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Independent Auditor's Report

To the Members of Aditya Infotech Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Aditya Infotech Limited ('the Company'), which comprise the standalone Balance Sheet as at 31 March 2023, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Cash Flow and the standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Dehradun, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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Emphasis of Matter

4. We draw attention to note 52 to the accompanying standalone financial statements which describes that subsequent to year-end, allotment and lease of the land at Sector 135, Noida, has been cancelled by the Noida Authority, relying on the State Government Ordinance dated 7 January 2022, since the Company did not fulfil the conditions stipulated in the Transfer Memorandum and lease deed with respect to construction and development on such land within the prescribed timelines. The Company had approached the authorities seeking revocation of the cancellation and restoration of the allotment of said land, in response to which the Noida Authority vide its letter dated 18 September 2023 has confirmed that the matter is under consideration.

The management based on its internal assessment and inputs from its legal expert, is confident of receiving favourable order regarding restoration of the Company's title and rights to the leased land shortly and further, is confident for completion of construction and development activities on the said land within the timelines that may be prescribed by the authorities and accordingly, believes that no adjustment is necessary in the standalone financial statements at this stage.

Our opinion is not modified in respect of this matter.

Information other than the Standalone Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on our work we have performed, we conclude that there is a material misstatement of other information, we are required to report the fact.

The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

6. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

9. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
10. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to standalone financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the standalone financial statements of the Company to express an opinion on the standalone financial statements.



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11. 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.

Report on Other Legal and Regulatory Requirements

12. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
13. 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.
14. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;
 - 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 standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and 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 standalone financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company, as detailed in note 46 and 52 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023.



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- iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 53(h) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 53(i) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. a. The interim dividend declared and paid by the Company during the year ended 31 March 2023 and until the date of this audit report is in compliance with section 123 of the Act;
- b. The final dividend paid by the Company during the year ended 31 March 2023 in respect of such dividend declared for the previous year, is in accordance with section 123 of the Act to the extent it applies to payment of dividend; and
- c. As stated in note 47 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2023 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Deepak Mittal
Partner
Membership No.: 503843



UDIN: 23503843BGUTGY9206

Place: Gurugram
Date: 23 October 2023

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Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Aditya Infotech Limited on the standalone financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets and investment property.

(B) The Company has maintained proper records showing full particulars of intangible assets.

- (b) The property, plant and equipment, right of use assets and investment property have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

- (c) The title deeds of all the immovable properties including investment properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the standalone financial statements are held in the name of the Company. However, for title deeds of immovable properties in the nature of:

Type of Property	Property Address	Gross carrying value as at 31 March 2023 (Rs.in million)*
Leasehold Land	Plot no. 12, Block A Sector-4, Noida, Uttar Pradesh	23.44
Leasehold Land	Plot no. 11, Block A Sector-4, Noida, Uttar Pradesh	27.27
Freehold Land	F-28, Okhla, New Delhi	50.04
Investment Property - Building	Janki Centre, Andheri West, Mumbai	6.78

*Gross carrying value represents acquisition cost of respective immovable properties

which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

For properties where the Company is a lessee, the lease arrangements have been duly executed in favour of the Company except in following cases:

Description of property	Gross carrying value (Rs. in millions)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Plot no. 12A, Sector-135, Noida, Uttar Pradesh	173.31	Aditya Infotech Limited	No	5 years	The title of land is under dispute as the Noida Authority has cancelled the allotment of the land to the Company on the grounds of non-compliance of the terms and conditions stipulated in the transfer memorandum and lease deed. Also, refer note 52 of the standalone financial statements.



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Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Aditya Infotech Limited on the standalone financial statements for the year ended 31 March 2023

- d) The Company has not revalued its Property, Plant and Equipment, Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The Company has a working capital limit in excess of Rs 5 crore sanctioned by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/ review.
- (iii) (a) The Company has not provided any loans or provided any advances in the nature of loans, or guarantee, or security to any other entity during the year. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any investment, provided any guarantee or given any security during the year. Accordingly, reporting under clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies.
- (d) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (e) The Company has not granted any loan or advance in the nature of loan, which is repayable on demand or without specifying any terms or period of repayment during the current year.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.



Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Aditya Infotech Limited on the standalone financial statements for the year ended 31 March 2023

(vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (Rs. in millions)*	Amount paid under Protest (Rs. in millions)	Period to which the amount relates	Forum where dispute is pending
Income- tax Act, 1961	Income Tax on account of certain disallowances	197.43	3.80	Assessment year 2019-20	Commissioner of Income Tax (Appeals)
Income- tax Act, 1961	Income Tax on account of certain disallowances	0.40	-	Assessment year 2020-21	Assessing Officer
Income- tax Act, 1961	Income Tax on account of certain disallowances	0.63	-	Assessment year 2021-22	Assessing Officer
The Jammu and Kashmir Value Added Tax, 2005	Value Added Tax	2.55	0.07	Financial year 2016-17	J&K VAT Appellate Authority
The Jammu and Kashmir Value Added Tax, 2005	Value Added Tax	9.49	0.26	Financial year 2017-18	J&K VAT Assessing Authority
Customs Act, 1962	Short levy of Custom duty	5.16	0.13	Financial year 2020-21	Commissioner (Appeals) Mumbai
Customs Act, 1962	Short levy of Custom duty	17.79	-	Financial year 2020-21	Customs Audit Commissioner Tamil Nadu
Customs Act, 1962	Short levy of Custom duty	1.16	0.09	Financial year 2022-23	Commissioner (Appeals) Delhi
The Central Goods and Services Tax Act, 2017	Wrong availment of ITC	0.37	0.02	Financial year 2017-18	Commissioner (Appeals) Chattisgarh
The Central Goods and Services Tax Act, 2017	Wrong availment of ITC	4.15	0.21	Financial year 2018-19	Commissioner (Appeals) Mumbai

*Represents amounts as per demand orders and includes interest and penalties as per the respective orders, wherever applicable.



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Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Aditya Infotech Limited on the standalone financial statements for the year ended 31 March 2023

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the standalone financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or joint venture companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge 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 period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.



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Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of Aditya Infotech Limited on the standalone financial statements for the year ended 31 March 2023

- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, 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, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (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 standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Deepak Mittal

Partner

Membership No.: 503843



UDIN: 23503843BGUTGY9206

Place: Gurugram

Date: 23 October 2023

Walker ChandioK & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Aditya Infotech Limited on the standalone financial statements for the year ended 31 March 2023

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Aditya Infotech Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.



Walker Chandiok & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Aditya Infotech Limited on the standalone financial statements for the year ended 31 March 2023

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 standalone financial statements.

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

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

Opinion

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Deepak Mittal
Partner
Membership No.: 503843



UDIN: 23503843BGUTGY9206

Place: Gurugram
Date: 23 October 2023

ADITYA INFOTECH LIMITED

CIN: U74899DL1995PLC066784

Standalone Balance Sheet as at 31 March 2023

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

	Note	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	264.28	251.22
Right-of-use assets	5	368.52	277.64
Capital work in progress	6	1.83	-
Investment property	7	4.08	4.39
Other intangible assets	8A	11.33	12.18
Intangible assets under development	8B	63.79	41.67
Financial assets			
Investments	9	111.30	113.12
Other financial assets	10	179.17	153.34
Deferred tax assets (net)	11	56.74	59.44
Income tax assets (net)	12	8.03	4.73
Other non-current assets	13	41.63	42.47
		1,110.70	960.20
Current assets			
Inventories	14	5,110.50	3,026.75
Financial assets			
Investments	15	-	52.60
Trade receivables	16	6,149.58	5,249.33
Cash and cash equivalents	17	1,471.49	1,044.26
Bank balances other than cash and cash equivalents	18	2,238.22	961.57
Other financial assets	19	632.43	542.51
Other current assets	20	171.39	167.92
Total current assets		15,773.61	11,044.95
Total assets		16,884.31	12,005.15
EQUITY AND LIABILITIES			
Equity			
Equity share capital	21	20.50	25.00
Other equity	22	2,878.81	2,690.04
Total equity		2,899.31	2,715.04
Non current liabilities			
Financial liabilities			
Borrowings	23	427.81	491.90
Lease liabilities	5	96.84	38.21
Provisions	24	72.61	67.07
Total non current liabilities		597.26	597.18
Current liabilities			
Financial liabilities			
Borrowings	25	3,668.17	1,407.43
Lease liabilities	5	75.86	36.54
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	26	115.05	40.25
Total outstanding dues of creditors other than micro and small enterprises	26	8,989.78	6,625.86
Other financial liabilities	27	246.87	191.45
Provisions	28	64.79	70.04
Current tax liabilities (net)	29	33.53	104.16
Other current liabilities	30	193.69	217.20
Total current liabilities		13,387.74	8,692.93
Total equity and liabilities		16,884.31	12,005.15

The accompanying notes form an integral part of these standalone financial statements.

This is the Standalone Balance Sheet referred to in our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Deepak Mittal

Partner

Membership No.: 503843

For and on behalf of Board of Directors of

ADITYA INFOTECH LIMITED

Hari Shanker Khemka
Chairman
DIN:00514501

Aditya Khemka
Managing Director
DIN:00514552

Yogesh Sharma
Senior VP Finance



Place: Gurugram

Date: 23 October 2023

Place: Noida

Date: 23 October 2023

ADITYA INFOTECH LIMITED

CIN: U74899DL1995PLC066784

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

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

	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
Income:			
Revenue from operations	31	22,845.47	16,334.97
Other income	32	137.32	148.88
Total income		22,982.79	16,483.85
Expenses:			
Purchases of stock-in-trade	33	21,076.39	15,736.85
Changes in inventories of stock-in-trade	34	(2,093.31)	(2,324.38)
Employee benefits expense	35	1,020.14	826.77
Finance costs	36	232.16	203.81
Depreciation and amortization expenses	37	88.49	75.40
Other expenses	38	1,229.14	751.66
Total expenses		21,553.01	15,270.11
Profit before exceptional items and tax		1,429.78	1,213.74
Exceptional items	39	57.87	48.39
Profit before tax		1,371.91	1,165.35
Tax expense:	40		
Current tax expense		346.35	306.16
Deferred tax expense		2.37	15.61
Earlier years tax adjustments (net)		1.86	7.16
Total tax expense		350.58	328.93
Profit for the year		1,021.33	836.42
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurements of the defined benefit plans		1.36	(11.36)
Income tax relating to above item		(0.34)	2.86
Other comprehensive income		1.02	(8.50)
Total comprehensive income for the year		1,022.35	827.92
Earnings per equity share (Rs. 10 per share)			
Basic and diluted	41	414.75	334.57

The accompanying notes form an integral part of these standalone financial statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Deepak Mittal

Deepak Mittal
Partner
Membership No.: 503843


For and on behalf of Board of Directors of
ADITYA INFOTECH LIMITED

Hari Shanker Khemka

Hari Shanker Khemka
Chairman
DIN:00514501

Aditya Khemka

Aditya Khemka
Managing Director
DIN:00514552

Yogesh Sharma

Yogesh Sharma
Senior VP Finance

Place: Gurugram

Date: 23 October 2023

Place: Noida

Date: 23 October 2023



ADITYA INFOTECH LIMITED

CIN: U74899DL1995PLC066784

Standalone Statement of Cash flows for the year ended 31 March 2023

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A Cash flow from operating activities		
Profit before tax	1,371.91	1,165.35
Adjustments for:		
Depreciation and amortization expenses	88.49	75.40
Interest income on bank deposits	(60.85)	(65.02)
Interest income on security deposits	(0.50)	(0.51)
Dividend income	(28.69)	(0.06)
Liabilities no longer required written back	(15.34)	(72.92)
Loss/(profit) on sale of property, plant and equipment (net)	(0.01)	1.76
Rental income	(4.68)	(4.31)
Provision for SAD claims	-	1.19
Balances written off	18.25	68.97
Foreign exchange (gain)/loss (net)	7.51	0.77
Finance cost	201.09	170.35
Loss on derivative contracts	-	1.02
Interest expense on lease liabilities	13.40	8.76
Gain on extinguishment of lease	(2.22)	-
Rent concession	-	(0.91)
Loss on measurement of investment at FVTPL	1.82	0.45
Operating profit before working capital changes	1,590.16	1,350.29
Movement in working capital		
Increase in inventories	(2,083.75)	(2,323.61)
Increase in trade receivables	(888.82)	(1,662.55)
Increase in other current assets and non current assets	(3.24)	(89.74)
Increase in other financial assets	(96.57)	(519.81)
Increase in other financial liabilities	34.50	162.75
Increase/ (decrease) in other current liabilities	(23.51)	65.97
Increase in provisions	1.66	16.38
Increase in trade payables	2,446.55	3,651.64
Cash flow from operating activities post working capital changes	976.97	651.32
Income tax (paid)/ refund received (net)	(422.15)	(218.96)
Net cash flow from operating activities (A)	554.82	432.36
B Cash flow from investing activities		
Additions to property, plant and equipment, capital work in progress, other intangible assets and intangible assets under development	(71.17)	(67.14)
Investments in fixed deposits (net)	(1,295.33)	(861.32)
Sale of property, plant and equipment	0.72	0.13
Repayment of loan from related parties	-	3.79
Proceeds from bonds	52.60	-
Investment in bonds	-	(52.60)
Rental income	4.68	4.31
Dividend income	28.69	0.06
Interest received	60.85	96.66
Net cash flow used in investing activities (B)	(1,218.96)	(876.10)
C Cash flow from financing activities		
Finance cost paid	(201.09)	(168.72)
Proceeds from related party loans	300.00	-
Proceeds from long-term borrowings	25.00	500.00
Repayment of long term borrowings	(389.09)	(87.96)
Proceeds from short term borrowings	7,868.07	380.00
Repayment of short term borrowings	(5,616.09)	(369.00)
Buy back of equity shares	(799.58)	-
Dividend paid during the year	(38.50)	(10.00)
Principal payment of lease liabilities	(43.94)	(36.38)
Interest payment of lease liabilities	(13.40)	(8.76)
Net cash flow from financing activities (C)	1,091.37	199.18
Net increase/(decrease) in cash and cash equivalents (A+B+C)	427.23	(244.57)
Cash and cash equivalents at the beginning of the year	1,044.26	1,288.83
Cash and cash equivalents at the end of the year	1,471.49	1,044.26



ADITYA INFOTECH LIMITED

CIN: U74899DL1995PLC066784

Standalone Statement of Cash flows for the year ended 31 March 2023

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

Balances with scheduled banks and cash in hand:

- Cash in hand
- In current accounts
- In cash credit accounts
- Cheques in hand
- Deposits with original maturity of less than 3 months

Total cash and cash equivalents (refer note 17)

As at 31 March 2023	As at 31 March 2022
1.22	1.20
3.42	255.83
56.28	430.40
493.27	294.38
917.30	62.45
1,471.49	1,044.26

Note: The above standalone cash flow statement has been prepared under the "Indirect method" as set out in the Indian Accounting Standard (Ind AS-7) Statement of Cash Flow.

The accompanying notes form an integral part of these standalone financial statements.

This is the Standalone Statement of Cash flows referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Deepak Mittal
Partner
Membership No.: 503843



Place: Gurugram
Date: 23 October 2023

For and on behalf of Board of Directors of
ADITYA INFOTECH LIMITED


Hari Shanker Khemka
Chairman
DIN:00514501


Aditya Khemka
Managing Director
DIN:00514552


Yogesh Sharma
Senior VP Finance

Place: Noida
Date: 23 October 2023



ADITYA INFOTECH LIMITED

CIN: U74899DL1995PLC066784

Standalone Statement of Changes in Equity for the year ended 31 March 2023

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

A. Equity share capital (refer note 21)

Current Reporting Period

Particulars	Opening balance as at 1 April 2022	Issue during the year	Changes in equity share capital during the year*	Balance as at 31 March 2023
Equity share capital	25.00	-	(4.50)	20.50

* Refer Note 21(f)

Previous reporting period

Particulars	Opening balance as at 1 April 2021	Issue during the year	Changes in equity share capital during the year	Balance as at 31 March 2022
Equity share capital	25.00	-	-	25.00

B. Other equity (refer note 22)

Particulars	Reserves and Surplus			Total
	Retained Earnings	General reserve	Capital Redemption Reserve	
Balance as at 31 March 2021	1,701.70	170.42	-	1,872.12
Profit for the year	836.42	-	-	836.42
Other comprehensive income for the year (net of tax impact)	(8.50)	-	-	(8.50)
Dividend paid during the year (refer note 47)	(10.00)	-	-	(10.00)
Balance as at 31 March 2022	2,519.62	170.42	-	2,690.04
Profit for the year	1,021.33	-	-	1,021.33
Premium paid on buy back of equity shares*	(644.86)	-	-	(644.86)
Tax paid on buy back of equity shares*	(150.22)	-	-	(150.22)
Transfer to capital redemption reserve upon buy back of equity shares*	(4.50)	-	4.50	-
Other comprehensive income for the year (net of tax impact)	1.02	-	-	1.02
Dividend paid during the year (refer note 47)	(38.50)	-	-	(38.50)
Balance as at 31 March 2023	2,703.89	170.42	4.50	2,878.81

* Refer Note 21(f)

The accompanying notes form an integral part of these standalone financial statements.

This is the Standalone Statement of Changes in Equity referred to in our report of even date

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Deepak Mittal

Deepak Mittal

Partner

Membership No.: 503843



For and on behalf of Board of Directors of
ADITYA INFOTECH LIMITED

Hari Shanker Khemka

Hari Shanker Khemka

Chairman

DIN:00514501

Y. Sharma

Yogesh Sharma

Senior VP Finance

Aditya Khemka

Aditya Khemka

Managing Director

DIN:00514552



Place: Gurugram

Date: 23 October 2023

Place: Noida

Date: 23 October 2023

1 Corporate information

Aditya Infotech Limited ("the Company") is a Public limited company having CIN no. U74899DL1995PLC066784 and was incorporated on 27th March 1995 with Registrar of Companies, New Delhi. The Company's registered office is situated at F-28, Okhla Industrial Area, Phase-1, New Delhi - 110020 and corporate office is situated at A- 12, Sector-4, Noida - 201301. The Company is engaged in trading of security and surveillance equipment and components under 'CP Plus' brand. Further, the Company is also engaged in trading of security and surveillance equipments and components manufactured by Dahua Technologies Group.

2 Basis of preparation of Standalone financial statements

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, presentation requirements of Division II of Schedule III to the Companies Act, 2013 ("Ind AS compliant schedule") and other relevant provisions of the Act.

The standalone financial statements have been prepared on the historical cost basis, except for the following assets and liabilities:

- a) Certain financial assets and liabilities that are measured at fair value; and
- b) Defined benefit plans-plan assets measured at fair value.

The standalone financial statements have been prepared and presented in INR, which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest million unless, except when otherwise indicated.

The standalone financial statements were approved for issue by the Company's Board of Directors on 23 October 2023.

(b) Use of estimates

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

3 Significant accounting policies

The significant accounting policies that are used in the preparation of these standalone financial statements are summarised below. These accounting policies are consistently used throughout the periods presented in the standalone financial statements.

(a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

*Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the transaction price for each separate performance obligation taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The transaction price is net of estimated customer returns, rebates, discounts and other similar allowances.



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(i) Sale of security and surveillance equipment and components

Revenue is recognized upon transfer of control of promised goods to customers in an amount that reflects the consideration which Company expects to receive in exchange of those goods. Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer, based on terms of contracts with the customers which generally coincides with delivery of products to customers in case of domestic sales and on the basis of bill of lading in the case of export sales.

Revenue from the sale of goods is recognised when the control of the product is transferred, the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Company has a present right to payment for the asset.
- The Company has transferred physical possession of the asset, whereby the customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset or to restrict the access of other entities to those benefits.

Provision for contractual warranty is recognised as per the principles defined under Ind AS 37 Provisions, Contingent liabilities and Contingent assets. When the consideration is received, before the entity transfers a goods to the customer, the entity shall present the consideration as contract liability.

(ii) Rendering of services including business support and technical training services

(a) Revenue from business support services is recognised over a period of time when the services are rendered as per the terms of the respective contracts with the customers.

(b) Revenue from other services including technical training services are recognised at a point in time as and when the services are rendered as per the terms of the respective contracts with the customers.

(iii) Dividend income

Dividend is recognised when right to receive the payment is established.

(iv) Interest income

Interest income from a financial asset is recognised and accrued using effective interest rate method.

(v) Insurance & Other Claims

Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

(c) Inventory

Inventories are stated at the lower of cost determined on weighted average cost basis and net-realizable value. Cost includes freight, taxes and duties net of GST input tax credit, wherever applicable. Customs duty payable on material in bonded warehouse is added to the cost of the material.

Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and cost necessary to make the sale.

(d) Property, plant and equipment

Property plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately. Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress. Depreciation on Property, Plant and Equipment is provided using written down value method on depreciable amount. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The estimates of useful life of property, plant and equipment are as follows:

Particulars	Useful life as per Schedule II of the Act
Building	60 Years
Computers and Peripherals	
- Computers	3 Years
- Servers	6 Years
Office Equipment	5 Years
Furniture, Fixture and Fittings	10 Years
Motorcycles and scooters	10 Years
Motor cars	8 Years
Plant and machinery	15 Years

De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.



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(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. 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.

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	Useful life
Computer Software	6 years
Trademark	10 years

De-recognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gain or loss arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(f) Investment properties

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the written down value method computed on the basis of useful lives as prescribed in the Schedule II of the Act:

Investment property	Useful life as per Schedule II of the Act
Building	60 years

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

Investment properties are de-recognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

(g) Impairment of non-financial assets- property, plant and equipment, intangible assets and investment property

At the end of each reporting period, the entity reviews the carrying amount of property, plant and equipment, intangible assets and investment property to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generated unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(h) Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost less accumulated impairment loss, if any. Cost includes related acquisition expenses, development costs, borrowing costs and other direct expenditure.

(i) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.



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(j) Cash Flow Statement

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

(k) Earnings per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company 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 fresh issue, bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(l) Provisions, Contingent liabilities and Contingent assets**(i) 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 at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. The expense relating to a provision is presented in the statement of profit and loss.

(ii) Contingent liabilities

A contingent liability is recognised for:

- Possible obligation which will be confirmed only by future events not wholly within the control of the Company.
- Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.

(iii) Contingent assets

Contingent assets are not recognised in the standalone financial statements. Contingent assets are disclosed in the standalone financial statements to the extent it is probable that economic benefits will flow to the Company from such assets.

(m) Leases: Right-of-use asset and Lease liabilities

The Company's lease asset classes primarily consist of leases for land and buildings- warehouse and office premises and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), and low value leases. For these short-term and low value leases, the Company recognises the lease rentals as an operating expense in the statement of profit and loss account.

(i) Right-of-use assets

At the commencement date, the right of use assets is measured at cost. The cost includes an amount equal to the lease liabilities plus adjusted for the amount of prepaid or accrued lease payments. After the commencement date, the right of use assets is measured in accordance with the accounting policy for property, plant and equipment i.e. right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the period of the lease term.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs, and
- restoration costs.

(ii) Lease liabilities

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used.



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(iii) Lease term

At the commencement date, the Company determines the lease term which represents non-cancellable period of initial lease for which the asset is expected to be used, together with the periods covered by an option to extend or terminate the lease, if the Company is reasonably certain at the commencement date to exercise the extension or termination option.

(iv) Short term leases and leases of low-value assets

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

(v) Others

The following is the summary of practical expedients elected on initial application:

- (i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- (ii) Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application and low value asset.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of property, plant and office equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

(n) Foreign Currencies

The Company's Financial Statements are presented in INR which is also the Company's functional currency. Foreign currency transaction are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction. Monetary assets and liabilities outstanding at the year-end are translated at the rate of exchange prevailing at the year-end and the gain or loss, is recognised in the Standalone statement of profit and loss.

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

(o) Borrowing costs

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

(p) Retirement and other employee benefits**(i) Defined contribution plans**

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a Government administered fund and charged as an expense to the standalone statement of profit and loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

(ii) Defined benefit plan**Gratuity**

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is determined by actuarial valuation as on the balance sheet date, using the projected unit credit method. Remeasurements, 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. Remeasurements 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.

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 nonroutine settlements; and
- Net interest expense or income.



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

(iii) Other long-term employee benefits (compensated absences)

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the Statement of profit and loss in the year in which such gains or losses are determined.

(iv) Short-term and other long-term employee benefits

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employees.

(q) Investments in subsidiary and joint venture

Investments representing equity interests in subsidiary and joint venture are carried at cost.

(r) Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

(i) Current tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted as at the reporting date.

Current income tax relating to item recognized outside the statement of profit and loss is recognized outside profit or loss (either in other comprehensive income or equity). Current tax items are recognized in correlation to the underlying transactions either in OCI or directly in equity.

The Company's 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 current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

(ii) Deferred tax

Deferred income tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred 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 liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(iii) Indirect taxes

GST input tax credit on materials purchased / services availed for production / Input services are taken into account at the time of purchase and availing services. GST input tax credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired. The GST input tax credits so taken are utilised for payment of GST on supply and service. The unutilised GST input tax credit is carried forward in the books of accounts as 'balance with government authorities'.



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(s) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provision of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

B. Subsequent Measurement

a) Financial Assets Measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets Measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories is measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

C. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

(i) Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

(ii) Other financial assets

In respect of its other financial assets, the entity assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the entity measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the entity uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the entity compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains subsequently all the risks and rewards of ownership and continues to control the transferred asset, the entity recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.



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Financial liabilities**A. Initial Recognition and Measurement**

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement

Financial Liabilities are carried at amortized cost using the effective interest method.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in consolidated statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the standalone statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

C. De-recognition of financial liabilities

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

Offsetting of financial instruments

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

(t) Fair value measurement

The Company measures financial instruments 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:

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

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 economic best 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 statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For assets and liabilities that are recognised in the standalone 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.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(u) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses from changes in the fair value of derivatives are taken directly to statement of profit and loss.

(v) Exceptional items

Items which are material by virtue of their size and nature are disclosed separately as exceptional items to ensure that financial statements allows an understanding of the underlying performance of the business during the year and to facilitate comparison with prior year.



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(w) **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM").

Identification of segments:

In accordance with Ind AS 108 Operating Segments, the operating segments used to present segment information are identified on the basis of information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components.

Results of the operating segments are reviewed regularly by the Chief Operating Decision Maker, to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

(x) **Significant estimates and judgements**

The preparation of these Standalone Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Standalone Financial Statements is included in the following notes:

- Recognition and estimation of tax expense including deferred tax – Note 3(r), Note 11 and Note 40
- Estimated impairment of financial assets and non-financial assets – Note 3(g) and Note 3(s)
- Assessment of useful life of property, plant and equipment, investment property and intangible assets – Note 3(d), (e), (f) and Note 4, Note 7 and Note 8
- Estimation of assets and obligations relating to employee benefits – Note 3(p) and Note 45
- Valuation of inventories – Note 3(c)
- Recognition and measurement of contingent liabilities – Note 3(l) and Note 46
- Provisions – Note 3(l)
- Leases – Note 3(m) and Note 5
- Fair value measurement – Note 3(t) and Note 42
- Provision for warranty – Note 3(b) and Note 24 and 28
- Expected credit loss – Note 3(s) and Note 16

(y) **Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

(i) Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies and include corresponding amendments to Ind AS 107 and Ind AS 34. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

(ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

(iii) Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. Also there is corresponding amendment to Ind AS 101. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

The Company has evaluated the above amendments and the impact thereof is not expected to be material on these standalone financial statements.



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ADITYA INFOTECH LIMITED

CIN: U74899DL1995PLC066784

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

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

4. Property, plant and equipment

Particulars	Land	Building	Plant and machinery	Computers	Office equipment	Vehicles	Furniture and fixtures	Total
As at 31 March 2021	50.04	162.16	2.53	7.29	14.24	24.05	19.44	279.75
Additions	-	-	-	7.07	4.12	12.15	0.01	23.35
Disposals	-	-	0.14	0.83	1.77	0.01	0.63	3.38
As at 31 March 2022	50.04	162.16	2.39	13.53	16.59	36.19	18.82	299.72
Additions	-	-	-	11.96	2.13	28.13	1.98	44.20
Disposals	-	-	-	-	7.19	3.50	0.47	11.16
As at 31 March 2023	50.04	162.16	2.39	25.49	11.53	60.82	20.33	332.76
Accumulated depreciation								
As at 31 March 2021	-	7.91	0.49	3.23	4.55	1.47	4.78	22.43
Charge for the year	-	7.67	0.39	3.75	3.06	8.90	3.79	27.56
Disposals	-	-	0.05	0.20	0.99	0.00	0.25	1.49
As at 31 March 2022	-	15.58	0.83	6.78	6.62	10.37	8.32	48.50
Charge for the year	-	7.15	0.29	7.74	3.83	8.63	2.79	30.43
Disposals	-	-	-	-	6.83	3.22	0.40	10.45
As at 31 March 2023	-	22.73	1.12	14.52	3.62	15.77	10.71	68.48
Net block as at 31 March 2022	50.04	146.58	1.56	6.75	9.97	25.82	10.50	251.22
Net block as at 31 March 2023	50.04	139.43	1.27	10.97	7.91	45.05	9.62	264.28

(i) Contractual obligations

Refer note 46 for contractual commitments for acquisition of property, plant and equipment as at 31 March 2023 and 31 March 2022.

(ii) Capitalised borrowing costs

There were no borrowing costs capitalised for the years ended 31 March 2023 and 31 March 2022.

(iii) Property, plant and equipment pledged as security for borrowings

Property, plant and equipment have been pledged as security for borrowings, refer note 23 for details.



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5 Leases

a) Right of use

Particulars	Leasehold land*	Office and warehouse	IT equipment	Vehicles	Total
Right-of-use assets					
As at 31 March 2021	213.95	91.25	-	3.74	308.94
Additions	-	37.56	-	2.37	39.93
Deletions	-	(4.80)	-	(1.29)	(6.09)
As at 31 March 2022	213.95	124.01	-	4.82	342.78
Additions	-	164.35	5.09	11.19	180.63
Deletions	-	(55.66)	-	(1.66)	(57.32)
As at 31 March 2023	213.95	232.69	5.09	14.35	466.09
Accumulated depreciation					
As at 31 March 2021	3.01	24.57	-	1.67	29.25
Charge for the year	3.01	37.27	-	1.52	41.80
Disposals	-	(4.62)	-	(1.29)	(5.91)
As at 31 March 2022	6.02	57.22	-	1.90	65.14
Charge for the year	3.01	47.69	1.27	1.90	53.88
Disposals	-	(21.07)	-	(0.38)	(21.45)
As at 31 March 2023	9.03	83.84	1.27	3.42	97.57
Net Block as at 31 March 2022	207.93	66.79	-	2.92	277.64
Net Block as at 31 March 2023	204.92	148.85	3.82	10.94	368.52

*Also refer note 52

b) Lease Liability

Particulars	Total
Lease liability recorded	
As at 31 March 2021	72.58
Additions	39.64
Accretion of interest	8.76
Payments	(45.15)
Concessions	(0.91)
Deletions	(0.17)
As at 31 March 2022	74.75
Additions	177.76
Accretion of interest	13.40
Payments	(57.34)
Deletions	(35.87)
As at 31 March 2023	172.70

Lease liability	As at 31 March 2023	As at 31 March 2022
Current	75.86	36.54
Non-current	96.84	38.21
	172.70	74.75

c) Company as a lessee

The Company has leases for the land, office building, warehouse facilities, IT equipment and vehicles. With the exception of short term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. The Company is prohibited from selling or pledging the underlying leased assets as security. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

i) The amounts recognized in statement of profit and loss:-

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation expense of right-of-use assets	53.88	41.80
Interest expense on lease liabilities	13.40	8.76
Expense relating to short term leases	46.77	27.20
Gain on extinguishment and modification of lease	(2.22)	-
Rent concession	-	(0.91)
Net impact on statement of profit and loss	111.83	76.85

ii) Amounts recognized in the cash flow statement

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Payment of lease liabilities- principal and interest	57.34	45.15

iii) Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in Statement of profit and loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

The Company has recognised Rs. 46.77 million pertaining to 31 March 2023 and Rs. 27.20 million pertaining to 31 March 2022 in respect of short term leases entered into by the Company.



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iv) The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised in balance sheet:

Right of use asset	31 March 2023		31 March 2022	
	No. of right of use assets leased	Range of remaining term (in years)	No. of right of use assets leased	Range of remaining term (in years)
Office building	28	2-6 years	26	2-6 years
Warehouse facilities	9	2-3 years	10	2-3 years
Vehicles	12	2-5 years	7	2-5 years
Land	3	50-76 years	3	50-76 years
IT Equipment	2	2-3 years	-	-

v) Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments are as follows:

31 March 2023	Minimum lease payments due				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	88.35	83.60	27.47	15.35	214.77

31 March 2022	Minimum lease payments due				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Lease payments	38.41	31.30	7.98	8.13	85.82

vi) Information about extension and termination options

31 March 2023

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office building	28	2-6	4.00	-	-	28
Warehouse facilities	9	2-3	2.50	-	-	9
Vehicles	12	2-5	3.50	-	-	12
Land	3	50-76	63.00	-	-	3
IT Equipment	2	2-3	2.50	-	-	2

31 March 2022

Right of use assets	Number of leases	Range of remaining term (in years)	Average remaining lease term (in years)	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office building	26	2-6	4.00	-	-	26
Warehouse facilities	10	2-3	2.50	-	-	10
Vehicles	7	2-5	3.50	-	-	7
Land	3	50-76	63.00	-	-	3



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ADITYA INFOTECH LIMITED

CIN: U74899DL1995PLC066784

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

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

6. Capital Work in Progress	
Particulars	Amount
Gross block	
Balance as at 31 March 2021	-
Additions	-
Capitalised	-
Balance as at 31 March 2022	-
Additions	1.83
Capitalised	-
Balance as at 31 March 2023	1.83

(i) Ageing of capital work in progress:

As at 31 March 2023

Particulars	Amount in capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Project in progress	1.83	-	-	-	1.83

As at 31 March 2022

Particulars	Amount in capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Project in progress	-	-	-	-	-

(ii) Capital work in progress, whose completion is overdue or exceeded its cost compared to its original plan: Nil (31 March 2022: Nil)

(iii) Capital work in progress represents architectural and soil testing costs incurred towards the Noida property (also refer note 52).

(iv) Refer note 46B for contractual commitments of capital work in progress as at 31 March 2023 (31 March 2022: Rs. Nil)




7. Investment property

Particulars	Non factory Building	Total
As at 31 March 2021	5.36	5.36
Additions	-	-
Disposals	-	-
As at 31 March 2022	5.36	5.36
Additions	-	-
Disposals	-	-
As at 31 March 2023	5.36	5.36
Accumulated depreciation		
As at 31 March 2021	0.31	0.31
Charge for the year	0.66	0.66
Disposals	-	-
As at 31 March 2022	0.97	0.97
Charge for the year	0.31	0.31
Disposals	-	-
As at 31 March 2023	1.28	1.28
Net block as at 31 March 2022	4.39	4.39
Net block as at 31 March 2023	4.08	4.08

(ii) Amount recognised in profit and loss for investment property:

Particulars	As at 31 March 2023	As at 31 March 2022
Rental income	1.34	1.26
Less: direct operating expenses that generated rental income*	-	-
Less: direct operating expenses that did not generate rental income*	-	-
Profit from leasing of investment property before depreciation	1.34	1.26
Less: depreciation expense	0.31	0.66
Profit from leasing of investment property after depreciation	1.03	0.60

*Direct operating expenses attributable to investment property cannot be specifically identified with property, although management does not expect them to be material.

(iii) Fair value of investment property:

Particulars	As at 31 March 2023	As at 31 March 2022
Fair value of office space at Janki Centre, Andheri, Mumbai	27.72	25.25
Total	27.72	25.25

The Company has appointed a registered valuer in accordance with Rule 2 of Companies (Registered Valuer and Valuation) Rules, 2017 for the valuation of investment property. The fair value of investment property has been determined by external, independent property valuers, having appropriate qualifications and recent experience in the location and category of the property being valued. The Company obtains independent valuation for its investment property at least annually and are considered to be a fair representation at which such properties can be sold in an active market. The fair value measurement of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used. Fair value has been determined using combination of market approach and cost approach. The market approach provides an indication of value by comparing the asset with identical or comparable (that is similar) assets for which price information is available whereas cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved.

(iv) Contractual obligations

There are no contractual obligations outstanding as at 31 March 2023 and 31 March 2022.

(v) Capitalised borrowing costs

There were no borrowing costs capitalised for the years ended 31 March 2023 and 31 March 2022.



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ADITYA INFOTECH LIMITED

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

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

8A. Intangible assets

Particulars	Computer Software	Trademark	Total
As at 31 March 2021	8.45	11.55	20.00
Additions	2.12	-	2.12
Disposals	-	-	-
As at 31 March 2022	10.57	11.55	22.12
Additions	3.02	-	3.02
Disposals	-	-	-
As at 31 March 2023	13.59	11.55	25.14
Accumulated amortisation			
As at 31 March 2021	2.91	1.65	4.56
Charge for the year	3.73	1.65	5.38
Disposals	-	-	-
As at 31 March 2022	6.64	3.30	9.94
Charge for the year	2.22	1.65	3.87
Disposals	-	-	-
As at 31 March 2023	8.86	4.95	13.81
Net block as at 31 March 2022	3.93	8.25	12.18
Net block as at 31 March 2023	4.73	6.60	11.33



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

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

8B. Intangible assets under development

Particulars	Intangible assets under development	Total
As at 31 March 2021	-	-
Additions	41.67	41.67
Capitalised	-	-
As at 31 March 2022	41.67	41.67
Additions	24.72	24.72
Capitalised	2.60	2.60
As at 31 March 2023	63.79	63.79

(i) Ageing of intangible asset under development:

As at 31 March 2023

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Intangible assets under development	22.12	41.67	-	-	63.79

As at 31 March 2022

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Intangible assets under development	41.67	-	-	-	41.67

(ii) Intangible assets under development, whose completion is overdue or exceeded its cost compared to its original plan: Nil (31 March 2022: Nil)

(iii) Contractual obligations

Refer note 46 for contractual commitments for acquisition of intangible assets as at 31 March 2023 (31 March 2022: Rs. Nil)

(iv) Capitalised borrowing costs

There were no borrowing costs capitalised for the years ended 31 March 2023 and 31 March 2022.



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

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

9 Investments

Unquoted Investments

Investment in equity instruments

In subsidiaries (at cost)

Shenzhen CP Plus International Ltd, China, Equity Shares of 1 RMB each

Total

In joint venture (at cost)

AIL Dixon Technologies Private Limited, Equity Shares of Rs. 10 each

Total

Investment in equity instruments measured at fair value through profit & loss

Tamilnad Mercantile Bank Limited, Equity Shares of Rs. 10 each

Total

Quoted Investments

Investment in equity instruments measured at fair value through profit & loss

Tamilnad Mercantile Bank Limited, Equity Shares of Rs. 10 each

Total

Total

Aggregate amount of quoted investments and market value thereof

Aggregate amount of unquoted investments

10 Other financial assets

Fixed deposit with remaining maturity of more than 12 months*

Security deposits (carried at amortised cost)

*includes deposits aggregating to Rs. 32.30 million (31 March 2022: Rs. 93.42 million) held as margin money.

11 Deferred tax assets (net)

Deferred tax assets/(liabilities) on account of :-

Property, plant and equipment, investment property and intangible assets

Allowance for expected credit losses

Employee benefits

Warranty provision

Right of use assets and lease liabilities

Other temporary differences

Investment carried at FVTPL

(i) Movement in deferred tax assets (net)

Particulars	As at 31 March 2022	Recognised/ (credited) through profit and loss	Recognised in other comprehensive income	As at 31 March 2023
Assets/(Liabilities)				
Property, plant and equipment, investment property and intangible assets	0.48	(0.20)	-	0.28
Allowance for expected credit losses	16.76	(3.64)	-	13.12
Employee benefits	12.17	(1.17)	(0.34)	10.66
Warranty provision	22.34	1.58	-	23.92
Right of use assets and lease liabilities	1.27	1.03	-	2.30
Other temporary differences	8.10	(0.37)	-	7.74
Investment carried at FVTPL	(1.69)	0.41	-	(1.28)
Total	59.44	(2.37)	(0.34)	56.74

Particulars	As at 31 March 2021	Recognised/ (credited) through profit and loss	Recognised in other comprehensive income	As at 31 March 2022
Assets/(Liabilities)				
Property, plant and equipment, investment property and intangible assets	7.68	(7.20)	-	0.48
Allowance for expected credit losses	30.05	(13.29)	-	16.76
Warranty provision	20.34	2.00	-	22.34
Employee benefits	7.19	2.12	2.86	12.17
Right of use assets and lease liabilities	0.97	0.30	-	1.27
Other temporary differences	7.77	0.34	-	8.11
Investment carried at FVTPL	(1.81)	0.12	-	(1.69)
Total	72.19	(15.61)	2.86	59.44

12 Income tax assets

Advance tax paid (net of provision for taxation)

13 Other non-current assets

Amounts paid under protest with statutory authorities

As at 31 March 2023 (No. of shares)	As at 31 March 2022 (No. of shares)	As at 31 March 2023	As at 31 March 2022
11,80,250	11,80,250	11.19	11.19
11,80,250	11,80,250	11.19	11.19
95,00,000	95,00,000	95.00	95.00
95,00,000	95,00,000	95.00	95.00
-	12,525	-	6.93
-	12,525	-	6.93
12,525	-	5.11	-
12,525	-	5.11	-
		111.30	113.12
		5.11	-
		106.19	113.12
		111.30	113.12

As at 31 March 2023	As at 31 March 2022
166.04	147.36
13.13	5.98
179.17	153.34

As at 31 March 2023	As at 31 March 2022
0.28	0.48
13.12	16.76
10.66	12.17
23.92	22.34
2.30	1.27
7.74	8.11
(1.28)	(1.69)
56.74	59.44



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14 Inventories

(Valued at lower of cost or net realisable value, unless otherwise stated)

Traded goods
Others

As at 31 March 2023	As at 31 March 2022
5,061.59	2,968.28
48.91	58.47
5,110.50	3,026.75

Notes

(i) Inventories of traded goods include goods in transit amounting to Rs. 120.00 million (31 March 2022: Rs. 99.31 million)

(ii) Inventories are net off of Rs. 136.56 million (31 March 2022: Rs. 111.53 million) representing write down of inventories to net realisable value, as assessed by the management.

15 Investments**In Bonds (at amortised cost)**

Investment in 9.08% Union Bank of India Bond

As at 31 March 2023	As at 31 March 2022
-	52.60
-	52.60

16 Trade receivables

Secured, considered good

Unsecured

-considered good

-considered good, receivable from related parties

-which have significant increase in credit risk

As at 31 March 2023	As at 31 March 2022
-	-
6,168.72	5,280.10
2.60	6.70
30.39	29.11
6,201.71	5,315.91
52.13	66.58
6,149.58	5,249.33

Less: Allowance for expected credit loss

Total**As at 31 March 2023**

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,069.01	2,871.92	191.24	4.00	0.44	0.07	6,136.69
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	22.68	10.21	-	-	1.74	34.63
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	0.45	7.11	1.64	1.22	19.97	30.39
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts	-	-	-	-	-	-	(52.13)
Total	3,069.01	2,895.05	208.56	5.64	1.66	21.78	6,149.58

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,629.70	2,580.79	42.34	29.52	0.47	3.97	5,286.79
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	0.16	-	1.32	-	1.48
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	0.12	4.25	23.27	27.64
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts	-	-	-	-	-	-	(66.58)
Total	2,629.70	2,580.79	42.50	29.64	6.04	27.24	5,249.33

17 Cash and cash equivalents

Balances with banks

In current accounts

In cash credit accounts

Cash in hand

Cheques in hand

Fixed deposits with original maturity of less than three months

As at 31 March 2023	As at 31 March 2022
3.42	255.83
56.28	430.40
1.22	1.20
493.27	294.38
917.30	62.45
1,471.49	1,044.26

18 Bank balances other than cash and cash equivalents

Deposit with maturity upto twelve months*

As at 31 March 2023	As at 31 March 2022
2,238.22	961.57
2,238.22	961.57

*includes fixed deposits aggregating to Rs. 748.31 million (31 March 2022: Rs. 254.84 million) held as margin money with bank and collaterals against bank guarantees.

19 Other financial assets

Security deposits

Vendor claim receivable

Other receivable from related parties (refer note 43)

Insurance claim recoverable

Other receivable from customers

As at 31 March 2023	As at 31 March 2022
3.97	5.19
330.87	269.39
0.18	-
-	0.04
297.41	267.89
632.43	542.51

20 Other current assets

Prepaid expenses

Balances with statutory authorities

Advance to employees

Advances to vendors

Other recoverable*

Considered doubtful

Less : Allowance for impairment (net)

As at 31 March 2023	As at 31 March 2022
28.36	16.64
57.14	68.03
7.36	3.73
78.53	79.52
30.89	31.19
(30.89)	(31.19)
171.39	167.92

*During the financial year 2015- 16, the Company had reported an instance of misappropriation of funds/ current assets by certain employees and accordingly, a provision amounting to Rs. 30.89 million [31 March 2022: Rs. 31.19 million]; net of recovery of Rs. 6.95 million [31 March 2022: Rs. 6.65 million] from the alleged perpetrators is being carried as at 31 March 2023. A criminal complaint and recovery suit was filed in relation to the said matter and the criminal complaint is pending before District Court, Surajpur and the recovery proceedings are pending before the Honourable High Court of Delhi for disposal.



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ADITYA INFOTECH LIMITED

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

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

21 Equity Share Capital

Authorized Share Capital

Equity share of ₹ 10 each with voting rights

Issued, subscribed and fully paid up

Equity share capital of face value of ₹ 10 each

As at 31 March 2023		As at 31 March 2022	
Number	Amount	Number	Amount
50,50,000	50.50	50,50,000	50.50
50,50,000	50.50	50,50,000	50.50
20,50,000		25,00,000	25.00
20,50,000	20.50	25,00,000	25.00

a. Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Balance at the beginning of the year

Issued during the year

Buy back during the year [refer note 21(f) below]

Balance at the end of the year

25,00,000	25.00	25,00,000	25.00
(4,50,000)	(4.50)	-	-
20,50,000	20.50	25,00,000	25.00

b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. All shares rank equally with regard to Company's residual assets.

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

Name of the equity shareholder

Hari Shanker Khemka

Rishi Khemka

Aditya Khemka

As at 31 March 2023		As at 31 March 2022	
Number	% shareholding	Number	% shareholding
3,94,385	19.24%	9,80,957	39.24%
3,89,500	19.00%	7,50,000	30.00%
12,22,299	59.62%	7,38,169	29.53%

As per the records of the Company, including its register of shareholders/ members and other declarations received from shareholders/ members regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

d. No equity shares have been issued pursuant to contract without payment being received in cash or allotted as fully paid up by way of issue of bonus shares in the current reporting year and the last five years immediately preceding the current year.

e. Shareholding of promoters*

As at 31 March 2023

Shares held by promoters at the end of the year				% of change during the year
S. No.	Promoter name	No. of shares	% of total shares	
1	Hari Shanker Khemka	3,94,385	19.24%	-59.80%
2	Aditya Khemka	12,22,299	59.62%	65.59%
3	Rishi Khemka	3,89,500	19.00%	-48.07%
Total		20,06,184	97.86%	

As at 31 March 2022

Shares held by promoters at the end of the year				% of change during the year
S. No.	Promoter name	No. of shares	% of total shares	
1	Hari Shanker Khemka	9,80,957	39.24%	0.00%
2	Aditya Khemka	7,38,169	29.53%	0.00%
3	Rishi Khemka	7,50,000	30.00%	0.00%
Total		24,69,126	98.77%	

* Promoter here means promoter as defined in the Companies Act, 2013.

f. Buy back of shares

The Board of directors in its meeting held on 04 January 2023, had approved a proposal of buyback of 450,000 Equity shares (representing 18% of total paid up Equity shares capital of the Company) at price of Rs. 1,443/- (Indian Rupees One Thousand Four Hundred Forty-three only) per Equity shares which opened on 23 February 2023, for fifteen days and settlement of buyback offer date was 24 February 2023. Accordingly, the Company has bought back and extinguished a total of 450,000 Equity shares at a buyback price of Rs. 1,443/- (Indian Rupees One thousand four hundred forty-three only) per Equity shares. The buyback resulted in a Cash outflow of Rs. 800.62 million (buyback value Rs.649.35 million plus buyback tax amount Rs. 151.27 million under section 115QA of the Income Tax Act 1961). Other than the above, buy back of shares during the current year, the Company had not undertaken any buy back of shares transaction during the last five years immediately preceding the current year.

22 Other equity

General Reserve

Opening balance

Add: Addition during the year

Closing balance (A)

As at 31 March 2023	As at 31 March 2022
170.42	170.42
-	-
170.42	170.42

Capital Redemption Reserve

Opening balance

Add: Addition during the year

Closing balance (B)

-	-
4.50	-
4.50	-

Retained earnings

Opening balance

Add: Profit for the year

Add: Other comprehensive income for the year (net of tax)

Less : Premium paid on buy back of equity shares [refer note 21(f)]

Less : Tax paid on buy back of equity shares [refer note 21(f)]

Less: Transfer to Capital Redemption Reserve upon buy back of equity shares [refer note 21(f)]

Less: Dividend paid during the year (refer note 47)

Closing balance (C)

2,519.62	1,701.70
1,021.33	836.42
1.02	(8.50)
(644.86)	-
(150.22)	-
(4.50)	-
(38.50)	(10.00)
2,703.89	2,519.62
2,878.81	2,690.04

Total (A + B + C)

Nature and purpose of reserves other than retained earnings

General reserve

It represents appropriation of profits of the Company and is available for distribution as dividend.

Retained earnings

Retained earnings is used to record balance of statement of profit and loss and other equity adjustments.

Capital Redemption Reserve

It represents nominal value of the shares bought back as an appropriation from retained earnings.



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23. Borrowings

Secured

Term loans

Indian rupee loan from banks*

Vehicle loans

Indian rupee loan from banks

Indian rupee loan from other parties

Unsecured

Loan from related parties (also refer note 43)

Inter- corporate deposits**

Amount disclosed under Current borrowings as "Current maturities of long-term borrowings" under Note 25

*includes interest accrued amounting to Rs. 0.34 million (31 March 2022: Rs.6.54 million)

**includes interest accrued amounting to Rs. 0.30 million (31 March 2022: Rs.0.30 million)

	Non-current		Current Maturities	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Indian rupee loan from banks*	360.01	467.37	107.84	145.18
Indian rupee loan from banks	16.28	5.73	13.24	5.81
Indian rupee loan from other parties	1.52	5.00	3.47	3.23
Loan from related parties (also refer note 43)	50.00	-	-	-
Inter- corporate deposits**	-	13.80	13.80	-
	427.81	491.90	138.35	154.22
	-	-	138.35	154.22
	427.81	491.90	-	-

23.A Details of Borrowings

Particulars	Interest rate	Type of asset secured	Terms of repayments
Term loans			
Tamilnad Mercantile Bank loan-I Rs. 125.01 million, Current Maturity Rs. 62.50 million (31 March 2022: Rs. 187.50 million, Current Maturity Rs. 62.54 million)	8.25%	Secured by charge on immovable property at Noida and Mumbai; collateral in form of bank fixed deposits and personal guarantee of the Promoters who are directors in the Company.	Repayable in 48 monthly installments commencing from April 2022
Tamilnad Mercantile Bank loan-II Rs. 235.00 million, Current Maturity Rs. 5.00 million (31 March 2022: Rs. 240 million, Current Maturity Rs. Nil)	8.25%	Secured by charge on immovable property at Noida and Mumbai; collateral in form of bank fixed deposits and personal guarantee of the Promoters who are directors in the Company.	Repayable in 48 monthly installments commencing from March 2024
HDFC Bank loan-I Rs. Nil, Current Maturity Rs. Nil (31 March 2022: Rs. Nil, Current Maturity Rs. 11.92 million)	9.05%	Secured by charge on immovable properties at Delhi and Noida and personal guarantee of the Promoters who are directors in the Company.	Repayable in 20 quarterly installments commencing from December 2017
HDFC Bank loan-II Rs. Nil, Current Maturity Rs. Nil (31 March 2022: Rs. Nil, Current Maturity Rs. 4.18 million)	9.05%	Secured by charge on immovable properties at Delhi and Noida and personal guarantee of the Promoters who are directors in the Company.	Repayable in 19 quarterly installments commencing from March 2018
Yes Bank loan-I Rs. Nil, Current Maturity Rs. Nil (31 March 2022: Rs. Nil, Current Maturity Rs. 20.00 million)	9.85%	Secured by charge on immovable property at Noida and personal guarantee of the Promoters who are directors in the Company.	Repayable in 20 quarterly installments commencing from March 2018
Yes Bank loan-II Rs. Nil, Current Maturity Rs. 40.00 million (31 March 2022: Rs. 40.00 million, Current Maturity Rs. 40.00 million)	9.90%	Secured by charge on immovable property at Noida and personal guarantee of the Promoters who are directors in the Company.	Repayable in 20 quarterly installments commencing from November 2018
Vehicle loans			
ICICI Bank vehicle loan Rs. Nil, Current Maturity Rs. 3.29 million (31 March 2022: Rs. 3.29 million, Current Maturity Rs. 3.33 million)	7.80%	Exclusive charge on underlying vehicle purchased.	Repayable in 36 monthly installments commencing from March 2021
Axis Bank vehicle loan- I Rs. Nil, Current Maturity Rs. 2.44 million (31 March 2022: Rs. 2.44 million, Current Maturity Rs. 2.48 million)	8.25%	Exclusive charge on underlying vehicle purchased.	Repayable in 36 monthly installments commencing from March 2021
Axis Bank vehicle loan-II Rs. 16.28 million, Current Maturity Rs. 7.51 million (31 March 2022: Rs. Nil, Current Maturity Rs. Nil)	8.50%	Exclusive charge on underlying vehicle purchased.	Repayable in 36 monthly installments commencing from February 2023
Daimler Financial Services Private Limited vehicle loan Rs. 1.52 million, Current Maturity Rs. 3.43 million (31 March 2022: Rs. 4.99 million, Current Maturity Rs. 3.23 million)	7.40%	Exclusive charge on underlying vehicle purchased.	Repayable in 36 monthly installments commencing from September 2021

23.B Details of Borrowings for related parties

Particulars	Interest rate	Type of asset secured	Terms of repayments
Loan from related parties Rs. 50 million, Current Maturity Rs. Nil (31 March 2022: Rs. Nil, Current Maturity Rs. Nil)	7.50%	Unsecured	Repayable in single installment on 30 April 2024
Inter-corporate deposits Rs. Nil, Current Maturity Rs. 13.50 million (31 March 2022: Rs. 13.50 million, Current Maturity Rs. Nil)	10.00%	Unsecured	Repayable within 3 years from the date of disbursement

23.C Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars

Balance as at 31 March 2021

Cash flows:

- Proceeds

- Repayment

Non cash adjustments/ movements**

Balance as at 31 March 2022

Cash flows:

- Proceeds

- Repayment

Non cash adjustments/ movements**

Balance as at 31 March 2023

*Long term borrowings include current maturities of long term borrowings

** Includes accrued interest

Short term borrowings	Long term borrowings*
1,241.50	227.52
380.00	500.00
(369.00)	(87.96)
7.55	(0.28)
1,260.05	639.28
7,868.07	325.00
(5,616.09)	(389.09)
8.76	0.02
3,520.79	575.21



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24 Provisions- non-current**Provision for employee benefits**

Gratuity (refer note 45)

Compensated absences

Other provisions

Provision for warranty (also refer note 28)

As at 31 March 2023	As at 31 March 2022
10.85	16.94
23.53	23.52
38.23	26.61
72.61	67.07

25 Current borrowings**Secured**

Current maturities of long term debts (refer note 23)

Cash credit from banks [refer note (i) below]

Working capital demand loan [refer note (ii) below]

As at 31 March 2023	As at 31 March 2022
138.35	154.22
746.79	-
2,509.10	1,230.00
3,394.24	1,384.22

Unsecured

Loan from related parties [refer note (iii) & (v) below]

As at 31 March 2023	As at 31 March 2022
273.93	23.21
273.93	23.21
3,668.17	1,407.43

Total**Terms and conditions of short-term borrowings**

(i) The Company has availed cash credit facilities from banks aggregating to Rs. 746.79 million (31 March 2022: Rs. Nil) carrying interest rates ranging from 10.30% to 10.60% and are repayable on demand.

(ii) The Company has availed working capital demand loans from banks aggregating to Rs. 2,509.10 million (31 March 2022: Rs. 1,230.00 million) carrying interest rates ranging from 6.90% to 11.90% and are repayable on demand.

(iii) Unsecured loans from Related Parties

Particulars	Interest rate	Type of asset secured	Terms of repayments
Loan from related parties-I	7.50%	Unsecured	Repayable on demand by lenders after giving minimum 12 months prior notice in writing
Rs. 22.88 million (31 March 2022: Rs.23.21 million)			
Loan from related parties-II	7.50%	Unsecured	Repayable within 1 years from the date of disbursement
Rs. 251.05 million (31 March 2022: Rs. Nil)			

26 Trade payables

Total outstanding dues of micro enterprises and small enterprises

Total outstanding dues of creditors other than micro and small enterprises

As at 31 March 2023	As at 31 March 2022
115.05	40.25
8,989.78	6,625.86
9,104.83	6,666.11

(i) Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006"):

Particulars	As at 31 March 2023	As at 31 March 2022
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	115.05	40.25
ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	0.11	0.86
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	0.00
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	0.03	0.11

(ii) Ageing disclosure:

As at 31 March 2023:

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro, small and medium enterprises	75.02	40.03	-	-	-	115.05
(ii) Others	4,132.43	4,855.24	1.10	0.39	0.62	8,989.78
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	-
Total	4,207.45	4,895.28	1.10	0.39	0.62	9,104.83

As at 31 March 2022:

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro, small and medium enterprises	20.65	19.60	-	-	-	40.25
(ii) Others	4,063.26	2,549.66	11.70	0.87	0.37	6,625.86
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Unbilled	-	-	-	-	-	-
Total	4,083.91	2,569.26	11.70	0.87	0.37	6,666.11

27 Other Financial liabilities-current

Security deposits

Payable to employees

Derivative contracts fair valued through profit or loss

Capital creditors

Other acceptances

As at 31 March 2023	As at 31 March 2022
1.10	1.40
94.88	80.26
1.54	1.59
23.75	12.27
125.60	95.92
246.87	191.45



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28 Provisions- current

Provision for employee benefits
Gratuity (refer note 45)
Compensated absences
Other provisions
Provision for warranty

As at 31 March 2023	As at 31 March 2022
2.61	3.39
5.37	4.52
56.81	62.13
64.79	70.04

Movement in provision for warranty

Opening balance
Provision created during the year
Provision utilised during the year
Closing balance

As at 31 March 2023	As at 31 March 2022
88.74	80.82
68.43	73.54
(62.13)	(65.62)
95.04	88.74

Provision for warranty

Non-current
Current

As at 31 March 2023	As at 31 March 2022
38.23	26.61
56.81	62.13
95.04	88.74

29 Current tax liabilities (net)

Provision for income tax (net of advance tax)

As at 31 March 2023	As at 31 March 2022
33.53	104.16
33.53	104.16

30 Other current liabilities

Contract liability
Advance from customers
Statutory dues payable
- TDS and TCS payable
- GST payable
- Others

As at 31 March 2023	As at 31 March 2022
21.19	20.34
56.62	58.70
75.30	133.78
40.58	4.38
193.69	217.20

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ADITYA INFOTECH LIMITED
CIN: U74899DL1995PLC066784
Notes to the standalone financial statements for the year ended 31 March 2023

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

	For the year ended 31 March 2023	For the year ended 31 March 2022
31 Revenue from operations		
Revenue from contracts with customers		
Operating revenue		
Sale of traded goods- security and surveillance equipments and components	22,819.66	16,315.71
Service revenue	16.22	12.61
	<u>22,835.88</u>	<u>16,328.32</u>
Other operating revenue		
Business support services	6.00	6.00
Technical training services	3.59	0.65
	<u>9.59</u>	<u>6.65</u>
	<u><u>22,845.47</u></u>	<u><u>16,334.97</u></u>

(i) Contract balances:

Particulars	As at 31 March 2023	As at 31 March 2022
Contract liabilities		
Advance from customers	21.19	20.34
Trade receivables	6,149.58	5,249.33

(ii) Disaggregated revenue information under Ind AS 115:

Disaggregation by	For the year ended 31 March 2023	For the year ended 31 March 2022
Type of goods/service		
Sale of goods	22,819.66	16,315.71
Sale of services	16.22	12.61
Other operating revenue	9.59	6.65
Total revenue from contract with customers	<u>22,845.47</u>	<u>16,334.97</u>
India	22,734.54	16,291.44
Outside India	110.93	43.53
Total revenue from contract with customers	<u>22,845.47</u>	<u>16,334.97</u>
Timing of revenue recognition		
Goods transferred at a point in time	22,819.66	16,315.71
Services transferred at a point in time	19.81	13.26
Services transferred over the period of time	6.00	6.00
Total revenue from contract with customers	<u>22,845.47</u>	<u>16,334.97</u>

(iii) Performance obligation

The Company's primary performance obligation under contract with customers for sale of goods and services is satisfied as the goods are delivered/ control is transferred to the customers and services are rendered.

(iv) Reconciliation of transaction price to revenue from contract with customers

Particulars		For the year ended 31 March 2023	For the year ended 31 March 2022
Contract price	(A)	24,905.66	18,157.03
Rebates/ discounts	(B)	2,060.19	1,822.06
Net revenue recognised	(C=A-B)	<u>22,845.47</u>	<u>16,334.97</u>



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ADITYA INFOTECH LIMITED

CIN: U74899DL1995PLC066784

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

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

32 Other income

Interest income:

- on bank deposits
- on security deposits
- from customers

- on bonds

Dividend income

Liabilities no longer required written back

Rental income

Insurance claims/ amount recovered against provision made

Gain on extinguishment and modification of lease [refer note 5(c)(i)]

Miscellaneous income

	For the year ended 31 March 2023	For the year ended 31 March 2022
	60.85	65.02
	0.50	0.51
	2.52	2.12
	0.40	2.38
	28.69	0.06
	15.34	72.92
	4.68	4.31
	0.30	0.10
	2.22	-
	21.82	1.46
	137.32	148.88

33 Purchase of Stock -in -trade

Purchase of products and components

	For the year ended 31 March 2023	For the year ended 31 March 2022
	21,076.39	15,736.85
	21,076.39	15,736.85

34 Changes in inventories of Stock-in-trade

Inventory at the beginning of the year

Less: Inventory utilised towards CSR activities

Less: Inventory at the end of the year

	For the year ended 31 March 2023	For the year ended 31 March 2022
	2,968.28	646.46
	-	(2.56)
	(5,061.59)	(2,968.28)
	(2,093.31)	(2,324.38)

35 Employee benefits expense

Salaries, wages and bonus

Contribution to provident and other funds

Gratuity expense (refer note 45)

Staff welfare expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
	973.91	791.62
	28.48	23.74
	10.89	7.72
	6.86	3.69
	1,020.14	826.77

36 Finance costs

Interest expense on

-Loans from Banks

-Withholding tax and goods and service tax

-Delayed payment of income tax

-Loan from related parties (refer note 43)

-Others

Other finance and bank charges

Interest on lease liability (refer note 5)

	For the year ended 31 March 2023	For the year ended 31 March 2022
	172.08	151.35
	0.58	1.03
	2.74	9.10
	4.97	6.44
	14.36	13.23
	24.03	13.90
	13.40	8.76
	232.16	203.81

37 Depreciation and amortization expense

Depreciation and amortization expense (refer note 4 and 8)

Depreciation on right- of- use assets (refer note 5)

Depreciation on investment property (refer note 7)

	For the year ended 31 March 2023	For the year ended 31 March 2022
	34.30	32.94
	53.88	41.80
	0.31	0.66
	88.49	75.40



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ADITYA INFOTECH LIMITED

CIN: U74899DL1995PLC066784

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

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

38 Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Rent (also refer note 5)	46.77	27.20
Rates and taxes	13.68	1.45
Insurance	18.88	22.48
Travelling and conveyance expenses	59.50	31.74
Legal and professional expenses	65.06	42.05
Fees and subscription	10.63	7.53
Telephone and internet charges	5.66	4.59
Payment to auditors*	6.88	8.73
Electricity and water expenses	9.38	8.30
Repair and maintenance- building	2.70	3.15
Repair and maintenance- others	22.71	16.51
Advertisement and business promotion expenses	488.56	232.99
Freight, cartage and handling charges	155.52	106.59
Product service and warranty expenses	95.39	83.80
Charity and donation	0.90	0.50
Corporate Social responsibility expenses (also refer note 49)	10.74	20.86
Loss on sale/ write off of property, plant and equipment (net)	-	1.76
Warehouse handling charges	47.26	33.66
Technical testing and certification fees	14.92	12.58
Web and IT Services	40.16	25.87
Provision for SAD claims	-	1.19
Balances written off	18.25	20.57
Loss on derivative contracts	-	1.02
Net (gain) / loss on currency fluctuation and translation (other than considered as finance cost)	7.51	0.77
Vendor and logistic support	18.53	17.30
Recruitment expenses	4.90	2.01
Vehicle running and maintenance	2.76	1.34
Printing and stationery	4.89	2.35
Security expenses	3.02	2.77
Training expenses	4.89	1.16
Postage and courier charges	1.02	0.81
Director's sitting fee	0.70	0.90
Loss on investment measured at fair value through profit or loss	1.82	0.45
Miscellaneous expenses	45.55	6.69
	1,229.14	751.66

***Payment to auditors comprises of:**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Statutory Audit and Limited Review Fees	6.10	6.00
Other services	0.50	2.73
Out of pocket expenses	0.28	-
	6.88	8.73



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ADITYA INFOTECH LIMITED

CIN: U74899DL1995PLC066784

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

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

39 Exceptional items#

Investment written off

Loan to subsidiaries (along with interest) written off

Loss of stock in fire incident

For the year ended 31 March 2023	For the year ended 31 March 2022
-	0.58
-	47.82
57.87	-
57.87	48.39

#Exceptional items were net off of provision made in earlier years against investment and loan to subsidiary companies.

40 Income tax**Tax expense comprises of:**

Current tax expense

Deferred tax expense/ (credit)

Earlier years tax adjustments (net)

Income tax expense reported in the statement of profit and loss

For the year ended 31 March 2023	For the year ended 31 March 2022
346.35	306.16
2.37	15.61
1.86	7.16
350.59	328.93

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.168% (31 March 2022: 25.168%) and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax

At India's statutory income tax rate of 25.168% (31 March 2022: 25.168%)

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Difference in depreciation charged as per Income-tax Act, 1961 vis-à-vis depreciation as per books of accounts

Employee benefits

Expenses never allowed under Income- tax Act, 1961

Others items disallowed/(allowed) under Income-tax Act, 1961

Deferred tax expense/ (credit) recognised in statement of profit and loss

Earlier years tax adjustments (net)

Income tax expense

1,371.91	1,165.35
345.29	293.30
(0.30)	0.17
(0.72)	2.22
6.14	18.19
(4.05)	(7.73)
346.35	306.15
2.37	15.61
1.86	7.16
350.59	328.92

41 Earnings per share

Net Profit attributable to equity shareholders

Nominal value of equity share in Rs.

Total number of equity shares outstanding at the beginning of the year

Total number of equity shares outstanding at the end of the year

Weighted average number of equity shares

Basic and diluted earnings per share (in Rs.)

For the year ended 31 March 2023	For the year ended 31 March 2022
1,021.33	836.42
10	10.00
25,00,000	25,00,000
20,50,000	25,00,000
24,62,500	25,00,000
414.75	334.57



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42 Financial instruments and financial risk management

i) Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Financial instruments measured at fair value through profit or loss

Particulars	As at 31 March 2023	As at 31 March 2022
	Carrying value	Carrying value
Financial assets measured at fair value through profit or loss		
Investments	5.11	6.93
Financial liabilities measured at fair value through profit or loss		
Derivative contracts	1.54	1.59

Financial assets and liabilities measured at amortised cost

Particulars	As at 31 March 2023	As at 31 March 2022
	Carrying value	Carrying value
Financial assets*		
Investments	-	52.60
Trade receivables	6,149.58	5,249.33
Cash and cash equivalents	1,471.49	1,044.26
Other bank balances	2,238.22	961.57
Other financial assets	811.60	695.85
Total financial assets	10,670.89	8,003.61
Financial liabilities*		
Borrowings	4,095.98	1,899.33
Lease liabilities	172.70	74.75
Trade payables	9,104.83	6,666.11
Other financial liabilities	245.33	189.85
Total financial liabilities	13,618.84	8,830.04

*There are no financial assets and liabilities which are measured at fair value through other comprehensive income.

Investment in subsidiaries and joint venture are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

ii) Fair value hierarchy

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

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

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). The input factors considered are Estimated cash flows and other assumptions.

Fair value of instruments measured at fair value through profit or loss

Fair value of instruments measured at fair value through profit or loss for which fair value is disclosed is as follows, these fair values are calculated using Level 1 and Level 2 inputs:

Particulars	Fair value hierarchy	As at 31 March 2023		As at 31 March 2022	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Investments	Level 1	5.11	5.11	6.93	6.93
Financial liabilities					
Derivative contracts	Level 2	1.54	1.54	1.59	1.59

Significant inputs used in Level 2 fair value of derivatives measured at FVTPL is marked to market value as on balance sheet date of such derivative transaction.

Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 2 inputs:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Carrying value*	Fair value	Carrying value*	Fair value
Financial assets				
Investments	-	-	52.60	52.60
Trade receivables	6,149.58	6,149.58	5,249.33	5,249.33
Cash and cash equivalents	1,471.49	1,471.49	1,044.26	1,044.26
Other bank balances	2,238.22	2,238.22	961.57	961.57
Other financial assets	811.60	811.60	695.85	695.85
Total financial assets	10,670.89	10,670.89	8,003.61	8,003.61
Financial liabilities				
Borrowings	4,095.98	4,095.98	1,899.33	1,899.33
Lease liabilities	172.70	172.70	74.75	74.75
Trade payables	9,104.83	9,104.83	6,666.11	6,666.11
Other financial liabilities	245.33	245.33	189.85	189.85
Total financial liabilities	13,618.84	13,618.84	8,830.04	8,830.04

*Carrying value of these financial assets and financial liabilities represents the best estimated values.



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Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, investments, loans and other financial assets measured at amortised cost	Ageing analysis	Diversification of bank deposits and regular monitoring
Liquidity risk	Borrowings, lease liabilities and other financial liabilities	Cash flow forecasts	Availability of funds and credit facilities.
Market risk - foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts

A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial asset fails to meet its contractual obligations. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each financial asset. The carrying amounts of financial assets represent the maximum credit risk exposure. The Company monitors its exposure to credit risk on an ongoing basis.

a) Credit risk management**i) Credit risk rating**

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

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

Asset groups	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, trade receivables, investments, loans, and other financial assets	12 months expected credit loss

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Credit rating	Particulars	As at 31 March 2023	As at 31 March 2022
Low credit risk	Cash and cash equivalents, trade receivables, investments, loans, and other financial assets	10,670.89	8,003.61

Cash and cash equivalents and other bank balances

Credit risk related to cash and cash equivalents and bank deposits is managed by only diversifying bank deposits and accounts in different banks. Credit risk is considered low because the Company deals with reputed banks.

Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. The Company monitors the economic environment in which it operates. The Company manages its credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of the customers to which the Company grants credit terms in the normal course of business. The Company has also obtained debtor insurance upto Rs. 500.00 millions (31 March 2022: 40 times of the premium paid) to cover its risks of bad debts. The Company also uses an expected credit loss model to assess the impairment loss on such receivables. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available internal credit risk factors such as the Company's historical experience for customers.

Loans and other financial assets

Loans and other financial assets measured at amortized cost includes security deposits and other receivables. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously. Credit risk is considered low because the Company is in possession of the underlying asset. Further, the Company creates provision by assessing individual financial asset for expectation of any credit loss basis expected credit loss model.

ii) Concentration of financial assets

The Company carries on the business of trading of security and surveillance equipments. Loans and other financial assets majorly represents loans to related parties and deposits given for business purposes.

b) Credit risk exposure**i) Provision for expected credit losses**

The Company provides for 12 month expected credit losses for following financial assets:

As at 31 March 2023

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,471.49	-	1,471.49
Other bank balances	2,238.22	-	2,238.22
Investments	111.30	-	111.30
Trade receivables	6,201.71	(52.13)	6,149.58
Other financial assets	811.60	-	811.60

As at 31 March 2022

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	1,044.26	-	1,044.26
Other bank balances	961.57	-	961.57
Investments	165.72	-	165.72
Trade receivables	5,315.91	(66.58)	5,249.33
Other financial assets	695.85	-	695.85



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Reconciliation of expected credit loss for other financials asset and trade receivables:

Reconciliation of loss allowance	Trade receivables	Investment	Loans
Loss allowance on 31 March 2021	119.39	0.58	43.22
Allowance for expected credit loss (net)	(52.81)	(0.58)	(43.22)
Loss allowance on 31 March 2022	66.58	-	-
Allowance for expected credit loss (net)	(14.47)	-	-
Loss allowance on 31 March 2023	52.13	-	-

B) Liquidity risk

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.

Further, the Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalents position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. Surplus funds not immediately required are invested in certain financial assets which provide flexibility to liquidate at short notice such as fixed deposits with Bank etc..

The Company has developed appropriate internal control systems and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and availability of alternative sources for additional funding, if required.

Maturities of financial liabilities

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

31 March 2023	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	3,668.17	427.81	-	4,095.98
Trade payables	9,104.83	-	-	9,104.83
Other financial liabilities	245.33	-	-	245.33
Total	13,018.33	427.81	-	13,446.14

31 March 2022	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	1,407.43	436.72	55.00	1,899.15
Trade payables	6,666.11	-	-	6,666.11
Other financial liabilities	189.85	-	-	189.85
Total	8,263.39	436.72	55.00	8,755.11

The Company had access to following funding facilities :

Funding facilities	Total facility	Drawn	Undrawn
As at 31 March 2023	4,200.00	3,716.60	483.40
As at 31 March 2022	3,830.60	2,713.80	1,116.80

C) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

a) Liabilities

The Company has been availing the borrowings on a floating rate of interest based on bank MCLR. These borrowings are carried at amortised cost. The borrowings on a fixed rate of interest basis are not subject to the interest rate risk as defined in Ind AS 107, since neither the carrying amount nor future cash flows will fluctuate because of change in market interest rates. The borrowings on a variable rate of interest are subject to interest rate risk as defined in Ind AS 107.

Sensitivity of profit and loss due to change in interest rate with respect to variable rate borrowings:

	As at 31 March 2023		As at 31 March 2022	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on statement of profit and loss	(18.58)	18.58	(7.81)	7.81

b) Assets

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

(ii) 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).

Particulars of unhedged foreign currency exposures as at the reporting date:

Particulars	Currency Symbol	As at 31 March 2023		As at 31 March 2022	
		Amount in foreign currency	Amount in Rs.	Amount in foreign currency	Amount in Rs.
(i) Receivable/Loans/or any other FC asset					
United States Dollar	USD	0.11	8.66	0.21	15.75
Renminbi (Chinese Yuan)	RMB	1.18	11.19	1.18	11.19
Total		1.29	19.85	1.39	26.94
(ii) Payable/Borrowings/or any other FC liability					
United States Dollar	USD	2.40	197.00	1.95	147.54
Total		2.40	197.00	1.95	147.54



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The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. Sensitivity due to unhedged foreign exchange exposures is as follows:

The fair value of monetary assets and liabilities. Sensitivity due to unmeasured foreign exchange exposures is as follows:					
Particulars	Currency Symbol	As at 31 March 2023		As at 31 March 2022	
		3% increase	3% decrease	3% increase	3% decrease
(i) Receivable/Loans/or any other FC asset					
United States Dollar	USD	0.26	(0.26)	0.47	(0.47)
Renminbi (Chinese Yuan)	RMB	0.34	(0.34)	0.34	(0.34)
Total		0.60	(0.60)	0.81	(0.81)

Particulars	Currency Symbol	As at 31 March 2023		As at 31 March 2022	
		3% decrease	3% increase	3% decrease	3% increase
(ii) Payable/Borrowings/or any other FC liability					
United States Dollar	USD	5.91	(5.91)	4.43	(4.43)
Total		5.91	(5.91)	4.43	(4.43)

Foreign exchange derivatives and exposures outstanding at the year end:

Particulars	Current Year (2022-2023)		Current Year (2021-2022)	
	USD	Rs.	USD	Rs.
Hedging on account of underlying exposure				
Hedged	6.10	501.23	4.33	328.11
Unhedged - Open Exposure	2.40	197.00	1.95	147.54

Foreign exchange derivatives contracts at the year end:

	Maturity	
	Upto 6 months	More than 6 months
As at 31 March 2023		
Foreign exchange forward contracts (highly probable forecast purchases)		
Notional amount (USD)	6.10	-
Average forward rate	82.36	-
As at 31 March 2022		
Foreign exchange forward contracts (highly probable forecast purchases)		
Notional amount (USD)	4.33	-
Average forward rate	76.01	-



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ADITYA INFOTECH LIMITED

CIN: U74899DL1995PLC066784

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

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

43 Related party transactions

In accordance with the requirements of Ind AS 24, 'Related Party Disclosures', the names of the related party where control exists/able to exercise significant influence along with the transactions and year-end balances with them as identified and certified by the management are given below:

a) Details of related parties:

Description of relationship	Names of related parties
Subsidiary Company	Shenzhen CP Plus International Ltd. Aditya Infotech (HK) Ltd (till 31 March 2022)
Joint Venture Company	AIL Dixon Technologies Private Limited
Key management personnel (KMP)	
Chairman	Mr. Hari Shanker Khemka
Managing Director	Mr. Aditya Khemka
Relative of Key management personnel	Mr. Rishi Khemka (Son of Mr. Hari Shanker Khemka)
Relative of Key management personnel	Mr. Ananmay Khemka (Son of Mr. Aditya Khemka)
Relative of Key management personnel	Mrs. Shradha Khemka (Wife of Mr. Aditya Khemka)
Enterprises having common KMPs/ in which KMPs are interested	ARK Infosolution Pvt Ltd. Aditya Security & Safety LLP Trend Setter Promoters LLP Seth Parmanand Khemka Charitable Trust YPO Delhi Chapter Aditya Colonizers LLP

b) Statement of transactions with related parties -

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(i) Sale of goods		
ARK Infosolution Pvt Ltd.	0.19	-
AIL Dixon Technologies Pvt. Ltd.	1.70	4.40
(ii) Business support services provided to		
AIL Dixon Technologies Pvt. Ltd.	6.00	6.00
(iii) Purchase of goods		
Shenzhen CP Plus International Ltd.	0.07	0.04
AIL Dixon Technologies Pvt. Ltd.	9,463.37	7,709.48
(iv) Loan Written off		
Aditya Infotech (HK) Ltd.	-	82.64
(v) Repayment of loan		
Rishi Khemka	-	34.00
(vi) Investments written off		
Aditya Infotech (HK) Ltd.	-	1.17
(vii) Interest receivable written off		
Aditya Infotech (HK) Ltd.	-	6.62
(viii) Receipt of loan given to		
Aditya Infotech (HK) Ltd.	-	3.80
(ix) Remuneration*		
Hari Shanker Khemka	28.21	24.60
Aditya Khemka	158.62	94.78
Ananmay Khemka	2.34	2.34
(x) Interest on loan taken		
Hari Shanker Khemka	1.36	1.50
Aditya Khemka	1.09	1.20
Rishi Khemka	1.17	2.39
Trend Setter Promoters LLP	1.35	1.35

* does not include provision made for gratuity and compensated absences as the same is determined for the Company as a whole



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ADITYA INFOTECH LIMITED

CIN: U74899DL1995PLC066784

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

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(xi) Rent expense paid/ payable		
Aditya Khemka	6.00	6.00
Hari Shankar Khemka	4.20	4.20
Shradha Khemka	1.80	1.80
ARK Infosolution Pvt. Ltd.	0.53	2.10
(xii) Rental income		
ARK Infosolution Pvt. Ltd.	3.04	2.81
Aditya Safety & Security LLP	0.12	0.08
Trend Setter Promoters LLP	0.18	0.18
(xiii) Electricity and water charges paid/ payable		
ARK Infosolution Pvt. Ltd.	1.13	1.01
Aditya Safety & Security LLP	0.02	-
(xiv) Purchase of property, plant and equipment		
ARK Infosolution Pvt. Ltd.	1.28	-
(xv) Professional charges paid/ payable		
Trend Setter Promoters LLP	1.65	1.95
(xvi) CSR Contribution		
Seth Parmanand Khemka Charitable Trust	10.64	20.86
(xvii) Donation Paid		
Seth Parmanand Khemka Charitable Trust	0.83	-
(xviii) Vendor and logistic support charges paid/ payable		
Shenzhen CP Plus International Ltd.	18.53	17.30
(xix) Membership and subscription charges paid/ payable		
YPO Delhi Chapter	0.16	0.79
(xx) Dividend paid		
Hari Shanker Khemka (along with Hari Shanker Khemka HUF)	15.40	3.92
Aditya Khemka (along with Hari Shanker Khemka HUF)	11.38	2.95
Rishi Khemka	11.55	3.00
Shradha Khemka	0.17	0.05
Ananmay Khemka	0.00	0.00
(xxi) Loan Proceeds		
Rishi Khemka	300.00	-
(xxii) Travelling expense reimbursement		
ARK Infosolution Pvt. Ltd.	0.05	-
(xxiii) Advertisement and business promotion expenses		
Shenzhen CP Plus International Ltd.	0.05	-
YPO Delhi Chapter	0.58	-
(xxiv) Commission and Brokerage		
Aditya Colonizers LLP	0.05	-
(xxv) Expenses incurred by the Company on behalf of		
Aditya Safety & Security LLP	0.18	-
(xxvi) Buy back of shares [also refer note 21(f)]		
Hari Shanker Khemka (along with Hari Shanker Khemka HUF)	259.74	-
Aditya Khemka (along with Hari Shanker Khemka HUF)	191.87	-
Rishi Khemka	2.94	-
Shradha Khemka	194.81	-
Ananmay Khemka	0.00	-

* does not include provision made for gratuity and compensated absences as the same is determined for the Company as a whole




b) Outstanding balances at the year end

Particulars	As at 31 March 2023	As at 31 March 2022
(i) Trade Payables		
AIL Dixon Technologies Pvt. Ltd.	2,795.80	3,159.32
Shenzhen CP Plus International Ltd.	14.95	15.79
(ii) Trade Receivables		
AIL Dixon Technologies Pvt. Ltd.	2.60	6.70
(iii) Investments		
Shenzhen CP Plus International Ltd.	11.19	11.19
AIL Dixon Technologies Pvt. Ltd.	95.00	95.00
(iv) Borrowings		
Hari Shanker Khemka	12.50	12.50
Aditya Khemka	10.00	10.00
Rishi Khemka	300.00	-
Trend Setter Promoters LLP	13.50	13.50
(v) Interest Payable		
Hari Shanker Khemka	0.21	0.39
Aditya Khemka	0.17	0.32
Rishi Khemka	1.05	-
Trend Setter Promoters LLP	0.30	0.30
(v) Other Receivables		
Aditya Safety & Security LLP	0.18	-
(vi) Remuneration Payable		
Hari Shanker Khemka	0.62	0.45
Aditya Khemka	10.26	6.34
Ananmay Khemka	0.10	0.15

(i) Terms and conditions with related parties

All transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at respective year ends are unsecured and settlement is generally done in cash.

(ii) The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken as at each reporting date.

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44 Capital management

The Company's capital includes issued share capital and all other distributable reserves. The primary objective of the Company's capital management is to maximise shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The Company have both long and short term borrowings.

Company's gearing ratio is:

Particulars	As at 31 March 2023	As at 31 March 2022
Long term borrowings	427.81	491.90
Short term borrowings (including current maturities of long term borrowings)	3,668.17	1,407.43
Less: Cash and cash equivalents	(1,471.49)	(1,044.26)
Net debt (a)	2,624.49	855.07
Total Equity (b)	2,899.31	2,715.04
Equity and net debt (c = (a) + (b))	5,523.80	3,570.11
Gearing Ratio (d = a/c)	0.48	0.24

45 Employee benefits

The Company has adopted Indian Accounting Standard (Ind AS) - 19 on Employee Benefit as under :

Defined contribution plans

The Company makes contribution towards employee's provident fund and employee's state insurance. The Company has contributed Rs. 28.48 million (31 March 2022: Rs. 23.74 million) during the year ended 31 March 2023 as contribution towards these schemes.

Defined benefit plans**Gratuity**

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The liability of Gratuity is recognized on the basis of actuarial valuation.

Salary increases	Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality & disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Amounts recognised in the balance sheet:

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of the obligation	74.41	64.60
Fair value of plan assets	60.95	44.27
Net liability/(prepaid asset)	13.46	20.33

Loss/(income) recognised in other comprehensive income:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial loss/ (income) recognised during the year	(1.36)	11.36

Expenses recognised in statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	9.77	7.34
Interest cost (Net)	1.12	0.38
Cost recognised during the year	10.89	7.72

Movement in the liability recognised in the balance sheet is as under:

Particulars	31 March 2023	31 March 2022
Present value of defined benefit obligation at the beginning of the year	64.59	51.21
Current service cost	9.77	7.34
Interest cost	4.56	3.38
Actuarial (gain)/loss net		
Actuarial loss on arising from change in financial assumption	(2.18)	7.89
Actuarial loss on arising from experience adjustment	0.78	3.20
Benefits paid	(3.11)	(8.43)
Present value of defined benefit obligation at the end of the year	74.41	64.59

Movement in the plant assets recognised in the balance sheet is as under:

Particulars	31 March 2023	31 March 2022
Present value of plan value assets at the beginning of the year	44.27	41.95
Interest income	3.44	3.00
Return on plan assets excluding amounts included in interest income	(0.04)	(0.25)
Contributions by Employer	16.39	8.00
Benefits paid	(3.11)	(8.43)
Present value of plan value assets at the end of the year	60.95	44.27



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For determination of the liability of the Company the following actuarial assumptions were used:

Particulars	31 March 2023	31 March 2022
Discount rate	7.50%	7.25%
Salary escalation rate	8.00%	8.00%
Retirement age (Years)		
Withdrawal rate		
Less than 30 years	3.00%	3.00%
From 30 to less 44 years	3.00%	3.00%
44 years and above	3.00%	3.00%
Weighted average duration of PBO	12.43	12.47

Maturity profile of defined benefit obligation:

Particulars	31 March 2023	31 March 2022
Weighted Average Duration (Years) as at valuation date	12.43 Years	12.47 Years

The Expected maturity analysis of discounted defined benefit liability is as follows:

Particulars	31 March 2023	31 March 2022
Within next 1 year	2.61	3.27
Between 1-5 years	14.81	11.35
Over 5 years	31.57	49.97
Total	48.99	64.59

Sensitivity analysis for gratuity liability:

Particulars	31 March 2023	31 March 2022
Present value of obligation at the end of the year	74.41	64.60
a) Impact of the change in discount rate		
Impact due to increase of 0.5 %	-5.51%	-5.60%
Impact due to decrease of 0.5 %	5.99%	6.11%
b) Impact of the change in salary increase		
Impact due to increase of 0.5 %	-3.81%	-3.96%
Impact due to decrease of 0.5 %	3.92%	4.02%
c) Impact of the change in withdrawal rate		
Impact due to increase of 10 %	0.31%	0.19%
Impact due to decrease of 10 %	-0.36%	-0.21%

Sensitivities due to mortality is not material. Hence, impact of change is not calculated.

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

46 Contingent Liabilities and Commitments

A. Contingent liabilities

(i) Inland Bank Guarantees

31 March 2023	31 March 2022
49.67	41.04
49.67	41.04

(ii) Income-tax matters

(a) An Income Tax survey under section 133 A of Income-tax Act, 1961 was carried out at the Company's premises on 18 February 2019. During the course of the survey, the tax officials raised certain concerns and insisted on declaration of additional income amounting to Rs. 403.82 million. The Company's Board of Directors considered all the points raised by the survey team and were of the considered view that no additional income needs to be offered to tax as the actual income for the said assessment year has been correctly / duly accounted for in the books of accounts.

The Assessment proceedings for the said assessment year have got concluded by the Assessing Officer ('AO'), who vide order dated 30 September 2021 has raised tax demand of Rs.189.59 million (31 March 2022: Rs.189.59 million) and has also initiated penalty proceedings. The Company has contested the said order before the Commissioner of Income Tax (Appeals) wherein the Company has contended that the AO has erred both on facts and in law, in making the additions, ignoring the settled position of law that the statements recorded during the course of survey has no evidentiary value and cannot be regarded as conclusive evidence and that the AO has made additions without bringing on record any contrary evidence in respect of the submissions made by the Company. The Company has deposited Rs. 38.00 million (31 March 2022: Rs. 38.00 million), under protest and the appeal in the matter is currently pending disposal. During the current year, the Company has received an order u/s 154 dated 09 May 2022 raising the demand of Rs. 7.80 million (31 March 2022: Nil) on account of wrong calculation of interest u/s 234D in the order dated 30 September 2021.

Based on inputs by tax experts, the management believes that the chances of any liability devolving on the Company in the above matter is not probable and accordingly, no adjustment is currently necessary in these standalone financial statements at this stage.

(iii) Indirect tax matters

(a) VAT matters

Demands raised under respective VAT Acts
Amounts paid under protest

31 March 2023	31 March 2022
14.76	19.36
2.98	3.27

(b) GST matters*

Demands raised under GST regulations (other than matters under ')
Amounts paid under protest

31 March 2023	31 March 2022
4.53	3.24
0.24	1.20

(c) Customs matters

Demands raised under Customs Act
Amounts paid under protest

31 March 2023	31 March 2022
20.73	-
0.22	-

Based on inputs by tax experts, the management believes that the chances of any liability devolving on the Company in the above matters is not probable and accordingly, no adjustment is currently necessary in these standalone financial statements at this stage.

*During the current year, the Company has received multiple show cause notices from Goods and Services Tax ("GST") authorities of the State of Tamil Nadu, Haryana, Telangana, Maharashtra, Odisha, Chhattisgarh, Gujarat, Madhya Pradesh, Rajasthan, Bihar, West Bengal and Uttarakhand, in relation to dues under the Goods and Services Tax Regulations (both Central and State Goods and Service Tax Acts and Rules thereunder), aggregating to Rs.2,886.53 million for the financial years 2017-2018 to 2021-2022, on account of differences between ITC claimed in Form GSTR-3B vs ITC appearing in GSTR-2A, difference between turnover reported in GSTR-1 and GSTR-3B etc. Subsequently, the GST authorities in the State of Tamil Nadu have also carried out inspection on 05 January 2023 of Company's records for the financial year 2017-18 to 2021-22.

The Company has already filed appropriate replies against the above show cause notices, against which the authorities are yet to respond. As assessed by the management, issues raised in the above notices are arbitrary in nature and the Company's management believes that the likelihood of any liability devolving on the Company is not probable and hence, no adjustment is considered necessary in these standalone financial statements at this stage.

(iv) Claims by customers (alongwith interest) in the normal course of business may be payable as and when the outcome of the related matters are finally determined. Management based on the legal inputs and historic trends, believes that no material liability will devolve on the Company, in respect of such matters.



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B. Commitments

Estimated amount of contract remaining to be executed on capital and other commitments not provided for (net of advances) is Rs. 11.45 million (31 March 2022: Rs. 5.75 million). Apart from above mentioned amount, certain purchase orders issued to suppliers are for open quantities, during the normal course of business.

47 Dividend

a) The Company's Board of Directors at their meeting held on 18 August 2022 recommended dividend on equity shares @ Rs. 4 per equity share for the financial year 2021-2022 that was approved by the shareholders in their Annual General Meeting held on 18 August 2022. The total outgo as dividend to the shareholders during the year amounted to Rs. 10 million

b) The Company's Board of Directors at their meeting held on 11 November 2022 accorded approval for payment of interim dividend of Rs. 11.40 per equity share for the year ended 31 March 2023. The total outgo as interim dividend to the shareholder for the year ended 31 March 2023 amounted to Rs.28.50 million.

c) The Company's Board of Directors at their meeting held on 23 October 2023 have proposed final dividend on equity shares @ Rs. 4.88 per equity share for the financial year 2022-23 (total outgo being Rs. 10 million), subject to approval of shareholders in the ensuing Annual General Meeting.

48 Details of subsidiary companies and joint ventures with ownership and place of business

Particulars	As at 31 March 2023		As at 31 March 2022		Method of accounting
	Ownership %	Place of business	Ownership %	Place of business	
Subsidiary companies					
Shenzhen CP Plus International Ltd.	100%	China	100%	China	At cost
Aditya Infotech (HK) Ltd*	-	-	100%	Hongkong	At cost
Joint venture					
AIL Dixon Technologies Private Limited	50%	India	50%	India	At cost

* Voluntarily wound up during the financial year 2022-23

49 Corporate Social Responsibility

	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount required to be spent by the Company during the year	10.73	7.27
Amount of expenditure incurred	10.74	20.86
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	-	-
Details of related party transactions	Refer Note 43	Refer Note 43

Nature of CSR activities includes donation to education institutions, hospitals etc. through a related party. Such activities are covered under eligible CSR activities under Schedule VII of the Companies Act, 2013.

50 Segment reporting

The Company has only one operating segment and is primarily engaged in the business of trading of security and surveillance equipment's. Accordingly, the figures appearing in these standalone financial statements relate to the Company's single operating segment. The Board of Directors of the Company consider trading of security and surveillance equipment's and related activities as the main business of the entity. Accordingly, there are no other separate reportable segments in terms of Ind AS 108 on 'Operating Segments'.

(a) There are no major customers having revenue of more than 10% of the reportable segment.

(b) **Information about geographical areas:** The Company sells goods and provides services to customers which are domiciled in India as well as outside India. All the non-current assets of the Company are located in India. The amount of revenue from external customers broken down by the location of the customers is as follows:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Attributed to the Company's country of domicile, India	22,734.54	16,291.44
Attributed to foreign countries	110.93	43.53
	22,845.47	16,334.97

51 Other disclosures

51.1 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment, received Presidential assent in September 2020. The Code has been published in the Gazette of India, however, the date on which the Code will come into effect is yet to be notified and final rules/ interpretation are yet to be issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code and the rules thereon becomes effective.

51.2 Details of assets pledged

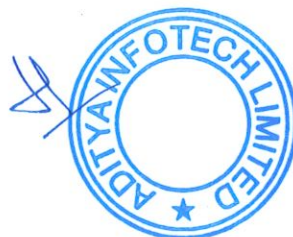
The carrying values of assets pledged as security against borrowings are as under:

Particulars	31 March 2023	31 March 2022
Non-current assets		
Property, plant and equipment	264.28	251.22
Right-of-use assets	204.92	207.93
Investment property	4.08	4.39
Total	473.28	463.54
Current assets		
Inventories	5,110.50	3,026.75
Trade receivables	6,149.58	5,249.33
Total	11,260.08	8,276.08



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52. Pursuant to Transfer Memorandum dated 12 June 2018, the New Okhla Industrial Development Authority ("Noida Authority") transferred the allotment and lease of the land located at 12A, Sector 135, Noida, Uttar Pradesh, that the Company was carrying as "Right of use Asset" as per Ind AS 116. As per the terms of the transfer memorandum and the lease deed, the Company was required to undertake construction activity/ development activity on the said land within the prescribed timelines. The Noida Authority vide its letter dated 24 March 2022 had granted extension for completion of construction till 31 December 2022 and the Company had initiated the construction and development activities by awarding of the contracts/ work orders for site cleaning, soil investigation and architectural services. However, the Company could not complete the construction activities by the prescribed date, consequent to which the Noida Authority, relying on the Government of Uttar Pradesh Ordinance dated 7 January 2022, issued a show cause notice dated 19 January 2023 for cancellation of the lease deed. In response to such show cause notice, the Company filed its response on 31 January 2023, requesting for further extension of atleast six months so that necessary steps could be taken. Subsequently, the Noida Authority vide its letter dated 19 May 2023 cancelled the lease deed and allotment of the said land.

In response to the above, the Company had approached the Noida Authority for revocation of cancellation and restoration of the allotment of said land and had also filed a letter dated 5 September 2023, in response to which the Noida Authority vide its letter dated 18 September 2023 has confirmed that the Company's revocation request has been referred to State Government authorities for their approval and matter is under consideration with the Government. Based on its internal assessment and inputs from its legal expert, the management is confident of receiving favourable order from the Government of Uttar Pradesh regarding restoration of the Company's title and rights to the leased land shortly and further, has already mobilised resources for completion of construction and development activities on the said land within the timelines that may be prescribed by the authorities and accordingly, believes that no adjustment is necessary in these standalone financial statements at this stage.

53 Additional regulatory information not disclosed elsewhere in the standalone financial statements

- (a) The Company does not have any transactions with struck-off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act 1956.
- (b) The Company has not undertaken any 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).
- (c) The Company has not been declared a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (d) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (e) The Company does not have any Benami property and no proceedings have been initiated or pending against the Company for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- (f) The Company does not have any charge or satisfaction of charge which is yet to be registered with ROC beyond the statutory period.
- (g) The Company has not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.
- (h) The Company has not advanced or provided loan to or invested funds in any entity(ies) including foreign entities (Intermediaries) or to any other person(s), with the understanding 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 to or on behalf of the Ultimate Beneficiaries
- (i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (j) The Company has been sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.

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54 Financial ratios

Ratio	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	% Change (31 March 2023)	Reason for variance of more than 25% (31 March 2023)
			Ratio	Ratio		
Current ratio	Current assets	Current liabilities	1.18	1.27	-7%	-
Debt-equity ratio	Total debt [Non-current borrowings + Current borrowings]	Total equity	1.41	0.70	102%	Refer note A below
Debt service coverage ratio	Earnings before depreciation and amortisation and interest [Profit/loss after tax + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]	Interest expense (including capitalised) + Principal repayment (including prepayments)	7.72	7.31	6%	-
Return on equity ratio	Profit after tax-preference dividend	Average shareholder's equity	0.36	0.36	0%	-
Inventory turnover ratio	Costs of goods sold	Average inventories	4.67	7.19	-35%	Refer note B below
Trade receivables turnover ratio	Revenue from operations (net)	Average trade receivables	4.01	3.72	8%	-
Trade payables turnover ratio	Purchases (net)	Average trade payables	2.67	3.36	-20%	-
Net capital turnover ratio	Revenue from operations	Working capital [Current assets - Current liabilities]	9.58	6.99	37%	Refer note C below
Net profit ratio	Profit after tax	Revenue from operations (net)	0.04	0.05	-13%	-
Return on capital employed	Earnings before interest and tax = Profit/loss before tax + Depreciation and amortisation expense + Finance costs	Capital employed [Total assets - Current liabilities + current borrowings]	0.24	0.32	-23%	Refer note D below
Return on investment	Interest (Finance Income)	Investment	0.02	0.07	-69%	Refer note E below

Notes- reasons for variances:

- A Variance in ratios is attributable to increase in overall borrowings and decrease in equity due to buy back of shares during the current year
- B Variance in ratios is attributable to increase in average inventory during the year.
- C Variance in ratio is attributable to increase in revenue and decrease in working capital employed.
- D Variance in ratio is attributable to increase in borrowings during the year.
- E Variance in ratio is attributable to decrease in interest income during the year.




ADITYA INFOTECH LTD.

CIN: U74899DL1995PLC066784

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

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

55 Certain previous year amounts have been reclassified for consistency with the current year presentation. Such reclassification did not have any impact on the current year Standalone financial statements.

56 The figures have been rounded off to the nearest million of rupees upto two decimal places. The figure 0.00 wherever stated represents value less than Rs. 50,000/-.

In terms of our report attached of even date

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013


Deepak Mittal
Partner
Membership No.: 503843



Place: Gurugram

Date: 23 October 2023

For and on behalf of Board of Directors of
ADITYA INFOTECH LIMITED


Hari Shanker Khemka
Chairman
DIN:00514501


Yogesh Sharma
Senior VP Finance

Place: Noida

Date: 23 October 2023


Aditya Khemka
Managing Director
DIN:00514552

