligation as an expense in the 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

Other long-term employee benefit obligations

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting period-end. Actuarial gain/loss are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave 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.

Share-based payment arrangements

Indiamart InterMesh Limited ('IIL' or the 'Holding Company') offers certain employees of the Company, share based payments in the form of "Share appreciation rights" (SARs) which is equity-settled share based payment arrangement. The grant date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an employee benefit expense over the vesting period of the SARs. "Share based payment expense" represents reimbursement of cost to the Holding Company. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

1) 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.

Initial Recognition and measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

On initial recognition, a financial asset is measured at:

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:

- substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of Non-derivative financial assets

Financial instruments and contract assets

The Company recognises loss allowances for Expected Credit Loss (ECLs) on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECLs.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 180 days past due.

Measurement of ECLs

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable or contract assets

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses':

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

-Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount in OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

m) Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded by the Company at its 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 in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

n) Earnings Per Share

Basic earnings per equity share are arrived at based on net profit or loss attributable to equity holders of the Company divided by the weighted average number of equity shares outstanding during the period .

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

o) Cash and Cash Equivalents:

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

p) Segment reporting

Identification of assets

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Company is engaged in the business of development and sale of accounting and business management software license "Busy". Accordingly, the Company's business activity primarily falls within a single operating segment which has been identified as the reportable segment. The analysis of geographical segments is based on the areas in which customers are based.

Segment policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

q) Share Capital

Equity shares are classified as equity. Incremental costs directly attributable to the issuance of new shares or options are shown in equity as a deduction, net of tax, from the proceeds..

3 Significant accounting judgments, estimates and assumptions

The preparation of these financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities and accompanying notes, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Therefore, actual results could differ from these estimates.

Estimates and assumptions

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

a) Defined benefit plans (gratuity benefit) (Note 15 and 2.4 (k))

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually or six months.

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 are current best estimates of the expected mortality rates of plan members, both during and after employment. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b) Useful life of assets of Property, Plant and Equipment (Note 5A and 2.4 (e))

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at each financial year end.

c) Leases – Estimating the incremental borrowing rate (Note 5B and 2.4 (g))

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116.

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 specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

d) Fair value measurement of financial instruments (Note 2.4 (l))

When the fair values 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 (DCF) 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.

e) Taxes (Note 24 and 2.4 (i))

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. In assessing the probability the Company considers whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has recognised deferred tax assets on the deductible temporary differences since the management is of the view that it is probable the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans & budgets.

f) Impairment of Non Financial assets (Note 2.4 (h))

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use

The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model or other fair value valuation models. In DCF model, the cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes

g) Determination of Transaction Price (Note 2.4 (c) and 18)

As per Ind AS 115, Transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Basis Company's terms of the contract and its customary business practices with intermediaries and the end customer, the company applies judgement in determining the transaction price.

The Company has determined that the consideration to which it is entitled, using all relevant facts and circumstances available, is sale price at which the license is sold to the channel partner net off the incentive given to the channel partners.

h) Provisions & Contingencies (Note 2.4 (j))

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 assess contingent liabilities. Contingent liabilities are recognised 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 statements.

Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard 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) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below.

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Other amendments included in the notification does not have any significant impact on the financial statements.

Note No. 4.1 Explanation of transition to Ind AS

a. Explanation of transition to Ind AS

As stated in note 2, the financial statements for the year ended 31 March 2023 are the first annual financial statements prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2022, the Company has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013 and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 2 have been applied in preparing these financial statements for the year ended 31 March 2023 including the comparative information for the year ended 31 March 2022 and the opening Ind AS Balance Sheet on the date of transition i.e. 1 April 2021.

In preparing its Ind AS Balance Sheet as at 1 April 2021 and in presenting the comparative information for the year ended 31 March 2022, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Exemptions availed and exceptions applied on first time adoption of Ind-AS 101

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions:

i. Optional exemptions availed

a) Business Combinations:

As per Ind AS 101, at the date of transition, an entity may elect not to restate business combinations that occurred before the date of transition. If the entity restates any business combinations that occurred before the date of transition, then it restates all later business combinations, and also applies Ind AS 110, Consolidated Financial Statements, from that same date. The Company has opted to restate business combinations, if any, on or after 1 April, 2021.

b) Carrying amount of Property, plant and equipment and Intangibles assets

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP as deemed cost for all the items of property, plant and equipment and Intangible assets.

c) Determining whether an arrangement contains a lease

Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements of paragraphs 9-11 of Ind AS 116 for determining whether a contract existing at the date of transition contains a lease by considering the facts and circumstances existing at the date of transition (rather than at the inception of the contract).

The Company has elected to avail the above exemption.

d) Revenue

The company has applied Ind AS 115 'Revenue from contracts with customers' to contracts that are not completed on transition date. Further, the Company has applied full retrospective approach on transition date as prescribed by the standard.

ii. Mandatory exceptions

a) Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

- fair valuation of financial instruments carried at FVTPL and/ or FVOCI.
- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortised cost.
- Determination of Transaction price
- Determination of incremental borrowing rate for measurement of lease liabilities and corresponding right of use assets

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

Busy Infotech Private Limited

Notes to Financial Statements for the year ended 31 March 2023

(Amount in INR millions, unless otherwise stated)

4 First time adoption of Ind AS (continued)

4.2 Reconciliation of equity as at 1 April 2021

Particulars	Notes	Opening Balance Sheet as at 1 April 2021			Balance Sheet as at 31 March 2022		
		Regrouped Previous GAAP*	Ind AS adjustments	Amount as per Ind AS	Amount as per Previous GAAP*	Adjustments on transition to Ind AS	Amount as per Ind AS
Assets							
Non Current Assets							
Property, Plant and Equipment		4.60	-	4.60	8.65	-	8.65
Right-of-use assets	4.5(b)	-	3.61	3.61	-	2.71	2.71
Other Intangible Assets		0.51	-	0.51	0.77	-	0.77
Financial Assets							
i) Loans		29.83	-	29.83	-	-	-
ii) Other financial assets		106.06	-	106.06	88.62	-	88.62
Deferred tax assets (net)	4.5(f)	1.49	38.23	39.72	5.03	49.94	54.97
Non-current tax assets (net)		8.81	-	8.81	9.97	-	9.97
Total non-current assets		151.30	41.84	193.14	113.04	52.65	165.69
Current Assets							
Financial Assets							
i) Investments	4.5(a)	265.77	12.85	278.62	420.01	23.51	443.52
ii) Trade receivables		84.21	-	84.21	82.82	-	82.82
iii) Cash and cash equivalents		25.37	-	25.37	45.36	-	45.36
iv) Bank balances other than (iii) above		9.62	-	9.62	9.72	-	9.72
v) Loans		49.34	-	49.34	31.60	-	31.60
Other current assets		4.92	-	4.92	4.05	-	4.05
Total current assets		439.23	12.85	452.08	593.56	23.51	617.07
Total assets		590.53	54.69	645.22	706.60	76.16	782.76

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

4 First time adoption of Ind AS (continued)

4.2 Reconciliation of equity as previously reported under previous GAAP to Ind AS (Continued)

Particulars	Notes to first time adoption	Opening Balance Sheet as at 1 April 2021			Balance Sheet as at 31 March 2022		
		Amount as per Previous GAAP*	Adjustments on transition to Ind AS	Amount as per Ind AS	Amount as per Previous GAAP*	Adjustments on transition to Ind AS	Amount as per Ind AS
Equity and liabilities							
Equity							
a) Share capital		0.45	-	0.45	0.45	-	0.45
b) Other equity	4.4	508.81	(113.68)	395.13	622.18	(148.52)	473.66
Total Equity		509.26	(113.68)	395.58	622.63	(148.52)	474.11
Liabilities							
Non-Current Liabilities							
Financial liabilities							
i) Lease liabilities	4.5(b)	-	3.18	3.18	-	2.30	2.30
Contract liabilities	4.5(d)	-	1.03	1.03	-	42.93	42.93
Provisions	4.5(c)	-	3.52	3.52	10.02	-	10.02
Total non-current liabilities		-	7.73	7.73	10.02	45.23	55.25
Current Liabilities							
a) Financial liabilities							
i) Lease liabilities	4.5(b)	-	0.73	0.73	-	0.88	0.88
ii) Trade Payables							
(a) Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		15.70	-	15.70	15.66	-	15.66
iii) Other financial liabilities		37.59	-	37.59	30.79	-	30.79
Contract liabilities	4.5(d)	-	157.64	157.64	-	178.57	178.57
Other current liabilities		23.04	-	23.04	23.89	-	23.89
Provisions	4.5(c)	-	2.27	2.27	3.61	-	3.61
Current tax liabilities (net)		4.94	-	4.94	-	-	-
Total current liabilities		81.27	160.64	241.91	73.95	179.45	253.40
Total equity and liabilities		590.53	54.69	645.22	706.60	76.16	782.76

Note: The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Busy Infotech Private Limited
Notes to Financial Statements for the year ended 31 March 2023
(Amount in INR millions, unless otherwise stated)

4 First time adoption of Ind AS (Continued)

4.3 Reconciliation Statement of Profit and Loss as previously reported under previous GAAP to Ind AS for the year ended March 31, 2022

Particulars	Notes to first time adoption	Amount as per previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Income				
Revenue from operations	4.5(d)	416.58	(62.83)	353.75
Other Income	4.5(a)	19.21	10.66	29.87
Total Income		435.79	(52.17)	383.62
EXPENSES				
Employee benefits expense	4.5(c)	184.98	(9.92)	175.06
Finance costs	4.5(b)		0.40	0.40
Depreciation and amortisation expense	4.5(b)	2.81	0.90	3.71
Other expenses	4.5(b) & (e)	90.53	1.37	91.90
Total Expenses		278.32	(7.25)	271.07
Profit before tax		157.47	(44.92)	112.55
Tax expense				
Current tax		45.14	-	45.14
Deferred tax	4.5(f)	(3.54)	(10.67)	(14.21)
Total tax expense		41.60	(10.67)	30.93
Profit for the year		115.87	(34.25)	81.62
Other Comprehensive Income				
Items that will not be re-classified to profit or loss				
Re-measurements gains/(losses) on defined benefit plans	4.5(c)		(4.13)	(4.13)
Income tax realting to items that will not be reclassified to profit or loss	4.5(f)		1.04	1.04
Other comprehensive income / (loss) for the Period, net of tax		-	(3.09)	(3.09)
Total Comprehensive income for the year		115.87	(37.34)	78.53
Earnings per equity share				
[nominal value of INR 10 per share (Previous year INR 10 per share)]				
- Basic		2,574.88		1,813.80
- Diluted		2,574.88		1,813.80

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

4 First time adoption of Ind AS (Continued)

4.4 Reconciliation of total equity as at 31 March 2022 and 1 April 2021

Particulars	Notes to first time adoption	As at 31 March 2022	As at 1 April 2021
Total equity (shareholder's funds) as per previous GAAP		622.63	509.26
Adjustments:			
Opening retained earning adjustments			
Impact of Ind AS 115 on Revenue from contract with Customers	4.5(d)	(221.50)	(158.67)
Impact of change in Fair valuation of investments	4.5(a)	23.51	12.85
Impact of Ind AS 116 - Leases	4.5(b)	(0.47)	(0.30)
Employee benefits obligations - Gratuity and leave encashment	4.5(c)	-	(5.79)
CSR Expenditure	4.5(e)	-	-
Tax impact on above adjustments	4.5(f)	49.94	38.23
Total Adjustments		(148.52)	(113.68)
Total equity as per Ind AS		474.11	395.58

4 First time adoption of Ind AS (Continued)

4.5 Notes to reconciliations between Previous GAAP and Ind AS

a) Fair valuation of investments

Under previous GAAP, current investment in mutual funds & equity shares were carried in the financial statements at lower of cost and fair value at each reporting date. Under the Ind AS, investments in mutual funds, equity shares, bonds, debentures & market linked debentures are measured at fair value through profit or loss at each reporting date. The related impact on Other equity, Balance sheet and Statement of Profit and loss is as given below:

	As at 1 April 2021	For the year ended 31 March 2022	As at 31 March 2022
Impact of Ind AS adjustment	(12.85)	(10.66)	(23.51)
Balance sheet			
- Other equity	(12.85)	(10.66)	(23.51)
- Investments	12.85	10.66	23.51
Statement of Profit and Loss			
-Other income		10.66	-

b) Leases

Under Ind AS, all lease contracts, with limited exceptions for short-term and low value assets, are recognised in the financial statements by way of right of use assets and corresponding lease liabilities. This resulted in recognition of "Right-of-use assets (ROU)" and a corresponding "lease liability". The rental expenses recognised in the statement of profit and loss for the year ended March 31, 2022 under previous GAAP has been replaced by the recognition of depreciation expense on ROU assets and interest expense on lease liability. The related impact on Other equity, Balance sheet and Statement of profit and loss is given below:

	As at 1 April 2021	For the year ended 31 March 2022	As at 31 March 2022
Impact of Ind AS adjustment	(0.30)	(0.17)	(0.47)
Balance sheet			
- Other equity	(0.30)	(0.17)	(0.47)
- Right-of- use asset	3.61	(0.90)	2.71
- Lease liabilities- Non Current	(3.18)	0.88	(2.30)
- Lease liabilities- Current	(0.73)	(0.15)	(0.88)
Statement of Profit and Loss			
-Depreciation and amortisation expense		0.90	
-Finance cost		0.40	
-Other expenses		(1.13)	

c) Remeasurement of net defined benefit liability

Under previous GAAP, the company had recognised liability for gratuity and leave encashment as expenses under employee benefit expenses basis its internal evaluation till 31 March 2021 however, such liabilities were accounted basis actuarial valuation in the year ended 31 March 2022. Pursuant to adoption of Ind AS, the company has recorded the liability for gratuity and leave encashment as per actuarial valuation as of 1 April 2021 and 31 March 2022. The actuarial gain/ losses arising on remeasurement of net defined benefit liability has been recognised under other comprehensive income. The related impact on Balance Sheet, Other Equity and Statement of profit and loss is given below:

Impact of Ind AS adjustments:

	As at 1 April 2021	For the year ended 31 March 2022	As at 31 March 2022
Impact of Ind AS adjustment	(5.79)	(5.79)	-
Balance sheet			
- Other equity	(5.79)		
- Non- Current Provision for gratuity	3.52		
- Current Provision for gratuity	0.64		
- Current Provision for leave encashment	1.63		
Statement of Profit and Loss			
-Employee benefit expenses		(9.92)	-
-Re-measurement gains/(losses) on defined benefit plans		4.13	-

d) Revenue from contract with Customers

Under the previous GAAP, the Company accounted for the revenue from sale of license when it had transferred the significant risks and rewards to the customer. The corresponding trade discount given to the customer was accounted under other expenses.

Under Ind AS, The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition.

Under Ind AS 115, revenue from sale of license is recognised when there are no unfulfilled performance obligation on part of the company which is when the software is purchased and activated by the customer. The Company has identified support service as distinct performance obligation by applying the principles of Ind AS 115 which results in recognising revenue from support service as separate revenue item from license sale. Revenue for support and subscription services is recognised ratably over the underlying period. Revenue from sale of credits has been recognised at time of utilisation of credits. On transition date, the above adjustments resulted in reversal of revenue from operations recognized under the previous GAAP. The corresponding discount given by the company to its customers during the year ended 31 March 2022 was also netted off from revenue as per Ind AS 115. The related impact on these adjustments Other equity, Balance sheet and Statement of profit and loss is given below:

	As at 1 April 2021	For the year ended 31 March 2022	As at 31 March 2022
Impact of Ind AS adjustment	158.67	62.83	221.50
Balance sheet			
- Other equity	158.67	62.83	221.50
Contract liabilities			
- Deferred Revenue Non Current	(1.03)	(41.90)	(42.93)
- Deferred Revenue Current	(157.64)	(20.92)	(178.57)
Statement of Profit and Loss			
-Revenue from operations		62.83	

e) Correction of errors

During the year ended 31 March 2022, the company accounted CSR Expenses directly under reserve & surplus in its financial statements. The CSR expenditure was accounted as an expense in the financial statements prepared under Ind AS. The related impact on Balance Sheet, Other Equity and Statement of profit and loss is given below:

	As at 1 April 2021	For the year ended 31 March 2022	As at 31 March 2022
Impact of Ind AS adjustment	-	-	-
Balance sheet			
- Other equity	-	(2.50)	-
Statement of Profit and Loss			
-CSR Expenditure	-	2.50	-

f) The above changes (decreased) / increased the deferred tax liability as follows based on tax rate of 25.17 (1 April 2021: 25.17) percent:

	Note	As at 31 March 2022	As at 1 April 2021
Deferred tax liability on:			
Fair value of investments (Note 4.5 (a))		(5.92)	(3.23)
Right of use assets (Note 4.5 (b))		(0.68)	(0.91)
Deferred tax assets on:			
Unwinding of Lease obligations (Note 4.5 (b))		0.80	0.98
Revenue from contract with Customers (Note 4.5 (d))		55.74	39.93
Remeasurement of net defined benefit liability (Note 4.5 (c))		-	1.46
		49.94	38.23
Statement of Profit and Loss			For the year ended March 22
Deferred tax liability on:			
Fair value of investments (Note 4.5 (a))			(2.68)
Right of use assets (Note 4.5 (b))			0.23
Deferred tax assets on:			
Unwinding of Lease obligations (Note 4.5 (b))			(0.18)
Revenue from contract with Customers (Note 4.5 (d))			15.80
Remeasurement of net defined benefit liability (Note 4.5 (c))			(2.50)
			10.67
Other Comprehensive Income/(loss)			
Income tax relating to items that will not be reclassified to profit or loss			1.04
			11.71

Busy Infotech Private Limited**Notes to Financial Statements for the year ended 31 March 2023**

(Amount in INR millions, unless otherwise stated)

4 First time adoption of Ind AS (Continued)**4.6 Notes to reconciliations between Previous GAAP and Ind AS****(a) Reconciliation of cash flows**

Particulars	Regrouped Previous GAAP*	Ind AS Adjustments	Ind AS
For the year ended 31 March 2022			
Net cash generated from operating activities	97.24	1.13	98.37
Net cash used in investing activities	(77.25)		(77.25)
Net cash used in financing activities	-	(1.13)	(1.13)
Net increase in cash and cash equivalents	19.99	-	19.99
Cash and cash equivalents as at 31 March 2021	25.37		25.37
Cash and cash equivalents as at 31 March 2022	45.36		45.36

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose to this note

Busy Infotech Private Limited
Notes to Financial Statements for the year ended 31 March 2023
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5A Property, plant and equipment

	Furniture and fixture	Motor Vehicles	Office equipment	Computers	Total
Gross carrying amount					
Cost or deemed cost as at 1 April 2021	2.01	0.82	0.94	0.83	4.60
Additions for the year	0.02	4.51	0.61	1.38	6.52
Disposals for the year	-	(0.51)	-	-	(0.51)
As at 31 March 2022	2.03	4.82	1.55	2.21	10.61
Additions for the year	-	-	0.07	11.63	11.70
Disposals for the year	(2.03)	(4.82)	(1.56)	(0.76)	(9.17)
As at 31 March 2023	-	-	0.06	13.08	13.14
Accumulated depreciation					
As at 1 April 2021					
Charge for the year	0.49	0.61	0.42	0.59	2.11
Disposals during the year	-	0.15	-	-	0.15
As at 31 March 2022	0.49	0.46	0.42	0.59	1.96
Charge for the period	0.15	0.01	0.16	5.11	5.43
Disposals during the period	(0.64)	(0.47)	(0.57)	(0.23)	(1.91)
As at 31 March 2023	-	-	0.01	5.47	5.48
Net Book Value					
As at 1 April 2021	2.01	0.82	0.94	0.83	4.60
As at 31 March 2022	1.54	4.36	1.13	1.62	8.65
As at 31 March 2023	-	-	0.05	7.61	7.66

Busy Infotech Private Limited
Notes to Financial Statements for the year ended 31 March 2023
(Amount in INR millions, unless otherwise stated)

	Buildings
5B Right-of-use assets	
Gross carrying amount	
As at 1 April 2021	3.61
Additions for the year	-
Disposals for the year	-
As at 31 March 2022	3.61
Additions for the year	-
Disposals for the year	(3.61)
As at 31 March 2023	-
Accumulated amortisation	
As at 1 April 2021	-
Depreciation for the year	0.90
Disposals for the year	-
As at 31 March 2022	0.90
Depreciation for the year	0.90
Disposals for the year	(1.81)
As at 31 March 2023	-
Net Book Value	
As at 1 April 2021	3.61
As at 31 March 2022	2.71
As at 31 March 2023	-

Notes:

The company has elected to apply modified retrospective approach wherein the lease liability is measured based on the remaining lease payments discounted using the incremental borrowing rate as of the date of initial application. The ROU assets is at its carrying amount of INR AS 116 had been applied since the commencement date by using incremental borrowing rate as at date of transition

At adoption date, lessee would record the ROU asset and lease liability with the difference between the ROU and lease liability was recognised in retained earnings as of 1st April 2021

The Company incurred INR 8.63 for the year ended 31 March 2023 (31 March 2022: INR 7.87) , towards expenses relating to short-term leases.

The following table presents a maturity analysis of expected undiscounted cash flows for lease liabilities as at year end

	As at 31 March 2023	As at 31 March 2022
Within one year	-	1.19
Within one - two years	-	1.25
Within two - three years	-	1.31
Total lease payments	-	3.75

The reconciliation of lease liabilities is as follows:

	As at 31 March 2023	As at 31 March 2022
Opening balance	3.18	3.91
Amounts recognized in statement of profit and loss as interest expense	0.31	0.40
Payment of lease liabilities	(1.19)	(1.13)
Derecognition	(2.30)	-
Balance as at period end (Refer Note 14)	-	3.18

Amounts recognised in profit or loss

	As at 31 March 2023	As at 31 March 2022
Interest expense on lease liabilities	0.31	0.40
Expenses relating to short-term leases	8.63	7.87
Total	8.94	8.27

Amounts recognised in statement of cash flows

	As at 31 March 2023	As at 31 March 2022
Total cash outflow for leases	(1.19)	(1.13)
	(1.19)	(1.13)

Busy Infotech Private Limited
Notes to Financial Statements for the year ended 31 March 2023
(Amount in INR millions, unless otherwise stated)

6 Other Intangible assets

	Software	Total
Gross carrying amount		
Deemed cost as at 1 April 2021	0.51	0.51
Additions for the year	0.92	0.92
Disposals for the year	-	-
As at 31 March 2022	1.43	1.43
Additions for the year		
Disposals for the year		
As at 31 March 2023	1.43	1.43
Accumulated Amortisation		
As at 1 April 2021	-	-
Amortisation for the year	0.66	0.66
As at 31 March 2022	0.66	0.66
Amortisation for the year	0.25	0.25
As at 31 March 2023	0.91	0.91
Net book value		
As at 1 April 2021	0.51	0.51
As at 31 March 2022	0.77	0.77
As at 31 March 2023	0.52	0.52

7(i) Financial assets

Aggregate book value of quoted investments	754.91	443.52	278.62
Aggregate market value of quoted investments	754.91	443.52	278.62
Aggregate carrying value of unquoted investments	-	-	-

ii) Loans (measured at amortised cost)

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Non-current			
Considered good- Unsecured			
Inter-corporate deposits			
-Fine Touch Marketing Pvt Ltd Loan @9%	-	-	19.24
-S S Pranav Steels Pvt Ltd Loan @9%	-	-	10.59
	<u>-</u>	<u>-</u>	<u>29.83</u>
Current			
Considered good- Unsecured			
Inter-corporate deposits*			
-BLD Steels Pvt Ltd Loan @9%	-	10.81	10.57
-AKNB Infracore Pvt Ltd Loan @7%	-	-	21.08
-Fine Touch Marketing Pvt Ltd Loan @9%	-	20.79	-
-RPL Buildcon Pvt Ltd Loan @7%	-	-	10.65
-KRR Holdings & Industries Pvt Ltd @9%	-	-	7.04
- Bajaj Finance Limited	52.12	-	-
	<u>52.12</u>	<u>31.60</u>	<u>49.34</u>

Notes:

* Inter-corporate deposits yield fixed interest rate and are placed with financial institutions and other parties, who are authorized to accept and use such inter-corporate deposits as per regulations applicable to them. Inter-corporate deposits are repayable as per the stipulated terms of the arrangement which usually ranges from 6 months to 15 months.

(iii) Other Financial Assets (measured at amortised cost)

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Non-current (unsecured, considered good unless stated otherwise)			
Security deposits	-	0.40	0.49
Deposits with banks			
- In fixed deposits with maturity more than 12 months	-	88.22	105.57
	<u>-</u>	<u>88.62</u>	<u>106.06</u>
Current (unsecured, considered good unless stated otherwise)			
Security deposits	1.80	-	-
	<u>1.80</u>	<u>-</u>	<u>-</u>

Notes:

Security deposits are non-interest bearing and are generally on term of 01 to 05 years.

8 Trade Receivables

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Unsecured, considered good unless stated otherwise			
Trade receivables*	54.73	82.82	84.21
Trade receivables considered good - secured	-	-	-
Trade receivables considered good - unsecured	-	-	-
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	-
Total Trade Receivables	-	-	-
Less: Loss allowance	-	-	-
Net Trade receivables	-	-	-
Total	<u>54.73</u>	<u>82.82</u>	<u>84.21</u>

Of the above, trade receivables from related parties are as below:

Trade receivables due from related parties
Loss allowance -
Net trade receivables are as follows

Notes:

- a) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.
b) Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days.

As at 31 March 2023

Particulars	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables -considered good	-	53.32	1.39	0.02	0.00	-	-	54.73
Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables -considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-

As at 31 March 2022

Particulars	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables -considered good	-	78.08	4.20	0.43	0.11	-	-	82.82
Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables -considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-

As at 1st April 2021

Particulars	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables -considered good	-	77.68	6.30	0.09	0.14	-	-	84.21
Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables -considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables -credit impaired	-	-	-	-	-	-	-	-

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
9 (i) Cash and bank balances			
Cash and cash equivalents			
Balances with banks :			
-On current accounts	5.76	32.89	25.09
- In fixed deposits with maturity of less than 3 months	41.71	12.25	-
Cash in hand	-	0.22	0.28
Total Cash and cash equivalents	47.47	45.36	25.37
Note:			
Cash and cash equivalents for the purpose of cash flow statement comprise cash and cash equivalents as shown above.			
9 (ii) Bank balances other than cash and cash equivalents			
(i) Deposits with banks	-	9.72	9.62
- In fixed deposits with maturity of more than 3 months and less than 12 months	-	9.72	9.62
10 Other assets			
Non-current (unsecured, considered good unless stated otherwise)			
Prepaid expenses	0.06	-	-
Total	0.06	-	-
Current (unsecured, considered good unless stated otherwise)			
Balance with government authorities	-	-	0.34
Prepaid expenses	3.12	1.58	1.22
Advances to vendors	0.09	0.36	1.37
Advances to employees	0.81	1.00	0.85
Others	-	1.11	1.14
Total	4.02	4.05	4.92
17 Income tax assets (net)			
Income tax assets (net of provisions)			
Non current			
Income tax assets	16.58	9.97	8.81
Less: Provision for income tax	-	-	-
	16.58	9.97	8.81

Busy Infotech Private Limited
Notes to Financial Statements for the year ended 31 March 2023
(All amounts in INR millions, unless otherwise stated)

11 Equity share capital

	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	Number of shares	Value	Number of shares	Value	Number of shares	Value
Authorised share capital (Equity shares of Re. 10/- each with voting rights)	1,000,000	10.00	1,000,000	10.00	100,000	1.00
Issued, subscribed & fully paid up (Equity shares of Re. 10/-each fully paid up with voting rights)	45,000	0.45	45,000	0.45	45,000	0.45
	45,000	0.45	45,000	0.45	45,000	0.45

Notes:

(a) The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital are as under:

The Company has only one class of equity shares having a par value of INR 10 per share. Each share holder is entitled to one vote per share. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by each of the equity share holders.

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Value	Number of shares	Value
Equity shares outstanding at the beginning of the year	45,000	0.45	45,000	0.45
Equity shares outstanding at the end of the year	45,000	0.45	45,000	0.45

(c) Shares held by holding company/ promoters:

	As at 31 March 2023			As at 31 March 2022			As at 1 April 2021	
	Number of shares held	% Holding in that class of shares	% Change during the year	Number of shares held	% Holding in that class of shares	% Change during the year	Number of shares held	% Holding in that class of shares
Equity shares of Re.10/- each fully paid up Indiamart Intermesh Ltd.(One share held by Dinesh Chandra Agarwal (Nominee of Indiamart Intermesh Ltd.)	45,000	100.00%	100.00%	-	-	-	-	-
Dinesh Kumar Gupta	-	-	-100.00%	17,400	38.67%	-	17,400	38.67%
Mukesh Gupta	-	-	-100.00%	5,000	11.11%	-	5,000	11.11%
Swati Gupta	-	-	-100.00%	5,000	11.11%	-	5,000	11.11%
Rajesh Gupta	-	-	-100.00%	17,500	38.89%	-	17,500	38.89%
Harish Chander	-	-	-100.00%	100	0.22%	-	100	0.22%

(d) Particulars of shareholders holding more than 5% of total number of equity shares:

	As at 31 March 2023		As at 31 March 2022		As at 1 April 2021	
	Number of shares held	% Holding in that class of shares	Number of shares held	% Holding in that class of shares	Number of shares held	% Holding in that class of shares
Equity shares of Re.10/- each fully paid up Indiamart Intermesh Ltd.	44,999	100.00%	-	0.00%	-	0.00%
Dinesh Kumar Gupta	-	0.00%	17,400	38.67%	17,400	38.67%
Mukesh Gupta	-	0.00%	5,000	11.11%	5,000	11.11%
Swati Gupta	-	0.00%	5,000	11.11%	5,000	11.11%
Rajesh Gupta	-	0.00%	17,500	38.89%	17,500	38.89%

In the current year, IndiaMart InterMesh Limited ('IndiaMart') had entered into share purchase agreement dated April 06, 2022 with Mr. Dinesh Kumar Gupta, Mr. Mukesh Gupta, Ms. Swati Gupta, Mr. Rajesh Gupta and Mr. Harish Chander, erstwhile shareholders of the Company. Pursuant to the share purchase agreement, IndiaMart has acquired entire shareholding of the Company from the above stated erstwhile shareholders and consequently, the Company has become wholly owned subsidiary of India Mart from such date.

Busy Infotech Private Limited**Notes to Financial Statements for the year ended 31 March 2023**

(Amount in INR millions, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
12 Other equity		
General Reserve		
At the commencement of the year	403.17	403.17
At the end of the year	403.17	403.17
Retained earnings		
At the commencement of the year	70.49	(8.04)
Add: Profit for the year	103.00	81.62
Add: Other Comprehensive Income for the year	5.75	(3.09)
At the end of the year	179.24	70.49
Total other equity	582.41	473.66

Nature and purpose of reserves and surplus:

a) General reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes, as the same is created by transfer from one component of equity to another.

b) Retained earnings: Retained earnings represent the amount of accumulated earnings of the Company, and re-measurement gains/losses on defined benefit plans.

13 Trade payables

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
(a) Total outstanding dues of micro enterprises and small enterprises	1.07	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	12.91	15.66	15.70
	13.98	15.66	15.70

Dues to micro and small enterprises - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act)

This information has been determined to the extent such parties have been identified on the basis of information available with the Company

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
(a) Principal amount remaining unpaid to any supplier as at the end of the year.	1.07	-	-
Interest due thereon remaining unpaid to any supplier as at the end of the year.	-	-	-
(b) Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-	-
(c) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-	-
(e) The amount of further interest remaining due and payable even in succeeding year, 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 MSMED Act 2006	-	-	-
	1.07	-	-

Trade Payable Aging Schedule

Particulars	Unbilled Dues	Trade Payables which are not due	Outstanding for following periods from due dates of payments as at 31 March 2023				Total
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	1.07	-	-	-	-	1.07
(ii) Others	10.42	2.49	-	-	-	-	12.91
(iii) Disputed -MSME*	-	-	-	-	-	-	-
(iv) Disputed -Others	-	-	-	-	-	-	-

Particulars	Unbilled Dues	Trade Payables which are not due	Outstanding for following periods from due dates of payments as at 31 March 2022				Total
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	-	-	-	-	-	-
(ii) Others	14.26	1.40	-	-	-	-	15.66
(iii) Disputed -MSME*	-	-	-	-	-	-	-
(iv) Disputed -Others	-	-	-	-	-	-	-

Particulars	Unbilled Dues	Trade Payables which are not due	Outstanding for following periods from due dates of payments as at 1 April 2021				Total
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	-	-	-	-	-	-	-
(ii) Others	-	15.70	-	-	-	-	15.70
(iii) Disputed -MSME*	-	-	-	-	-	-	-
(iv) Disputed -Others	-	-	-	-	-	-	-

* MSME as per the micro, Small and Medium Enterprises Development Act, 2006.

14 Lease and other financial liabilities

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Lease liabilities (Refer Note 5B)			
Current	-	0.88	0.73
Non Current	-	2.30	3.18
Total	-	3.18	3.91
Other financial liabilities			
Current			
Payable to employees	29.28	8.85	17.31
Others	0.59	2.50	4.20
Payable to the holding company (refer note 29)	3.15	-	-
Payable to dealers	22.32	19.44	16.08
Total	55.34	30.79	37.59

15 Provisions

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Non-Current			
Provision for employee benefits*			
Provision for gratuity	9.60	10.02	3.52
Total	9.60	10.02	3.52
Current			
Provision for employee benefits*			
Provision for gratuity	2.76	1.34	0.64
Provision for leave encashment	7.44	2.27	1.63
Total	10.20	3.61	2.27

*Refer Note 26

16 Contract and other liabilities

	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Contract liabilities*			
Non-current			
Deferred revenue	51.11	42.93	1.03
	51.11	42.93	1.03
Current			
Deferred revenue	178.09	92.93	78.61
Advance from customers	43.51	85.64	79.03
	221.60	178.57	157.64
Total	272.71	221.50	158.67
Other liabilities-Current			
Statutory dues			
Tax deducted at source payable	2.02	7.29	6.24
GST & PF & PT payable	10.81	14.75	12.24
Other advances	4.10	1.85	4.56
Total	16.93	23.89	23.04

18 REVENUE FROM OPERATIONS

Set out below is the disaggregation of the Company's revenue from contract with customers

	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from sale of accounting software and allied services	433.06	353.75
Total	433.06	353.75

Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:

	As at 31 March 2023		As at 31 March 2022	
	Less than 12 months	More than 12 Months	Less than 12 months	More than 12 Months
Accounting software and allied services	221.60	51.11	178.57	42.93
	221.60	51.11	178.57	42.93

No single customer represents 10% or more of the Company's total revenue during the year ended 31 March 2023 and 31 March 2022.

19 Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
Gain on sale of Investments (net)	5.06	6.57
Interest income under the effective interest method		
- on bank deposits	5.69	6.80
- on corporate deposits and loans	7.36	5.54
Other Interest Income	-	0.12
Dividend Income from investment in equity instruments	-	0.07
Financial assets at FVTPL-net change in fair value		
-Mandatorily measured at FVTPL-others	19.00	10.66
Gain on de-recognition of Right-of-use assets	0.46	-
Net gain on disposal of property, plant and equipment	0.48	-
Miscellaneous Income	0.30	0.11
Total	38.35	29.87

20 Employee benefits expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	199.33	164.21
Contribution to provident and other funds	5.49	3.81
Gratuity expense	5.45	3.06
Share based payment to employees (refer note 32)	3.15	-
Staff welfare expenses	4.89	3.98
Total	218.31	175.06

21 Finance costs

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on lease liabilities	0.31	0.40
Total	0.31	0.40

22 Depreciation and amortisation expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment (Refer note 5A)	5.44	2.12
Depreciation of Right-of-use assets (Refer note 5B)	0.90	0.93
Amortisation of intangible assets (Refer note 6)	0.25	0.66
Total	6.59	3.71

23 Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Repairs and maintenance:	0.91	2.08
Legal and professional fees	31.46	8.07
Advertisement expenses	4.28	17.69
Commission on sales	12.43	10.01
Sales promotion expenses	4.96	14.36
Power & fuel	1.23	1.41
Telephone Expenses	0.84	0.69
Rent	8.63	7.87
Travelling and conveyance	6.00	0.96
Directors' sitting fees	0.40	-
Software expenses	7.38	1.20
Auditor's remuneration	1.46	0.25
Charity and donations	-	10.90
Consumables	2.71	9.76
Corporate social responsibility activities expenses (Refer note 31)	2.89	2.50
Customer Support Expenses	21.70	-
Property, plant and equipment written off	-	0.05
Miscellaneous expenses	4.64	4.10
	111.92	91.90

Payment to Auditors*

	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor:		
- Audit fee	1.40	0.25
- Other services	-	-
- Reimbursement of expenses	0.06	-
	1.46	0.25

Busy Infotech Private Limited
Notes to Financial Statements for the year ended 31 March 2023
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24 Income Tax

a) Income tax expense recognised in Statement of profit and loss

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Current tax expense		
Current tax for the year	-	45.14
	-	45.14
Deferred tax expense/(benefit)		
Relating to origination and reversal of temporary differences	31.28	(14.21)
	31.28	(14.21)
Total income tax expense	31.28	30.93

b) Income tax recognised in other comprehensive income/(loss) (OCI)

Deferred tax related to items recognised in OCI during the Year

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22
Net gain on remeasurements of defined benefit plans	(1.93)	1.04
	(1.93)	1.04

c) Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate

Particulars	For the year ended 31 March 2023	For the year ended 31 March, 2022
Profit before tax	134.28	112.55
Accounting profit before income tax	134.28	112.55
Tax expense at the statutory income tax rate @25.17%	33.80	28.33
Adjustments in respect of differences taxed at lower tax rates	(3.25)	(0.81)
Other non-deductible expenses and non-taxable income	0.73	3.41
	31.28	30.93

d) Breakup of deferred tax recognised in the Balance sheet

Particulars	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Deferred tax asset			
Property, plant and equipment and intangible assets	0.31	1.10	1.48
Bonus	-	0.07	-
Ind AS 116 - Leases impact	-	0.12	0.08
Security Deposit	-	-	-
Provision for gratuity and compensated absences	6.10	3.43	1.46
Deferred revenue and advance from customers/dealers	11.45	55.74	39.93
Unused tax credits	9.15	-	-
Others	0.43	0.43	-
Total deferred tax assets(A)	27.44	60.89	42.95
Deferred tax liabilities			
Investment in mutual funds, bonds, debentures measured at fair value	(5.44)	(5.92)	(3.23)
Investment in mutual funds, bonds, debentures measured at fair value-Long term	(0.25)		
Total deferred tax liabilities(B)	(5.69)	(5.92)	(3.23)
Net deferred tax assets (C) = (A) - (B)	21.75	54.97	39.72

Movement in deferred tax balances

31-Mar-23	Net Balance at 1 April 2022	Recognised in profit or loss	Recognised in OCI
Property, plant and equipment and intangible assets	1.10	(0.79)	-
Bonus	0.07	(0.07)	-
Ind AS 116 - Leases impact	0.12	(0.12)	-
Provision for gratuity and compensated absences	3.43	4.61	(1.93)
Deferred revenue and advance from customers/dealers	55.74	(44.29)	-
Unused tax credits	-	9.15	-
Investment in mutual funds, bonds, debentures measured at fair value	(5.92)	0.48	-
Investment in mutual funds, bonds, debentures measured at fair value- Long term	-	(0.25)	-
Others	0.43	-	-
Total	54.97	(31.28)	(1.93)

Net	Deferred Tax Assets	Deferred Tax Liabilities
0.31	0.31	-
-	-	-
-	-	-
6.10	6.10	-
11.45	11.45	-
9.15	9.15	-
(5.44)	-	(5.44)
(0.25)	-	(0.25)
0.43	0.43	-
21.75	27.44	(5.69)

31-Mar-22	Net Balance at 1 April 2021	Recognised in profit or loss	Recognised in OCI
Property, plant and equipment and intangible assets	1.48	(0.38)	
Bonus	-	0.07	
Ind AS 116 - Leases impact	0.08	0.04	
Provision for gratuity and compensated absences	1.46	0.93	1.04
Deferred revenue and advance from customers/dealers	39.93	15.80	
Unused tax credits	-		
Investment in mutual funds, bonds, debentures measured at fair value	(3.23)	(2.68)	
Others		0.43	
Total	39.72	14.21	1.04

Net	Deferred Tax Assets	Deferred Tax Liabilities
1.10	1.10	
0.07	0.07	
0.12	0.12	
3.43	3.43	
55.74	55.74	
-	-	
(5.92)		(5.92)
0.43	0.43	
54.97	60.89	(5.92)

c) Breakup of deferred tax expense/(income) recognised in Statement of profit and loss and OCI

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Property, plant and equipment and intangible assets	(0.79)	(0.38)
Bonus	(0.07)	0.07
Ind AS 116 - Leases impact	(0.12)	0.04
Provision for gratuity and compensated absences	2.68	1.97
Deferred revenue and advance from customers/dealers	(44.29)	15.80
Unused tax credits	9.15	-
Investment in mutual funds, bonds, debentures measured at fair value	0.48	(2.68)
Investment in mutual funds, bonds, debentures measured at fair value- Long term	(0.25)	
Others	-	0.43
Deferred tax expense	(33.21)	15.25
Income tax relating to items that will not be reclassified to profit or loss	(1.93)	1.04
	(31.28)	14.21

25 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the earnings for the period attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS are calculated by dividing the earnings for the period attributable to the equity holders of the Company by weighted average number of equity shares outstanding during the period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Basic		
Profit attributable to equity shareholders (A)	103.00	81.62
Weighted average number of equity shares used in calculating basic EPS (B)	45,000	45,000
Basic earnings per equity share (A/B)	2,288.99	1,813.80
Diluted		
Weighted average number of equity shares used in calculating basic EPS	45,000	45,000
Potential equity shares	-	-
Total no. of shares outstanding (including dilution) (C)*	45,000	45,000
Diluted earnings per equity share (A/C)	2,288.99	1,813.80

*There are no potential dilutive equity shares.

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Notes to the financial statements for the year ended 31 March,2023
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26 Defined benefit plan and other long-term employee benefit plan

The company has a defined benefit gratuity plan. Every employee who has completed statutory defined period of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with insurance company in form of qualifying insurance policy. This defined benefit plans exposes the Company to actuarial risks, such as longevity risk, interest rate risk and salary risk.

The amount included in the balance sheet arising from the Company obligation in respect of its gratuity plan is as follows:

Gratuity - defined benefit plan	As at 31 March 2023	As at 31 March 2022	As at 1st April 2021
Present value of defined benefit obligation	19.47	20.35	13.20
Fair value of plan assets	(7.11)	(8.99)	(9.04)
Net liability arising from defined benefit obligation	12.36	11.36	4.16

a) Reconciliation of the net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and other other long term employee benefit plan and its components.

Reconciliation of present value of defined benefit obligation for Gratuity:

	31 March 2023	31 March 2022	1st April 2021
Balance at the beginning of the year	20.35	13.20	10.74
Benefits paid	(2.45)	(0.55)	(0.22)
Current service cost	4.51	2.82	2.46
Interest cost	1.47	0.75	0.71
Actuarial (gains)/losses	-	-	-
- changes in demographic assumptions	0.01	0.87	-
- changes in financial assumptions	(5.17)	2.00	0.63
- experience adjustments	(2.50)	1.26	(1.13)
Transfer in/out	3.25	-	-
Balance at the end of the year	19.47	20.35	13.19

Movement in fair value of plan assets

	31 March 2023	31 March 2022	1st April 2021
Opening fair value of plan assets	9.00	9.03	7.34
Interest income	0.56	0.51	0.49
Actuarial (gains)/losses	0.02	-	(0.01)
Contributions from the employer	-	-	1.44
Benefits paid	(2.45)	(0.55)	(0.22)
Closing fair value of plan assets	7.13	8.99	9.04

The major categories of plan assets as a percentage of the fair value of the total plan assets are as follows:

	As at 31 March 2023	As at 31 March 2022	As at 1st April 2021
Funds managed by insurer	100%	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

b) Expense recognised in profit or loss

	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	4.51	2.82
Net interest expense	0.91	0.24
Components of defined benefit costs recognised in profit or loss	5.42	3.06
Remeasurement of the net defined benefit liability:		
Actuarial (gain)/loss on plan assets	-	-
Actuarial (gain)/loss on defined benefit obligation	(7.68)	4.13
Components of defined benefit costs recognised in other comprehensive Income	(7.68)	4.13

c) Actuarial assumptions

Principal actuarial assumptions as at reporting date (expressed as weighted averages):

	For the year ended 31 March 2023	For the year ended 31 March 2022
Discount rate	7.35%	6.25%
Salary growth rate	12% for first 2 years and 9% thereafter	13.00%
Attrition rate	17%	17%
Weighted average duration (based on discounted cashflows)	6 Years	6 Years
Mortality table	India Assured Life Morality (2012-14)	India Assured Life Morality (2012-14)

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

d) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Gratuity	Decrease	Increase
As at 31 March 2023		
Impact of change in discount rate by 0.5%	0.58	0.55
Impact of change in salary by 0.5%	0.51	0.52
Impact of attrition rate by 50% of attrition rates	1.51	1.02
Impact of mortality rate by 10% of mortality rates	0.00	0.00
As at 31 March 2022		
Impact of change in discount rate by 0.5%	0.66	0.62
Impact of change in salary by 0.5%	0.44	0.44
Impact of attrition rate by 50% of attrition rates	4.12	2.10
Impact of mortality rate by 10% of mortality rates	0.00	0.00

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

e) The table below summarises the maturity profile and duration of the gratuity liability:

Particulars	As at 31 March 2023	As at 31 March 2022
Within one year	2.76	2.39
Within two - five years	8.07	8.53
Within six years	1.42	1.40
Above six years	7.21	8.03
Total	19.46	20.36

f) Expected Contribution during the next annual reporting period	16.33	13.89
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Busy Infotech Private Limited
Notes to Financial Statements for the year ended 31 March 2023
(Amount in INR million, unless otherwise stated)

27 Fair values Measurements

a) Category wise details as to carrying value, fair value and the level of fair value measurement hierarchy of the company's financial instruments are as follows:

	Level	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Financial assets				
a) Measured at fair value through profit or loss (FVTPL)				
- Investment in equity instruments	Level 1	-	-	13.40
- Investment in mutual funds (refer note b(iii) below)		508.33	443.52	265.22
- Investment in bonds & debentures	Level 2	246.58	-	-
		754.91	443.52	278.62
b) Measured at amortised cost (Refer Note b(i) and (ii) below)				
-Trade receivables		54.73	82.82	84.21
-Cash and cash equivalents		47.47	45.36	25.37
- Bank balances other than cash and cash equivalents		-	9.72	9.62
-Loans		52.12	31.60	79.17
-Others financial assets		1.80	88.62	106.06
		156.12	258.12	304.43
Total (a+b)		911.03	701.64	583.05
Financial liabilities				
Measured at amortised cost (Refer Note b(i) and (ii) below)				
Trade payables		13.98	15.66	15.70
Other financial liabilities		55.34	33.96	41.50
Total		69.32	49.62	57.20

b) The following methods / assumptions were used to estimate the fair values:

- The carrying value of Deposits with Banks, Inter-corporate deposits with Financial institutions, trade receivables, cash and cash equivalents, loans to employees, trade payables, security deposits and other financial assets and other financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments. These have been assessed basis counterparty credit risk.
- Fair value of quoted mutual funds and equity instruments is based on quoted market prices at the reporting date. We do not expect material volatility in these financial assets.
- Fair value of the quoted bonds and debentures is determined using observable market's inputs and is classified as Level 2.
- The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. The company has not made any transfers between levels of the fair level hierarchy during the current year and previous year.

28 Financial risk management objectives and policies

The Company is exposed to market risk, credit risk and liquidity risk. The Company's board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is assisted in its oversight role by internal audit. Internal audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the audit committee.

i) Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's cash and bank balances, trade receivables, investments in mutual fund, bonds, debentures, Market linked debentures, loans and security deposits.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

The company maintains its cash and cash equivalents, bank deposits, inter-corporate deposits, investment in mutual funds, bonds, debentures and market linked debentures with reputed banks and financial institutions. The credit risk on these instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Expected Credit Loss

The allowance for lifetime expected credit loss on customer balances is Nil as on 31 March 2023, 31 March 2022 and 1 April 2021.

Security deposits and Loans

The Company monitors the credit rating of the counterparties on regular basis. These instruments carry very minimal credit risk based on the financial position of parties and Company's historical experience of dealing with the parties.

ii) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, and continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Contractual maturities of financial liabilities

	Within 1 year	Between 1 and 5 years and thereafter	Total
31 March, 2023			
Trade payables	13.98	-	13.98
Lease liabilities	-	-	-
Other financial liabilities	55.34	-	55.34
	69.32	-	69.32
	Within 1 year	Between 1 and 5 years and thereafter	Total
31 March, 2022			
Trade payables	15.66	-	15.66
Lease liabilities	0.88	2.30	3.18
Other financial liabilities	30.79	-	30.79
	47.33	2.30	49.63

iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include foreign currency receivables, deposits, investments in mutual funds, bonds, debentures and Market linked debentures.

a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of changes in foreign exchange rates relates primarily to the company's operating activities (when revenue or expense is denominated in a foreign currency). Currency risks related to the principal amounts of the company's US dollar trade receivables and the impact is not material.

b) Interest rate risk

Investment of short-term surplus funds of the company in liquid schemes of mutual funds, bonds, debentures & Market linked debentures provides high level of liquidity from a portfolio of money market securities and high quality debt and categorized as 'low risk' product from liquidity and interest rate risk perspectives.

Sensitivity	Impact on profit/equity before tax	
	For the year ended 31 March 2023	For the year ended 31 March 2022
+5% change in NAV of mutual funds, bonds, debentures & Market linked debentures.	37.75	22.18
- 5% change in NAV of mutual funds, bonds, debentures & Market linked debentures	(37.75)	(22.18)

The Company has only fixed rate financial assets (refer note 7 and 9) as at 31 March 2023, 31 March 2022 and 1 April 2021. There are no variable rate instruments held by the Company.

b) Sensitivity analysis – Equity price risk

All of the Company's listed equity investments are listed on either the Bombay Stock Exchange (BSE) or the National Stock Exchange (NSE). These investments are classified as at FVTPL, the impact of a 5% increase in the market price at the reporting date on profit or loss before tax and equity would have been an increase of INR NIL (31 March 2022: INR NIL and 1 April 2021: INR 0.67 millions); an equal change in the opposite direction would have decreased profit or loss before tax and equity by INR NIL (31 March 2022: INR NIL and 1 April 2021: INR 0.67).

29 RELATED PARTY TRANSACTIONS

- i) Names of related parties and related party relationship:**
- a) Holding Company**
- 1 Indiamart Intermesh Ltd. (w.e.f April 06, 2022)
- b) Individuals owning directly or indirectly, an interest in the voting power of the Company that gives them Significant Influence over the Company and Key Management Personnel (KMP)**
- 1 Mr. Dinesh Kumar Gupta, Managing Director (upto April 06, 2022)
 - 2 Mr. Harish Chander, Director (upto April 06, 2022)
 - 3 Mr. Rajesh Gupta, Director (upto April 06, 2022)
 - 4 Mr Brijesh Kumar Agarwal, Managing Director & CEO w.e.f April 06, 2022)
 - 5 Mr Prateek Chandra, Director (Wef April 06, 2022)
 - 6 Mr Mekin Maheshwari, Independent Director (w.e.f April 06, 2022)
- c) Relatives of the KMP**
- 1 Mrs. Anita Gupta, wife pf Mr. Dinesh Gupta (upto April 06, 2022)
 - 2 Mrs. Kailash Gupta, wife of Mr. Harish Chander (upto April 06, 2022)
 - 3 Mr Mukesh Gupta, Brother of Mr Dinesh Kumar Gupta and Rajesh Gupta (Upto April 06,2022)
 - 4 Mrs. Meena Gupta, wife of Mr. Rajesh Gupta, Director (upto April 06, 2022)

Busy Infotech Private Limited
Notes to Financial Statements for the year ended 31 March 2023
(Amount in INR millions, unless otherwise stated)

29 RELATED PARTY TRANSACTIONS - (Cont'd)

Holding Company	For the year ended 31 March, 2023	For the year ended 31 March 2022
i) Indiamart Intermesh Ltd.		
Share based payment to employees	3.15	-
	3.15	-

ii) Key management personnel compensation

	For the year ended 31 March 2023	For the year ended 31 March 2022
Short-term employee benefits	-	72.32
Post-employment benefits	-	-
Other long-term employee benefits	-	-
	-	72.32

The following table provides the total amount of transactions that have been entered into with the related parties for the relevant financial year:

Particulars	For the year ended 31 March, 2023	For the year ended 31 March 2022
Key management personnel		
Expenses for rent		
Mr. Dinesh Kumar Gupta	-	2.96
Mr. Rajesh Gupta	-	0.73
Remuneration		
Mr. Dinesh Kumar Gupta	-	36.00
Mr. Rajesh Gupta	-	36.00
Mr Harish Chander	-	0.32
Sitting fees		
Mekin Maheshwari	0.40	-
Relatives of KMP		
Expenses for rent		
Mr Mukesh Gupta	-	1.25
Mrs. Anita Gupta	-	1.16
Mrs. Meena Gupta	-	1.51
Entities in which KMP are Interested		
Expenses for rent	-	-
Remuneration	-	-

Terms and conditions of transactions with related parties

The transactions with related parties are entered on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial period through examining the financial position of the related party and the market in which the related party operates.

The following table discloses amounts due to or due from related parties at the relevant period end:

Balance Outstanding at the period end	As at 31 March 2023	As at 31 March 2022
Holding Company		
Share based payment to employees	3.15	-
Key management personnel		
Remuneration	-	3.34
Rent	-	-
Sitting fees	-	-
Relatives of KMP		
Remuneration	-	-
Rent	-	-
Entities in which KMP are Interested		
Remuneration	-	-
Rent	-	-

30 - Additional Regulatory Information

a) - Ratios

Ratio	Numerator	Denominator	Current Year	Previous year	% Variance*
Current Ratio (in times)	Current Assets	Current liabilities	2.88	2.44	18.14%
Debt-Equity Ratio (in times)	Total debt (represents lease liabilities) (Refer Note 1 below)	Shareholder's equity	Not Applicable*	0.01	Not Applicable*
Debt service coverage ratio (in times)	Earning available for debt service (Refer Note 2 below)	Debt Service (Refer Note 3 below)	Not Applicable*	94.15	Not Applicable*
Return on Equity Ratio (in %)	Profit after tax, attributable to equity shareholders	Average Shareholder's Equity	19.49%	18.77%	3.84%
Trade Receivables turnover ratio (in times)	Net Credit sales during the year	Average trade receivable	6.30	4.24	48.66%
Trade payables turnover ratio (in times)	Other expenses	Average trade payable	7.55	5.86	28.85%
Net capital turnover ratio (in times)	Revenue from operations	Working capital (Current Assets- Current liabilities)	0.73	0.97	-25.43%
Net profit ratio (in %)	Net profit after tax	Revenue from operations	23.79%	23.07%	3.09%
Return on Capital employed (ROCE) (in %)	Earning before interest and taxes	Capital employed (Refer Note 4 below)	17.15%	19.67%	-12.80%
Return on investment (ROI) (in %)	Income generated from invested funds (Refer Note 5 below)	Average invested funds in treasury investments (Refer Note 6 below)	5.37%	5.65%	-4.89%

Notes

- Total debt represents lease liabilities.
- Earning available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and amortizations + Interest + other adjustments like (gain)/ loss on sale of Fixed assets, shared based expenses etc.
- Debt service = Lease Payments (Interest + Principal)
- Capital Employed = Tangible net worth - Deferred tax assets + total debt
- Income generated from invested funds = FVTPL gain on mutual funds, bonds, debentures and units of alternative investment funds + Interest income from Bank deposits + Interest income on inter corporate deposits+ Gain on sale of investments
- Average invested funds in treasury investments = Average of opening treasury investments and closing treasury
- # Treasury Investments = Mutual funds, bonds, debentures, units of alternative investment funds and investment trust + Inter - corporate deposits + Bank deposits
- Average is calculating based on simple average of opening and closing balances.

Explanation where variance in ratio is more than 25%

*** Debt-Equity Ratio and Debt service coverage ratio**

The Company does not have any lease liability or debt, hence debt Equity ratio and debt service coverage ratio is not applicable

Trade Receivables turnover ratio

The increase in trade receivables turnover ratio is on account of improved collection from customers.

Trade payables turnover ratio

Increase in trade payable turnover ratio is due to reduction in payment cycle of the vendors.

Net capital turnover ratio

The decrease in net capital turnover ratio is on account of increase in working capital requirement during the year ended 31 March 2023.

The Company has been focussing on expansion of business operations, hence there has been an increase requirement of working capital.

Busy Infotech Private Limited
Notes to Financial Statements for the year ended 31 March 2023
(Amount in INR millions, unless otherwise stated)

31 Corporate Social Responsibility (CSR) expenditure	As at 31 March 2023	As at 31 March 2022
a) Amount required to be spent by the company during the year,	2.89	2.49
b) Amount approved by the Board to be spent during the year	2.89	2.49
c) Amount spent during the year:		
(i) construction/acquisition of any asset	-	-
(ii) on purpose other than (i) above	2.30	2.49
c) (Shortfall) /excess at the end of year #	(0.59)	-
d) Total previous year (Shortfall) /excess	-	-
e) Reason for shortfall	Refer note below	Not Applicable
f) Nature of CSR Activities	*	*
g) Details of related party transaction in relation to CSR expenditure	Nil	Nil
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the previous year shall be shown separately.	-	-

* Education and skill development, healthcare, socio-economic development and any activity covered under schedule VII of Companies Act 2013

The Company has CSR unspent amount for an ongoing project. Refer below table for details.

Details of ongoing project

Opening balance as at 1 April 2022		Amount required to be spent during the year	Amount spent during the year		Closing balance as at 31 March 2023	
With Company	In Separate CSR Unspent account		From Company's bank account	From Separate CSR Unspent account	With Company *	In Separate CSR Unspent account
-	-	2.89	2.30	-	-	0.59

Opening balance as at 1 April 2021		Amount required to be spent during the year	Amount spent during the year	Closing balance as at 31 March 2022
-	-	2.49	2.49	-

* The unspent amount has been transferred to separate dedicated CSR account before 30 days from the end of financial year ended 31 March 2023.

Busy Infotech Private Limited

Notes to Financial Statements for the year ended 31 March 2023

(Amount in INR millions, unless otherwise stated)

32 Share based payment plans**Stock appreciation rights (SAR)**

The company's holding company has granted stock appreciation rights to employee of the company. The

Number of units approved for employee of the Company	1,470
Method of Settlement	Equity
Vesting period (in months)	0 to 48 Months

The details of activity have been summarized below:

SAR 2022**For the year ended**

	Number of SAR units	Weighted Average Exercise Price (INR)
Outstanding at the beginning of the year	-	-
Exercised during the year	131	10
Expired during the year	-	-
Outstanding at the end of the year	1,339	10
Exercisable at the end of the year	-	-

Scheme details for the year ended 31 March 2023 are as follows:

	SAR 2022
Range of exercise prices	10
Number of units outstanding	1,339
Weighted average remaining contractual life of units (in years)	3
Weighted average exercise price	10

SAR units granted

The key inputs used in the measurement of the grant date fair valuation of equity settled plans are given in the table below:

	SAR 2022*
Weighted average share price	6,662
Exercise Price	10
Life of the options granted (Vesting and exercise year) in year	3

* The stock price as on the day prior to the grant date has been considered as the fair value.

Effect of the employee share-based payment plans on the statement of profit & loss:

	For the year ended 31 March 2023
Total Employee Compensation Cost pertaining to share-based payment plans	3.15

Busy Infotech Private Limited**Notes to the financial statements for the year ended 31 March,2023**

(Amount in INR,unless otherwise stated)

33 Disclosure under Ind AS 115 " Revenue from Contracts with Customers"**a. Trade receivables and contract liabilities balances**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Trade Receivables	54.73	82.82
Deferred revenue (contract liability)	272.71	221.50
Deferred revenue - variable consideration (contract liability)	-	-
Current	221.60	178.57
Non Current	51.11	42.93
	272.71	221.50

b. Performance obligation and remaining performance obligation which primarily includes license fee which is recognised over time proportionate basis.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Disclosure of the entity's remaining performance obligations:		
(a) the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period; and	272.71	221.50
(b) When the entity expects to recognise as revenue		
Within one year	221.60	178.57
After one year	51.11	42.93

c. Changes in contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contract liabilities		
Opening balances	221.50	158.67
Additions during the year	227.21	218.50
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	(176.00)	(155.67)
Closing balance	272.71	221.50

Busy Infotech Private Limited**Notes to the financial statements for the year ended March 31, 2023**

(Amount in INR, unless otherwise stated)

34 Following below are the statutory information as per the requirements of Schedule III amendment

- The company do not have any Benami property, where any proceedings has been initiated or pending against the company for holding any Benami property.
- The company has not entered in to any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- The company do not have any charge or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The company have not traded or invested in Crypto currency or Virtual currency during the financial year.
- There are no funds which 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:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- The company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- The Company is not declared a willful defaulter by any bank or financial institution or any other lender.
- The company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- The company (as per the provision of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

35 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has only one operating segment which is accounting software services, which acts as a single operating segment based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. Hence the company falls within a single operating segment "Accounting software services"

The company's revenue from continuing operations from external customers by location of operations are detailed below:

Revenue from External customers

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
India	404.2	335.62
Others	28.86	18.13
Total	433.06	353.75

Information about geographical areas

Geographical non- current assets are allocated based on the location of the assets. The requisite details are as follows:

Non Current assets*

	For the Year ended 31 March 2023	For the Year ended 31 March 2022
India	8.24	12.13
Others	-	-

* Non- current assets exclude financial instruments, tax assets and deferred tax assets.

Busy Infotech Private Limited

Notes to the financial statements for the year ended 31 March, 2023

(Amount in INR, unless otherwise stated)

36 Capital Management

The Company manages its capital to ensure that the company will be able to continue as a going concern while maximising the returns to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the company consists of no debts and only equity of the company

The Company is not subject to any externally imposed capital requirements.

The Company reviews the capital structure on a regular basis. As part of this review, the Company considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity. The funding requirement have been generally met through operating cash flows generated

37 Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be notified. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are notified.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/ W-100022

Prince
Sharma

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Prince Sharma

Partner

Membership No.: 521307

For and on behalf of the Board of Directors of

Busy Infotech Private Limited

Brijesh Kumar
Agrawal

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Date: 2023.04.27
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Brijesh Kumar Agrawal

(Managing Director & CEO)

DIN: 00191760

PRATEEK
CHANDRA

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Date: 2023.04.27
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Prateek Chandra

Director

DIN: 00356853

Place : Gurugram

Date : 27 April 2023

Place : Noida

Date : 27 April 2023

Place : Noida

Date : 27 April 2023