



INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF SPOCTO SOLUTIONS PVT. LTD.

Opinion

We have audited the financial statements of Spocto Solutions Pvt. Ltd. (the Company) which comprises balance sheet as on 31st March, 2022, the statement of profit and loss for the year ended and notes to the financial statements including summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of information and explanation given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and the profit for the year ended on that date.

Basis of Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended 31 March, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditors' responsibilities for the audit of the standalone financial statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the



standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Impact of COVID-19 on the Going Concern assessment of the Company

Corona virus disease 2019 ('COVID-19'), was declared a global pandemic by World Health Organization. Governments around the world including India have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, the Company's manufacturing plants and offices also had to be closed down for a considerable period of time, including after the year end.

These lockdowns have a significant impact on the overall economic activity in India. Hence, we have identified our assessment of going concern basis of accounting as a key audit matter.

We have made enquires with the Management of the Company and also assessed the disclosures made by them (See Note 26 of Notes to Accounts) to obtain sufficient appropriate audit evidence in this area.

The Company has considered internal and external information while assessing recoverability of its assets disclosed in the financial statement upto the date of approval of these financial statements. Based on such assessment and considering the current economic indicators, the Company expects to recover the carrying amount of these assets. Management has also considered the impact of COVID-19 on the business for the foreseeable future and have concluded that the Company has sufficient resources to continue as a going concern. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Impact of COVID-19 on the Company's financial statements

Lockdowns in India for minimizing the curb of this COVID-19, have a significant impact on revenues, receivables, purchases including services and inventories at the year-end. Hence, we have identified Impact of COVID-19 on the Company's financial statements as a key audit matter.

We have performed the following procedures to assess and evaluate the impact on financial statements:

- Performed cut-off procedures for a larger sample of invoices during the lockdown period for both domestic as well as export sales.
- Enquired with the Company on the manner of financial support (if any) provided to the dealers, vendors and service providers; and their recognition in the financial statements.
- Enquired with the Company on any information on the liquidity position of any dealers; and ascertained the need for any additional provisioning for impairment/credit loss in the financial statements.
- We assessed the disclosures on COVID-19 made in the financial statements.



- Our ability to perform regular audit procedures has been impacted which has required us in certain cases to perform alternative audit procedures and exercise significant judgment in respect of the following :
 - Audit and quality control procedures which were earlier performed at client place which could not be performed due to various restrictions like limited number of staff, social distancing. Hence, alternative procedures have been performed based on inquiries (through phone calls, video calls and e-mail communications) and review of scanned documentation sent through e-mails, followed up with sighting with original documents.
 - Year-end inventory observation of inventory counts could not be performed. We have relied on the management representation given on the position of inventory and its valuation.
 - Due to this lockdown, we have restricted to physically verify the Company documents like title deeds, agreements, investment documents, notices, etc. We have relied on management representation and also scan copies of extract of these documents provided by the management wherever required to obtain sufficient appropriate audit evidence.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial Statements that give a true and fair view and are free from materials misstatement, whether due to fraud or error.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibility for the Audit of Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, 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.



Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143 (3) of the Act, based on our audit we report that:

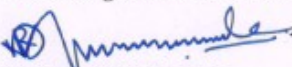
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) In our opinion there are no observations or comments on the financial transactions, which may have an adverse effect on the functioning of the Company.
- f) On the basis of the written representations received from the directors as on 31st March, 2022 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of section 164(2) of the Act.
- g) The Company has been exempted from the requirements of its auditor reporting on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls (clause (i) of section 143(3));
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i) 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 has not pending litigations which would impact its financial position.
 - ii. The Company has not any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. Based on audit procedures and representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the Management.
 - j) With respect to the Other Legal and Regulatory matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, the management has represented that other than those disclosed in the notes to accounts, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. No funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
 - ii. No funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such 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 guarantee, security or the like on behalf of the Ultimate beneficiaries.
- 2) As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For R S Kelkar & Co
Chartered Accountants
Firm's Registration No. 113342W



Rajendra Deshpande
Partner

Membership No. 104938
UDIN: 22104938AKQBRQ7669
Place: DOMBIVLI
Date: 24 May 2022



Spocto Solutions Pvt. Ltd.

Annexure A to the Independent Auditor's Report – 31st March, 2022

(Refer to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Spocto Solutions Pvt. Ltd. of even date)

- (i) In respect of Company's Property, Plant & Equipment:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the property, plant & equipment.
 - (b) As explained to us, the Company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. Physical verification was conducted only 20% of the Total Fixed Assets(Value) due to lack of time and Resources. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account with an exception to an Asset, not physically found which is to be written off.
 - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone financial statements, the lease agreements are in the name of the Company.
- (ii) In respect of its Inventory:
- As per the nature of business, the company has no inventory as on last date of the financial year. Hence, reporting under such clause is not applicable to the company.
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence, reporting under this clause is not required.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Acts in respect of grant of loans, investments and providing guarantees and securities as applicable. (Investment in Mutual Funds)



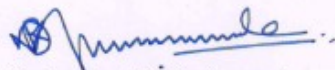
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and accordingly the question of complying with section 73 and 76 of the Companies Act 2013 does not arise. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 74 and 75 or any other relevant provisions of the Companies Act. According to the information and explanations given to us, no Order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal on the Company.
- (vi) The Company is out of the scope of maintaining cost records as per Companies (Cost Records and Audit) Rules, 2014. Hence, reporting under this clause is not applicable.
- (vii) According to the information and explanations given to us and according to the books and records as produced and examined by us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues including Income-tax, Goods and Service Tax, Cess and other material statutory dues as applicable with the appropriate authorities.
 - (b) There were no undisputed amount payable in respect of Income-tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they become payable.
 - (c) There were no disputed statutory liabilities outstanding as on 31st March, 2022. Hence, reporting under this clause is not required.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution, bank or to debenture holders during the year.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no significant fraud on the Company has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, during the year the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The company is not a Nidhi Company and therefore rules as per Nidhi Rules 2014 are not applicable to them.



- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of Companies Act, 2013 where applicable, for all transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) During the year, the company has made a preferential allotment or private placement of shares or fully or partly convertible debentures and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with. The funds raised have been used for the purposes for which the funds were raised.
- (xv) In our opinion and according to the information and explanations given to us, the company has entered into any non-cash transactions with its directors hence provision of section 192 of the Companies Act, 2013 are applicable to the Company.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Whether the company has an internal audit system commensurate with the size and nature of its business? Whether the reports of the Internal Auditors for the period under audit were considered by the statutory auditor?

For R S Kelkar and Co
Chartered Accountants
Firm's Registration No. 113342W



Rajendra V Deshpande
Partner
Membership No. 104938
UDIN: 22104938AKQBRQ7669
Place: Dombivli
Date: 24 May 2022



SPOCTO SOLUTIONS PRIVATE LIMITED
FINANCIAL STATEMENT
FOR F.Y 2021-22

Spocto Solutions Private Limited

Balance sheet as at 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

	Note	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
ASSETS				
Non-current assets				
Property, plant and equipment	4	200.90	28.96	6.81
Right-of-use assets	5	852.40	130.42	-
Other intangible assets	6	495.56	194.00	109.83
Financial assets				
Other financial assets	9	62.17	39.90	11.50
Deferred tax assets	32	-	0.95	5.64
Total non-current assets		1,611.03	394.23	133.78
Current assets				
Financial assets				
Investments	7	13,012.78	-	-
Trade receivables	11	1,606.53	232.84	103.48
Cash and cash equivalents	12	1,327.87	254.84	5.11
Bank balances other than those mentioned in cash and cash equivalents above	13	39.91	-	-
Loans	8	6.03	1.00	4.86
Current Tax Assets (net)	10	-	49.58	26.10
Other current assets	14	74.56	17.90	-
Total current assets		16,067.68	556.16	139.55
Total assets		17,678.71	950.39	273.33
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	3.04	2.00	2.00
Other equity	16	15,201.44	(424.45)	(570.83)
Total equity		15,204.48	(422.45)	(568.83)
Liabilities				
Non-current liabilities				
Financial liabilities				
Lease Liabilities	19	634.84	91.05	-
Provisions	21	54.79	13.19	4.71
Deferred Tax Liabilities		1.75	-	-
Total non-current liabilities		691.38	104.24	4.71
Current liabilities				
Financial liabilities				
Borrowings	18	-	663.45	730.25
Lease liabilities	19	234.81	46.72	-
Trade payables	23	-	-	-
total outstanding dues of micro and small enterprises		-	-	-
total outstanding dues of creditors other than micro and small enterprises		1,255.67	436.07	60.55
Provisions	21	2.37	0.16	-
Other current liabilities	24	245.91	122.20	46.65
Current tax liabilities (net)	22	44.09	-	-
Total current liabilities		1,782.85	1,268.60	837.45
Total liabilities		2,474.23	1,372.84	842.16
Total equity and liabilities		17,678.71	950.39	273.33

Significant accounting policies 3

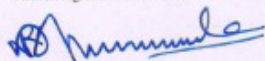
The notes referred to above form an integral part of these financial statements

As per our report of even date attached

for **R S Kelkar & Co**

Chartered Accountants

Firm's Registration No. 113342W



Rajendra Deshpande

Partner

Membership No.: 104938

UDIN: 22104938AKQBRQ7669

Place: Mumbai

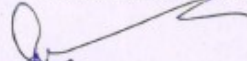
Date: 24 May 2022



for and on behalf of the Board of Directors of

Spocto Solutions Private Limited

CIN: U74999MH2020PTC337918



Sumet Srivastava

Director

DIN: 05258693

Place: Mumbai

Date: 24 May 2022



Pooja Srivastava

Director

DIN: 07641710

Place: Mumbai

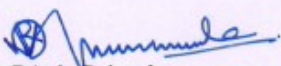
Date: 24 May 2022



Spocto Solutions Private Limited
Standalone Cash Flow Statement for the year ended March 31, 2022
(All amounts are in Indian Rupees in lakhs, except share data and unless otherwise stated)


Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flow from operating activities		
Profit before tax	1,344.81	177.53
Adjustments for:		
Depreciation and amortization expense	66.16	43.74
Depreciation on right to use assets	118.04	18.69
Finance cost	61.54	7.14
Interest income	(14.96)	(0.46)
Profit on termination of lease	(8.39)	-
Operating profit before working capital changes	1,567.20	246.64
Adjustments for changes in working capital:		
(Increase) in financial assets	(47.89)	(27.34)
(Increase) in trade receivables	(1,373.45)	(117.20)
(Increase) in other assets	(56.66)	(17.90)
Increase in trade payables	819.60	375.52
Increase in other liabilities and provisions	146.51	70.55
Cash used in operating activities	1,055.31	530.27
Income taxes paid, net of refunds	(290.06)	(48.47)
Net cash used in operating activities	765.25	481.80
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets)	(549.88)	(150.05)
Proceeds from sale of property, plant and equipment	1.95	-
Derecognition of lease	1.63	-
Investment in mutual funds (net)	(13,012.78)	-
Movement in bank balances other than cash and cash equivalents	(39.91)	-
Interest income	14.96	0.46
Net cash used in investing activities	(13,584.03)	(149.59)
C. Cash flow from financing activities		
Proceeds from issue of equity share capital including securities premium	15,615.00	-
Finance cost	(61.54)	(7.14)
Principal payment of lease liabilities	(80.77)	(8.54)
Utilisation of securities premium	(917.42)	-
Proceeds from/ (Repayment of) borrowings, net	(663.45)	(66.80)
Net cash used in financing activities	13,891.82	(82.48)
D. Net increase in cash and cash equivalents (A+B+C)	1,073.04	249.73
E. Cash and cash equivalents at the beginning	254.84	5.11
F. Cash and cash equivalents at the end (D+E)	1,327.88	254.84
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and Cash equivalents at the beginning		
Cash and cash equivalents - Refer Note: 12	254.84	5.11
	254.84	5.11
Cash and cash equivalents at the end		
Cash and cash equivalents - Refer Note: 12	1,327.87	254.84
	1,327.87	254.84

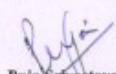
Significant accounting policies (Refer note 1 and 2)
The notes referred to above form an integral part of standalone financial statements
As per our report of even date attached
for **R S Kelkar & Co**
Chartered Accountants
Firm's Registration no.: 113342W


Rajendra Deshpande
Partner
Membership No. 104938
UDIN: 22104938AKQBRQ7669
Place: Mumbai
Date: 24 May 2022



For and on behalf of the board of directors of
Spocto Solutions Private Limited
CIN: U74999MH2020PTC337918


Sumeet Srivastava
Director
DIN: 05258693
Place: Mumbai
Date: 24 May 2022


Puja Srivastava
Director
DIN: 07641710
Place: Mumbai
Date: 24 May 2022



Spocto Solutions Private Limited
Statement of changes in equity for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)
a. Equity share capital

	Note	No of shares	Amount
Balance as at 1 April 2020	15	20,000	2.00
Changes in equity share capital due to prior period errors		-	-
Restated balance as at April 1, 2020		20,000	2.00
Changes in equity share capital during the year		-	-
Balance as at 31 March 2021	15	20,000	2.00
Balance as at 1 April 2021		20,000	2.00
Changes in equity share capital due to prior period errors		-	-
Restated balance as at April 1, 2021		20,000	2.00
Changes in equity share capital during the year		10,410	1.04
Balance as at 31 March 2022	15	30,410	3.04

b. Other equity

	Attributable to the owners of the Company		
	Reserves and surplus		Total
	Securities premium	Retained earnings	
Balance at 1 April 2020	-	(570.83)	(570.83)
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at 1 April 2020	-	(570.83)	(570.83)
Profit for the year	-	147.85	147.85
Remeasurement of defined benefit liability	-	(1.47)	(1.47)
Total comprehensive income	-	146.38	146.38
Transferred to retained earnings	-	-	-
Balance at 31 March 2021	-	(424.45)	(424.45)

	Attributable to the owners of the Company		
	Reserves and surplus		Total
	Securities premium	Retained earnings	
Balance at 1 April 2021	-	(424.45)	(424.45)
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at 1 April 2021	-	(424.45)	(424.45)
Profit for the year	-	950.12	950.12
Transferred to securities premium on issue of equity shares	15,613.96	-	15,613.96
Utilisation of securities premium	(917.42)	-	(917.42)
Remeasurement of defined benefit liability	-	(20.77)	(20.77)
Transferred to retained earnings	-	-	-
Balance at 31 March 2022	14,696.54	504.90	15,201.44

Significant accounting policies

3

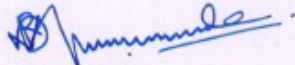
The notes referred to above form are an integral part of these financial statements

As per our report of even date attached

 for **RS Kelkar & Co**

Chartered Accountants

Firm's Registration No. 113342W


Rajendra Deshpande

Partner

Membership No.: 104938

UDIN: 22104938AKQBQ7669

Place: Mumbai

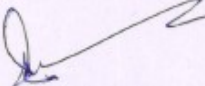
Date: 24 May 2022



for and on behalf of the Board of Directors of

Spocto Solutions Private Limited

CIN: U93090TN1985PTC024245


Sumet Srivastava

Director

DIN: 05258693

Place: Mumbai

Date: 24 May 2022


Puja Srivastava

Director

DIN: 07641710

Place: Mumbai

Date: 24 May 2022



Spocto Solutions Private Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

1. Company Overview

Spocto Solutions LLP was incorporated on 16 December 2016 as per provisions of LLP Act, 2008. LLP was converted to private limited company on 18 February 2020. Now functioning as per provisions of Companies Act, 2013 having registered office at Unit A, 6th Floor, Techniplex I, Techniplex Complex, opp Veer Savarkar Flyover, Goregaon (East), Mumbai City, Maharashtra, India 400062.

The Company is currently engaged in the business of (i) providing technology based digital debt collection campaign solution to lenders including through artificial intelligence (AI) powered debt collection solutions via its platforms for automated communication and call centre services such as Smart Collect and Smart Collect Plus; (ii) providing contact information about borrowers using digital data collection means through the Trace; and (iii) operating a webpage that allows users to view their credit score determined by a credit rating agency (registered under the Credit Information Companies (Regulation) Act, 2005) and make available general information to facilitate credit related decisions by the users. To carry on the business to provide services as a recovery agent and to give solutions for recovery of receivables by using analytical and modern digital methods.

2. Basis of preparation

A. Statement of compliance

The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended 31 March 2021 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As this is the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 38.

The financial statements were authorised for issue by the Company's Board of Directors on 24 May 2022.

Details of the Company's accounting policies are included in Note 3.

B. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees in lakhs, unless otherwise stated.

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset) liability	Fair value of plan assets less present value of defined benefit obligations

D. Use of estimates and judgments

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. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.



Specto Solutions Private Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

2 Basis of preparation (continued)

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

- Note 3 (C) and (D) – Estimation of useful lives of property, plant and equipment and intangible assets
- Note 20 – measurement of defined benefit obligations: key actuarial assumptions
- Note 33 – fair valuation of financial assets / liability
- Note 32 – recognition of deferred tax assets
- Note 21 – recognition and measurement of provisions and contingencies
- Note 33 – Impairment of financial assets

E. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 33 – financial instruments

3 Significant accounting policies

A. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.



Spocto Solutions Private Limited**Notes to financial statements for the year ended 31 March 2022***(All amounts are in Indian Rupees lakhs, except share data and as stated)***B. Financial instruments****i) Recognition and initial measurement**

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii) Classification and subsequent measurement**Financial assets:**

On initial recognition, a financial asset is classified as measured at

- amortised cost,
- fair value through other comprehensive income (FVOCI)
- fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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

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

A debt investment is measured at fair value through other comprehensive income if it meets both the following conditions and is not designated as FVTPL:

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

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

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

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.



Spocto Solutions Private Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii) Derecognition

Financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

iv) Offsetting

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

C. Property, plant and equipment

i) Recognition and initial measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

ii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2020 measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (also refer Note 38)

ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.



Spocto Solutions Private Limited**Notes to financial statements for the year ended 31 March 2022***(All amounts are in Indian Rupees lakhs, except share data and as stated)***C. Property, plant and equipment (continued)****iii) Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset category	Management estimate of useful life	Useful life as per Schedule II
Computers and accessories	3 years	3 - 6 years
Furniture and fixtures	10 years	10 years
Office equipment	10 years	5 years

Leasehold improvements are amortized on a straight line basis over the useful life of the asset or the lease period whichever is lower.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

D. Intangible assets**i) Recognition and initial measurement**

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii) Subsequent expenditure

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

iii) Amortisation

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

The estimated useful lives are as follows:

Asset	Useful life
Software	5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

i) Impairment of financial assets

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

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

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past dues for 180 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.



Spocto Solutions Private Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

E. Impairment (continued)

Loss allowances for trade receivables are always measured 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.

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

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

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

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

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

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

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

E. Employee benefits

i) Short-term employee benefits

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

ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.



Spocto Solutions Private Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

iii) Defined benefit plans

A defined benefits plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in statement of profit or loss in the period in which they arise.

G. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

H. Revenue

The Company has adopted 'Ind AS 115 - Revenue from contracts with customers' with effect from 1 April 2020 using the retrospective approach. There is no significant impact on Company's profit after tax after adoption of Ind AS 115.

i) Rendering of services

Revenue from rendering of services is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration expected to be received in exchange for those services.

The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for services, excluding amounts collected on behalf of third parties such as goods and service tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from rendering of services are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

Revenue on time-and-material contracts are recognized as the related services are rendered and revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.



Spocto Solutions Private Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

H. Revenue (continued)

ii) Interest Income

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of financial instrument to:

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

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

I. Leases

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

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

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

The Company has adopted the above standard using modified retrospective approach.

Right-of-use asset (ROU):

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

After the commencement date, a lessee shall measure the right-of-use asset applying cost model, which is Cost less any accumulated depreciation and any accumulated impairment. Right-of-use asset is depreciated using straight-line method from the commencement date to the end of the lease term.

Lease liability:

Lease liability is initially measured at the present value of lease payments that are not paid at the commencement date. Discounting is done using the company's incremental borrowing rate. Incremental borrowing rate is determined based on entity's borrowing rate adjusted for terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprises of fixed payments (including in substance fixed payments).

Lease liability is measured at amortised cost using the effective interest method. Lease liability is re-measured when there is a change in the lease term, a change in its assessment of whether it will exercise a purchase, extension or termination option or a revised in-substance fixed lease payment, a change in the amounts expected to be payable under a residual value guarantee and a change in future lease payments



Spocto Solutions Private Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

J. Recognition of interest income or expense

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

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

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

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

K. Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

L. Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.



Spocto Solutions Private Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

M. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. For the disclosure on reportable segments (see note 37).

N. Cash and cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

O. Earnings per share

i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- a. the profit attributable to owners of the Company
- b. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

ii) Diluted earnings per share

Diluted earning per share adjusts the figures used in the determination of basic earnings per share to take into account:

- a. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

P. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when:

- (i) The Company has a present obligation (legal or constructive) as a result of a past event;
- (ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) A reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows.

Contingent liability is disclosed in case of:

- (i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
- (ii) A present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent Assets:

Contingent assets are not recognised in the financial statements.

Contingent assets are disclosed where an inflow of economic benefits is probable.

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



Spocto Solutions Private Limited**Notes to financial statements for the year ended 31 March 2022***(All amounts are in Indian Rupees lakhs, except share data and as stated)***4 Property, plant and equipment**

(See accounting policy in Note 3(C))

Reconciliation of carrying amount

Particulars	Leasehold Improvements	Office Equipments	Computers and accessories	Furniture and fixtures	Total
Cost or deemed cost (gross carrying amount)					
Balance at 1 April 2020	-	-	4.22	2.59	6.81
Additions	-	-	28.50	1.75	30.25
Disposals	-	-	-	-	-
Balance at 31 March 2021	-	-	32.72	4.34	37.06
Balance at 1 April 2021	-	-	32.72	4.34	37.06
Additions	60.62	22.51	79.75	36.59	199.47
Disposals	-	-	7.37	2.86	10.23
Balance at 31 March 2022	60.62	22.51	105.10	38.07	226.30
Accumulated depreciation					
Balance at 1 April 2020	-	-	-	-	-
Depreciation for the year	-	-	7.77	0.33	8.10
Disposals	-	-	-	-	-
Balance at 31 March 2021	-	-	7.77	0.33	8.10
Balance at 1 April 2021	-	-	7.77	0.33	8.10
Depreciation for the year	4.51	0.75	18.40	1.92	25.58
Disposals	-	-	7.28	1.00	8.28
Balance at 31 March 2022	4.51	0.75	18.90	1.25	25.40
Carrying amount (net)					
As at 1 April 2020	-	-	4.22	2.59	6.81
As at 31 March 2021	-	-	24.95	4.01	28.96
As at 31 March 2022	56.11	21.76	86.20	36.82	200.90

Notes:

- There are no borrowing costs capitalised on property, plant and equipment during the year and previous year.
- There are no immovable property in the name of the Company.
- There are no assets held by third parties.
- There are no capital commitments for the Company.



Spocto Solutions Private Limited**Notes to financial statements for the year ended 31 March 2022***(All amounts are in Indian Rupees lakhs, except share data and as stated)***5 Right of use assets**

Gross Block	Buildings	Total
Balance at 1 April 2020	-	-
Additions	149.11	149.11
Disposals	-	-
Balance at 31 March 2021	149.11	149.11
Balance at 1 April 2021	149.11	149.11
Additions	928.41	928.41
Disposals	(108.44)	(108.44)
Balance at 31 March 2022	969.08	969.08
Accumulated depreciation		
Balance at 1 April 2020	-	-
Depreciation for the year	18.69	18.69
Disposals	-	-
Balance at 31 March 2021	18.69	18.69
Balance at 1 April 2021	18.69	18.69
Depreciation for the year	118.40	118.40
Disposals	(20.41)	(20.41)
Balance at 31 March 2022	116.68	116.68
Carrying amount (net)		
As at 1 April 2020	-	-
As at 31 March 2021	130.42	130.42
As at 31 March 2022	852.40	852.40



Spocto Solutions Private Limited**Notes to financial statements for the year ended 31 March 2022***(All amounts are in Indian Rupees lakhs, except share data and as stated)***6 Intangible assets**

(See accounting policy in Note 3(D))

Reconciliation of carrying amount

Particulars	Computer software	Total
Cost or deemed cost (gross carrying amount)		
Balance as at 1 April 2020	109.83	109.83
Additions	119.80	119.80
Disposals	-	-
Balance as at 31 March 2021	229.63	229.63
Balance as at 1 April 2021	229.63	229.63
Additions	350.41	350.41
Disposals	-	-
Balance as at 31 March 2022	580.04	580.04
Accumulated amortisation and impairment		
Balance as at 1 April 2020	-	-
Amortisation for the year	35.63	35.63
Balance as at 31 March 2021	35.63	35.63
Balance as at 1 April 2021	35.63	35.63
Amortisation for the year	48.85	48.85
Balance as at 31 March 2022	84.48	84.48
Carrying amount (net)		
As at 1 April 2020	109.83	109.83
As at 31 March 2021	194.00	194.00
As at 31 March 2022	495.56	495.56

Notes:

- a) Internally generated intangible assets - Nil (31 March 2021: Nil; 1 April 2020: Nil)



Spocto Solutions Private Limited

Statement of profit and loss for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

	Note	Year ended 31 March 2022	Year ended 31 March 2021
Income			
Revenue from operations	25	5,700.05	1,386.98
Other income	26	26.44	14.28
Total income		5,726.49	1,401.26
Expenses			
Cost of services	27	1,383.93	460.69
Employee benefits expense	28	2,014.37	500.51
Finance costs	29	61.54	7.14
Depreciation and amortisation expense	30	184.20	62.42
Other expenses	31	737.64	192.97
Total expenses		4,381.68	1,223.73
Profit before tax		1,344.81	177.53
Current tax		385.00	24.50
Deferred tax (benefit)/ charge		9.69	5.18
Income tax expense	32	394.69	29.68
Profit for the year		950.12	147.85
Other Comprehensive Income (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability/ (assets)		(27.76)	(1.97)
Income tax relating to items that will not be reclassified subsequently to profit or loss		6.99	0.50
Net other comprehensive income not to be reclassified subsequently to profit or loss		(20.77)	(1.47)
Total comprehensive income for the year		929.35	146.38
Earnings per share:	17		
Basic and diluted earnings per share (INR)		4,524.76	739.25

Significant accounting policies

3

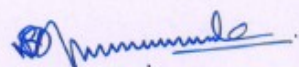
The notes referred to above form an integral part of these financial statements

As per our report of even date attached

for **RS Kelkar & Co**

Chartered Accountants

Firm's Registration No. 113342W



Rajendra Deshpande

Partner

Membership No.: 104938

UDIN: 22104938AKQBRQ7669

Place: Chennai

Date: 24 May 2022



for and on behalf of the Board of Directors of

Spocto Solutions Private Limited

CIN: U74999MH2020PTC337918



Sumeet Srivastava

Director

DIN: 05258693

Place: Mumbai

Date: 24 May 2022



Puja Srivastava

Director

DIN: 07641710

Place: Mumbai

Date: 24 May 2022



Spocto Solutions Private Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
7 Investments			
Current investments			
Investments measured at FVTPL			
Investments in mutual funds			
4,127,681.947 units (31 March 2021: Nil & 1 April 2020: Nil) of ICICI Prudential Mutual Fund	13,012.78	-	-
	<u>13,012.78</u>	<u>-</u>	<u>-</u>
Aggregate amount of quoted investments	13,012.78	-	-
Aggregate market value of quoted investments	13,012.78	-	-
Aggregate amount of impairment in value of investments	-	-	-
8 Loans			
Loan to employees, Unsecured			
Considered good	6.03	1.00	4.86
Significant increase in Credit Risk	-	-	-
Credit impaired	-	-	-
Less: Loss Allowance	-	-	-
	<u>6.03</u>	<u>1.00</u>	<u>4.86</u>
Non-current	-	-	-
Current	6.03	1.00	4.86
	<u>6.03</u>	<u>1.00</u>	<u>4.86</u>
9 Other Financial Assets			
Unsecured considered good			
Security deposits	62.17	39.90	11.50
	<u>62.17</u>	<u>39.90</u>	<u>11.50</u>
Non-current	62.17	39.90	11.50
Current	-	-	-
	<u>62.17</u>	<u>39.90</u>	<u>11.50</u>
10 Current Tax Assets (net)			
Advance income tax, net of provisions	-	49.58	26.10
	<u>-</u>	<u>49.58</u>	<u>26.10</u>
11 Trade receivables			
(See accounting policy in Note 3(B))			
Trade receivables			
Trade receivables considered good - secured	-	-	-
Trade receivables considered good - unsecured	1,611.82	238.37	121.18
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	-
	<u>1,611.82</u>	<u>238.37</u>	<u>121.18</u>
Loss allowance			
Less: Loss allowance	5.29	5.53	17.70
Net trade receivables	<u>1,606.53</u>	<u>232.84</u>	<u>103.48</u>
Non-current	-	-	-
Current	1,606.53	232.84	103.48
	<u>1,606.53</u>	<u>232.84</u>	<u>103.48</u>
The Company's exposure to credit and currency risks, and loss allowances relating to trade receivables are disclosed in note 33.			
(a) Of the above, trade receivables from related parties are as below:			
Total trade receivables from related parties	34.77	-	-
Loss allowance	-	-	-
Net trade receivables	<u>34.77</u>	<u>-</u>	<u>-</u>
(b) Movement in loss allowance on trade receivables			
Opening balance	5.53	17.70	-
Amount written off	-	-	-
Loss allowance	(0.24)	(12.17)	17.70
Closing balance	<u>5.29</u>	<u>5.53</u>	<u>17.70</u>



Specto Solutions Private Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)
11 Trade receivables (continued)
(c) Ageing schedule
As at March 31, 2022

Particulars	Outstanding for following periods						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
(i) Considered good	1,387.02	221.81	2.99	-	-	-	1,611.82
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Unbilled dues							
Total	1,387.02	221.81	2.99	-	-	-	1,611.82

As at March 31, 2021

Particulars	Outstanding for following periods						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
(i) Considered good	188.78	38.79	10.80	-	-	-	238.37
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Unbilled dues							
Total	188.78	38.79	10.80	-	-	-	238.37

As at April 1, 2020

Particulars	Outstanding for following periods						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables							
(i) Considered good	24.58	86.16	10.44	-	-	-	121.18
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Unbilled dues							
Total	24.58	86.16	10.44	-	-	-	121.18

12 Cash and cash equivalents

Balances with Banks

in Current Accounts

Bank deposits with maturity less than three months

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
	319.24	254.84	5.11
	1,008.63	-	-
	1,327.87	254.84	5.11

13 Bank balances other than those mentioned in cash and cash equivalents above

Bank deposits with maturity more than three months but less than twelve months

	39.91	-	-
	39.91	-	-

14 Other current assets

Unsecured, considered good

Prepaid expenses

Advance to suppliers

Others

	69.59	6.65	-
	1.64	-	-
	3.33	11.25	-
	74.56	17.90	-

< This space is intentionally left blank >



Spocto Solutions Private Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
15 Equity share capital			
Authorised			
50,000 (31 March 2021: 50,000 & 1 April 2020: 50,000) equity shares of Rs.10 each	5.00	5.00	5.00
Issued and subscribed capital			
30,410 (31 March 2021: 20,000 & 1 April 2020: 20,000) equity shares of Rs. 10 each, fully paid up	3.04	2.00	2.00
Issued, subscribed and paid up			
30,410 (31 March 2021: 20,000 & 1 April 2020: 20,000) equity shares of Rs. 10 each, fully paid up	3.04	2.00	2.00

a) Reconciliation of shares outstanding at the beginning and at the end of the year

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the commencement of the year	20,000	2.00	20,000	2.00
Shares issued during the year	10,410	1.04	-	-
At the end of the year	30,410	3.04	20,000	2.00

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs 10 each.

Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders meeting. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of amounts payable to preference shareholders. However, no such preference shares exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by holding company/ultimate holding company and / or their subsidiaries / associates

	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Holding company						
Credavenue Private Limited	22,810	75.01%	-	-	-	-
	22,810	75.01%	-	-	-	-

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

	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	Number of shares	% of equity shares	Number of shares	% of equity shares	Number of shares	% of equity shares
Credavenue Private Limited	22,810	75.01%	-	0.00%	-	0.00%
Sumeet Srivastava	4,410	14.50%	11,024	55.12%	15,000	75.00%
Puja Srivastava	-	0.00%	3,675	18.38%	5,000	25.00%
Sandhya Thali	-	0.00%	2,700	13.50%	-	0.00%
Bhavin Parekh	-	0.00%	1,600	8.00%	-	0.00%
	27,220	89.51%	18,999	95.00%	20,000	100.00%

e) Particulars of shares held by promoters at the end of year

	As at 31 March 2022		As at 31 March 2021		As at 1 April 2020	
	Number of shares	% of equity shares	Number of shares	% of equity shares	Number of shares	% of equity shares
Sumeet Srivastava	4,410	14.50%	11,024	55.12%	15,000	75.00%
Puja Srivastava	1,470	4.83%	3,675	18.38%	5,000	25.00%
Bhavin Parekh	640	2.10%	1,600	8.00%	-	0.00%
	6,520	21.44%	16,299	81.50%	20,000	100.00%

f) There are no bonus shares or buy-back of shares or shares issued for consideration other than cash during a period of five years immediately preceding financial year ended 31 March 2022.



Spocto Solutions Private Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)
16 Other equity

Other equity consists of the following

	As at 31 March 2022	As at 31 March 2021
Securities premium		
At the commencement of the year	-	-
Add: Premium received on shares issued	15,613.96	-
Less: Utilisation of securities premium	(917.42)	-
At the end of the year (A)	14,696.54	-
Retained earnings		
At the commencement of the year	(424.45)	(570.83)
Add: Profit for the year	950.12	146.38
Less: Remeasurement of defined benefit liability	(20.77)	-
At the end of the year (B)	504.90	(424.45)
Total of other equity (C) = (A)+(B)	15,201.44	(424.45)

Description of reserves
a) Securities premium

The amount received in excess of the par value of equity shares has been classified as securities premium.

b) Retained earnings

Retained earnings represent the amount of accumulated earnings of the Company.

17 Earnings per share (EPS)
Basic and diluted earnings per share

The calculation of basic earnings per share is based on profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding as follows:

	Year ended 31 March 2022	Year ended 31 March 2021
Profit attributable to the equity shareholders of the Company	950.12	147.85
Weighted average number of equity shares (nos. in lakhs)	0.21	0.20
Basic per share (EPS)	4,524.76	739.25
Profit attributable to the equity shareholders of the Company	950.12	147.85
Weighted average number of equity shares (nos. in lakhs)	0.21	0.20
Diluted earnings per share (EPS)	4,524.76	739.25

18 Borrowings

(See accounting policies in note 3(N))

Unsecured

Loans from related parties

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Loans from related parties	-	663.45	730.25
Total current borrowings	-	663.45	730.25

Nature of security and terms of repayment for long-term borrowings

Unsecured interest free loan was given by promoters and the same was settled by the company during the year

a) Sumeet Srivastava - 31 March 2022: Nil (31 March 2021: INR 489.39 Lakhs ; 1 April 2020: INR 583.34 Lakhs)

b) Paja Srivastava - 31 March 2022: Nil (31 March 2021: INR 90.80 Lakhs ; 1 April 2020: INR 93.75 Lakhs)

c) Sandhya Thali - 31 March 2022: Nil (31 March 2021: INR 74.26 Lakhs ; 1 April 2020: INR 53.16 Lakhs)

19 Lease Liabilities

Lease Liabilities (refer note 34)

	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Lease Liabilities (refer note 34)	869.65	137.77	-
Non-current	634.84	91.05	-
Current	234.81	46.72	-
	869.65	137.77	-



Spocto Solutions Private Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)
20 Assets and liabilities relating to employee benefits
(See accounting policies in note 3(G))

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Net defined benefit asset - Gratuity Plan	-	-	-
Total Employee benefit asset	-	-	-
Net defined benefit liability - Gratuity plan	57.16	13.35	4.71
Total employee benefit liabilities	57.16	13.35	4.71
Non-current	54.79	13.19	4.71
Current	2.37	0.16	-
	57.16	13.35	4.71

The Company operates the following post-employment defined benefit plans.

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A. Reconciliation of the net defined benefit (asset) liability

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

	Year ended 31 March 2022	Year ended 31 March 2021
Reconciliation of present value of defined benefit		
Balance at the beginning of the year	13.35	4.71
Benefits paid	-	-
Current service cost	15.17	6.38
Interest cost	0.88	0.28
Actuarial losses recognised in other comprehensive income	-	-
changes in financial assumptions	(1.71)	(0.91)
experience adjustments	29.49	2.88
Others	(0.02)	-
Balance at the end of the year	57.16	13.35
Net defined benefit liability	57.16	13.35
	Year ended 31 March 2022	Year ended 31 March 2021
B. i. Expense recognised in profit or loss		
Current service cost	15.17	6.38
Interest cost	0.88	0.28
	16.05	6.66
ii. Remeasurement recognised in other		
Actuarial (gain)/ loss on defined benefit obligation	27.78	1.97
	27.78	1.97

C. Defined benefit obligations
i. Actuarial assumptions

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

	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 1 April 2020
Discount rate	6.90%	6.57%	6.57%
Future salary growth	12.00%	12.00%	12.00%
Attrition rate	10.00%	10.00%	10.00%

ii. Sensitivity analysis

	Year ended 31 March 2022		Year ended 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	5.46	(4.68)	1.79	(1.49)
Future salary growth (1% movement)	3.44	(3.03)	1.64	(1.42)
Attrition rate (1% movement)	1.68	(1.51)	0.96	(0.84)

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



Spocto Solutions Private Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)

	Non-current			Current		
	31 March 2022	31 March 2021	01 April 2020	31 March 2022	31 March 2021	01 April 2020
21 Provisions						
(See accounting policies in 3(G))						
Provision for employee benefits (refer note 20)						
Gratuity	54.79	13.19	4.71	2.37	0.16	0.00
Total	54.79	13.19	4.71	2.37	0.16	0.00
22 Current tax liabilities (net)						
Provision for tax, net of advance tax	-	-	-	44.09	-	-
Total	-	-	-	44.09	-	-
23 Trade payables						
	As at	As at	As at			
	31 March 2022	31 March 2021	01 April 2020			
Total outstanding dues of micro and small enterprises (refer note 40)	-	-	-			
Total outstanding dues of creditors other than micro and small enterprises	1,255.67	436.07	60.55			
	1,255.67	436.07	60.55			

The Company's exposure to currency and liquidity risk relating to trade payables are disclosed in note 33.

a) Ageing schedule
As at March 31, 2022

Particulars	Outstanding for following periods					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	1,115.54	139.95	0.21	-	-	1,255.70
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Total	1,115.54	139.95	0.21	-	-	1,255.70

As at March 31, 2021

Particulars	Outstanding for following periods					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	361.94	72.24	1.89	-	-	436.07
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Total	361.94	72.24	1.89	-	-	436.07

As at April 1, 2020

Particulars	Outstanding for following periods					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	56.35	3.60	0.60	-	-	60.55
Disputed dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Unbilled dues						
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Total	56.35	3.60	0.60	-	-	60.55

24 Other current liabilities

Statutory dues payables	165.02	47.40	7.66
Employees benefits payable	0.47	74.80	25.54
Payables to related parties	77.88	-	-
Other payables	2.54	-	13.45
Total	245.91	122.20	46.65



Spocto Solutions Private Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)

	Year ended 31 March 2022	Year ended 31 March 2021
25 Revenue from operations		
(See accounting policy in Note 3(I))		
Rendering of services	5,700.05	1,386.98
Total revenue from operations	5,700.05	1,386.98
Timing of revenue recognition		
Services transferred at a point in time	5,700.05	1,386.98
Total revenue from contracts with customers	5,700.05	1,386.98
Contract balances:		
Trade receivables (refer note 11)	1,606.53	232.84
26 Other income		
Interest income on		
bank deposits (at amortised cost)	14.96	0.46
Others	2.46	0.45
Profit on termination of lease	8.39	-
Net gain on foreign currency transactions	-	0.36
Impairment loss reversal	0.24	12.16
Other non-operating income	0.39	0.85
	26.44	14.28
27 Cost of services		
Data as a Service	15.82	5.28
Digital Media Cost	917.92	274.52
Direct Consultancy Expenses	356.73	143.57
Infrastructure Cost	83.90	17.98
Others	9.56	19.34
	1,383.93	460.69
28 Employee benefits expense		
(See accounting policy in Note 3(G))		
Salaries, wages and bonus	1,796.57	475.87
Contribution to provident and other funds	77.55	11.65
Expenses related to post-employment defined benefit plans	16.05	6.67
Staff welfare expenses	124.20	6.32
	2,014.37	500.51
29 Finance costs		
(See accounting policy in Note 3(N))		
Interest on financial liabilities measured at amortised cost	9.76	-
Interest on lease liabilities (refer note 34)	51.78	7.14
	61.54	7.14
30 Depreciation and Amortisation expense		
(See accounting policy in Note 3(C)(iii) and 3(D)(iii))		
Depreciation of property, plant and equipment	17.31	8.10
Depreciation of right-of-use assets (refer note 34)	118.04	18.69
Amortisation of intangible assets	48.85	35.63
	184.20	62.42



Spocto Solutions Private Limited**Notes to financial statements for the year ended 31 March 2022***(All amounts are in Indian Rupees lakhs, except share data and as stated)*

	Year ended 31 March 2022	Year ended 31 March 2021
31 Other expenses		
Rent	52.46	22.69
Power and fuel	25.69	4.68
Rates and taxes	68.49	3.17
Auditors' Remuneration (refer note 31.1)	2.00	2.00
Insurance	10.49	2.77
Repairs and maintenance		
- Others	86.07	27.99
Advertising and Marketing	10.48	10.70
Business Promotion	7.67	0.67
Commission expenses	12.28	1.26
Travelling and conveyance	73.04	18.13
Communication costs	20.87	3.34
Information Technology expenses	170.26	46.67
Legal and professional charges	135.29	22.34
Miscellaneous expenses	62.55	26.56
	737.64	192.97
31.1 Auditors' Remuneration (excluding goods and service tax)		
Statutory audit	1.50	1.50
Tax audit	0.50	0.50
	2.00	2.00



Spocto Solutions Private Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)

	Year ended 31 March 2022	Year ended 31 March 2021
32 Income tax		
(See accounting policy in Note 3(M))		
A. Amount recognised in statement of profit and loss		
Current tax (a)		
Current period	385.00	24.50
Deferred tax (b)		
Attributable to:		
Origination and reversal of temporary differences	9.69	5.18
Tax expense of continuing operations (a)+(b)	394.69	29.68

B. Income tax recognised in other comprehensive income

	Year ended 31 March 2022			Year ended 31 March 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurement of defined benefit liability (assets)	(27.76)	6.99	(20.77)	(1.97)	0.50	(1.47)
	(27.76)	6.99	(20.77)	(1.97)	0.50	(1.47)

C. Reconciliation of effective tax rate

	Year ended 31 March 2022		Year ended 31 March 2021	
Profit before tax	1,344.81		177.53	
Tax using the Company's domestic tax rate	25.17%		25.17%	
Effect of:				
Non deductible expenses	0.47%	6.35	0.00%	-
Change in temporary differences	2.31%	31.02	6.53%	11.60
Tax on loss carried forward to future years	0.00%	-	-14.98%	(26.60)
Others	1.40%	18.87	0.00%	-
Effective tax rate	29.35%	394.70	16.72%	29.68

D. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following

	Deferred tax assets		Deferred tax liabilities		Net deferred tax assets/ (liabilities)	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Property, plant and equipment	-	-	21.35	5.65	(21.35)	(5.65)
Provisions - employee benefits	13.83	3.36	-	-	13.83	3.36
Allowance for credit loss	1.33	1.39	-	-	1.33	1.39
Others	4.43	1.85	-	-	4.43	1.85
Net deferred tax (assets) liabilities	19.59	6.60	21.35	5.65	(1.75)	0.95

Movement in temporary differences

	Balance as at 1 April 2020	Recognised in		Balance as at 31 March 2021	Recognised in		Balance as at 31 March 2022
		Statement of profit and loss	OCI		Statement of profit and loss	OCI	
Property, plant and equipment	-	(5.65)	-	(5.65)	(15.70)	-	(21.35)
Provisions - employee benefits	4.45	(1.59)	0.50	3.36	3.48	6.99	13.83
Allowance for credit loss	1.19	0.21	-	1.39	(0.06)	-	1.33
Others	-	1.85	-	1.85	2.58	-	4.43
	5.64	(5.18)	0.50	0.95	(9.70)	6.99	(1.75)



Spocto Solutions Private Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)
33 Financial instruments - Fair value and risk management
A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As at 31 March 2022

	Amortised cost	FVTPL	Total carrying value	Total fair value
Financial assets:				
Investments	-	13,012.78	13,012.78	13,012.78
Loans	6.03	-	6.03	6.03
Trade receivables	1,606.53	-	1,606.53	1,606.53
Cash and cash equivalents	1,327.87	-	1,327.87	1,327.87
Bank balances other than those mentioned in cash and cash equivalents above	39.91	-	39.91	39.91
Other financial assets	62.17	-	62.17	62.17
Financial liabilities:				
Lease Liabilities	869.65	-	869.65	869.65
Trade payables	1,255.67	-	1,255.67	1,255.67

As at 31 March 2021

	Amortised cost	FVTPL	Total carrying value	Total fair value
Financial assets:				
Loans	1.00	-	1.00	1.00
Trade receivables	232.84	-	232.84	232.84
Cash and cash equivalents	254.84	-	254.84	254.84
Other financial assets	39.90	-	39.90	39.90
Financial liabilities:				
Borrowings	663.45	-	663.45	663.45
Lease Liabilities	137.77	-	137.77	137.77
Trade payables	436.07	-	436.07	436.07

As at 1 April 2020

	Amortised cost	FVTPL	Total carrying value	Total fair value
Financial assets:				
Loans	4.86	-	4.86	4.86
Trade receivables	103.48	-	103.48	103.48
Cash and cash equivalents	5.11	-	5.11	5.11
Other financial assets	11.50	-	11.50	11.50
Financial liabilities:				
Borrowings	730.25	-	730.25	730.25
Trade payables	60.55	-	60.55	60.55

The fair value hierarchy of assets and liabilities as at March 31, 2022 is as follows:

Particulars	As at 31 March 2022	Fair value measurement at end of the year using		
		Level 1	Level 2	Level 3
Assets:				
Investments in Mutual Funds	13,012.78	13,012.78	-	-

Majority of investments of the Company are fair valued based on Level 1 inputs. These investments includes investment in liquid mutual fund units.

There are no financial assets and liabilities as at 31 March 2021 and 1 April 2020 which are measured at fair value through profit/loss or other comprehensive income.



Specto Solutions Private Limited**Notes to financial statements for the year ended 31 March 2022***(All amounts are in Indian Rupees lakhs, except share data and as stated)***33 Financial instruments - Fair value and risk management (continued)****B. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- a) credit risk (see (B)(ii));
- b) liquidity risk (see (B)(iii));
- c) market risk (see (B)(iv)); and
- d) currency risk (see (B)(v)).

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

ii. Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables, certain loans and advances and other financial assets.

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk for trade and other receivables are as follows:

	Carrying amount		
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Investments	13,012.78	-	-
Loans	6.03	1.00	4.86
Trade receivables	1,606.53	232.84	103.48
Cash and cash equivalents	1,327.87	254.84	5.11
Bank balances other than those mentioned in cash and cash equivalents above	39.91	-	-
Other financial assets	62.17	39.90	11.50
	16,055.28	528.58	124.95

Trade receivables

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The customers of the Company have good credit ratings and are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.



Spocto Solutions Private Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)
33 Financial instruments - Fair value and risk management (continued)
Trade receivables (continued)

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Company's exposure to credit risk for trade receivables by relationship is as follows:

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Third party customers	1,577.05	232.84	103.48
Related parties	34.77	-	-

Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

Bank balances other than those mentioned in cash and cash equivalents above

The Company held deposits with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

Other financial assets

This balance primarily constitute of security deposits. The credit worthiness of such deposits are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

iii. Liquidity risks

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

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, including contractual interest.

As at 31 March 2022

	Carrying amount	Total	6 months or less	6-12 months	1-2 years	More than 2 years
Borrowings	-	-	-	-	-	-
Trade payables	1,255.67	1,255.67	1,255.67	-	-	-
	1,255.67	1,255.67	1,255.67	-	-	-

As at 31 March 2021

	Carrying amount	Total	6 months or less	6-12 months	1-2 years	More than 2 years
Borrowings	663.45	663.45	663.45	-	-	-
Trade payables	436.07	436.07	436.07	-	-	-
	1,099.52	1,099.52	1,099.52	-	-	-

As at 1 April 2020

	Carrying amount	Total	6 months or less	6-12 months	1-2 years	More than 2 years
Borrowings	730.25	730.25	730.25	-	-	-
Trade payables	60.55	60.55	60.55	-	-	-
Other financial liabilities	-	-	-	-	-	-
	790.80	790.80	790.80	-	-	-



Spocto Solutions Private Limited**Notes to financial statements for the year ended 31 March 2022***(All amounts are in Indian Rupees lakhs, except share data and as stated)***33 Financial instruments - Fair value and risk management (continued)****iv. Market risks**

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

v. Currency risk

Foreign currency risk arise in AED denominated transactions mainly from monetary receivables and export sales gives rise to exchange rate fluctuation risk. The Group's major exposure in foreign currency is in respect of borrowings which is availed based on consideration of optimisation of overall cost of borrowing.

As at 31 March 2022

Financial assets/ (liabilities)	AED	Total
Trade receivables	3.19	3.19
Trade payables	-	-
Net assets / (liabilities)	3.19	3.19

As at 31 March 2021

Financial assets/ (liabilities)	AED	Total
Trade receivables	0.87	0.87
Trade payables	-	-
Net assets / (liabilities)	0.87	0.87

As at 1 April 2020

Financial assets/ (liabilities)	AED	Total
Trade receivables	0.60	0.60
Trade payables	-	-
Net assets / (liabilities)	0.60	0.60

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR against AED at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or Loss	
	Strengthening	Weakening
As at 31 March 2022		
AED (1% movement)	0.03	(0.03)
As at 31 March 2021		
AED (1% movement)	0.01	(0.01)
As at 1 April 2020		
AED (1% movement)	0.01	(0.01)



Spocto Solutions Private Limited**Notes to financial statements for the year ended 31 March 2022***(All amounts are in Indian Rupees lakhs, except share data and as stated)***34 Ind AS 116: leases***(See accounting policy in Note 3(K))*

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.

Effective 1 April 2020, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2020 using modified retrospective approach, effective annual reporting period beginning 1 April 2020 at transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at 1 April 2020. Right-of-use assets are measured at an amount equal to lease liabilities in accordance with Ind AS 116 adjusted for prepayments.

On transition, since the Company does not have any qualifying leases as at 1 April 2020, the 'Right of Use' asset and a lease liability is Nil. Subsequently in FY 2020-21, the new standard resulted in recognition of 'Right of Use' asset of INR 130.42 lakhs and a lease liability of INR 137.77 lakhs.

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

- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(i) Right of use assets

Refer note 5 for detailed breakup of right of use assets and amortisation thereon.

(ii) Lease Liabilities**Maturity analysis of Lease Liability**

Not later than one year
Later than one year but not later than four years
Later than four years
Total undiscounted lease liabilities

As at 31 March 2022	As at 31 March 2021
234.81	46.72
634.84	91.05
-	-
869.65	137.77

(iii) Amounts recognised in Profit and Loss

Interest on lease liabilities
Amortisation of right of use assets (refer note 5)
Expenses relating to short term leases

Year ended 31 March 2022	Year ended 31 March 2021
51.78	7.14
118.04	18.69
52.46	22.69

(iv) Amounts recognised in statement of cash flows

Total cash outflow towards lease payments (excluding short-term lease payments)

Year ended 31 March 2022	Year ended 31 March 2021
80.77	8.54



Spocto Solutions Private Limited**Notes to financial statements for the year ended 31 March 2022***(All amounts are in Indian Rupees lakhs, except share data and as stated)***35 Related parties****Parent and ultimate controlling party**

The parent and ultimate controlling party of the Company as at 31 March 2022 is Credavenue Private Limited.

A List of related parties with whom transactions have taken place during the year ended March 31, 2022 and March 31, 2021:

Nature of relationship	Name of the related party
Holding company	Credavenue Private Limited
Fellow Subsidiary	Credavenue Securities Private Limited
Key management personnel	
Director	Sumeet Srivastava
Director	Puja Srivastava
Director	Sandhya Avdhoot Thali
Director	Gaurav Kumar
Relative of Director	Avdhoot Thali
Others	
Entity in which KMP has a significant influence	Arrise BPO Solutions Private Limited
Entity in which KMP has a significant influence	SPSS Informatics Solutions LLC

B Transactions with key management personnel

	Year ended 31 March 2022	Year ended 31 March 2021
Remuneration*		
Sumeet Srivastava	309.36	18.80
Puja Srivastava	146.18	18.47
Sandhya Avdhoot Thali	30.90	7.92

* Amount attributable to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

Compensation of the Company's key managerial personnel includes salaries, non-cash benefits and contributions to post-employment defined benefit plan (refer note 20 and note 28).

C Transactions during the year other than those with key management personnel

	Year ended 31 March 2022	Year ended 31 March 2021
Sale of services		
Arrise BPO Solutions Private Limited	39.43	-
Consultancy Fee		
Sandhya Avdhoot Thali	17.87	14.90
Information Technology Expenses		
SPSS Informatics Solutions LLC	61.43	-
Purchase of fixed assets		
SPSS Informatics Solutions LLC	96.94	-

D Year end balances

	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Balances due from related parties			
Trade receivables			
Arrise BPO Solutions Private Limited	34.77	-	-
Balances due to related parties			
Unsecured Loan			
Sumeet Srivastava	-	498.39	-
Puja Srivastava	-	90.80	93.75
Sandhya Avdhoot Thali	-	74.26	53.16
Trade Payables			
SPSS Informatics Solutions LLC	61.43	-	-
Other Liabilities			
Credavenue Private Limited	77.88	-	-

The year end balances below includes foreign exchange gain / loss arising on restatement of foreign currency balances, wherever applicable.



Spocto Solutions Private Limited**Notes to financial statements for the year ended 31 March 2022***(All amounts are in Indian Rupees lakhs, except share data and as stated)***36 Operating segments****A Basis for segmentation**

The Company is only engaged in the business to provide services as a recovery agent and to give solutions as a recovery agent and to give solutions for recovery of receivables by using analytical and modern digital methods. Therefore there are no separate reportable segments as per Ind AS -108 - Operating Segment.

With regard to geographic presence, the Company has customers from UAE apart from India.

B Geographical information

The Company is domiciled in India. The amount of its revenue from external customers is broken down by location of the customers and information about its non-current assets other than financial instruments, deferred tax assets and post employment benefit asset by location are detailed below:

	Year ended 31 March 2022	Year ended 31 March 2021	
Revenue from sale of services			
India	5,475.77	1,278.83	
Outside India	224.28	108.14	
Total	5,700.05	1,386.98	
	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Non-current assets			
India	1,611.03	393.28	128.14
Outside India	-	-	-
Total	1,611.03	393.28	128.14

C Major customer

The Company receives 10% or more of its revenues from the below customers.

Name of the Company	Nature	Year ended March 31, 2022	Percentage to total revenue
Axis Bank Limited	Rendering of services	2,181.25	38.27%
ICICI Bank Limited	Rendering of services	1,187.71	20.84%
HDFC Bank Limited	Rendering of services	680.96	11.95%
Name of the Company	Nature	Year ended March 31, 2021	Percentage to total revenue
Axis Bank Limited	Rendering of services	531.67	38.33%
RBL Bank Limited	Rendering of services	220.85	15.92%
ICICI Bank Limited	Rendering of services	201.98	14.56%
TVS Credit Services Limited	Rendering of services	135.65	9.78%

37 Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- The Company has not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) 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.
- The Company has not received any fund from any persons or entities, 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.
- The Company does not have 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).
- The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period.
- The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year.
- There are no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- The Company has no borrowings from banks or financial institutions on the basis of security of current assets.
- The company is not declared as wilful defaulter by any bank or financial Institution or other lender.



Spocto Solutions Private Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

38 Explanation of transition to Ind AS

As stated in Note 2A, these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended 31 March 2022, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 3 have been applied in preparing these financial statements for the year ended 31 March 2022 including the comparative information for the year ended 31 March 2021 and the opening Ind AS balance sheet on the date of transition i.e. 1 April 2020.

In preparing its Ind AS balance sheet as at 1 April 2018 and in presenting the comparative information for the year ended 31 March 2019, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company financial position, financial performance and cash flows.

Optional exemptions availed and mandatory exceptions

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

A. Optional exemptions availed

1. Property plant and equipment and intangible assets

As per Ind AS 101 an entity may elect to:

- (i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date
- (ii) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:
 - fair value;
 - or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

The elections under (i) and (ii) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including the existence of an active market).

(iii) use carrying values of property, plant and equipment, intangible assets and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets also.

B. Mandatory exceptions

1. Estimates

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

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

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

- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortised cost.

2. Classification and measurement of financial assets

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

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



Spocto Solutions Private Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)
38 Explanation of transition to Ind AS (Continued)
Reconciliation of equity

	Note	As at date of transition 1 April 2020			As at 31 March 2021		
		Previous GAAP*	Adjustment on transition to Ind AS	Ind AS	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment		6.81	-	6.81	28.96	-	28.96
Right of Use Asset		-	-	-	-	130.42	130.42
Other intangible assets		109.83	-	109.83	194.00	-	194.00
Financial assets							
Loans		-	-	-	2.35	(2.35)	-
Other financial assets		11.50	-	11.50	-	-	-
Deferred tax assets	C	(0.00)	5.64	5.64	(5.65)	6.60	0.95
Tax assets (net)		-	-	-	49.58	-	49.58
Total non current assets		128.14	5.64	133.78	269.25	134.67	403.91
Current assets							
Financial assets							
Trade receivables	B	121.18	(17.70)	103.48	238.37	(5.53)	232.84
Cash and cash equivalents		5.11	-	5.11	254.84	-	254.84
Loans		4.86	-	4.86	1.00	-	1.00
Other financial assets		26.10	-	26.10	39.90	-	39.90
Other current assets		-	-	-	17.90	-	17.90
Total current assets		157.25	(17.70)	139.55	552.01	(5.53)	546.48
Total assets		285.39	(12.06)	273.33	821.25	129.13	950.39
EQUITY AND LIABILITIES							
Equity							
Equity share capital		2.00	-	2.00	2.00	-	2.00
Other equity	D	(554.06)	(16.77)	(570.83)	(402.47)	(21.98)	(424.45)
Total equity		(552.06)	(16.77)	(568.83)	(400.47)	(21.98)	(422.45)
Liabilities							
Non-current liabilities							
Provisions		(0.00)	4.71	4.71	0.00	13.19	13.19
Total non-current liabilities		(0.00)	4.71	4.71	0.00	13.19	13.19
Current liabilities							
Financial liabilities							
Borrowings		730.25	-	730.25	663.45	-	663.45
Lease Liability		-	-	-	-	137.77	137.77
Trade payables		60.55	-	60.55	436.07	-	436.07
Other financial liabilities		-	-	-	-	-	-
Provisions		-	-	-	-	0.16	0.16
Deferred Tax Liability		-	-	-	-	-	-
Other current liabilities		46.65	-	46.65	122.20	-	122.20
Total current liabilities		837.45	-	837.45	1,221.72	137.93	1,359.65
Total liabilities		837.45	4.71	842.16	1,221.72	151.12	1,372.84
Total equity and liabilities		285.39	(12.06)	273.33	821.25	129.13	950.39

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



Spocto Solutions Private Limited
Notes to financial statements for the year ended 31 March 2022
(All amounts are in Indian Rupees lakhs, except share data and as stated)
38 Explanation of transition to Ind AS (Continued)
Reconciliation of total comprehensive income for the year ended 31 March 2021

Note	Year ended 31 March 2021		
	Previous GAAP	Adjustment on transition to Ind AS	Ind AS
Revenue from operations	1,386.98	-	1,386.98
Other income	1.67	12.61	14.28
Total revenue	1,388.65	12.61	1,401.26
Expenses			
Cost of services	460.69	-	460.69
Employee benefits expense	493.84	6.67	500.51
Finance costs	0.00	7.14	7.14
Depreciation and amortisation expense	43.73	18.69	62.42
Other expenses	208.65	(15.68)	192.97
Total expenses	1,206.91	16.82	1,223.73
Profit before income tax	181.74	(4.21)	177.53
Current tax	24.50	-	24.50
Deferred tax (benefit)/ loss	5.65	(0.46)	5.18
Income tax expense	30.15	(0.46)	29.68
Profit for the year	151.59	(3.74)	147.85
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability/ (assets)	A	-	(1.97)
Income tax relating to items that will not be reclassified subsequently to profit or loss	C	-	0.50
Total comprehensive income for the year	151.59	(5.21)	146.37

Notes to the reconciliation
A Remeasurement of defined benefit liability (asset)

Under the previous GAAP, i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability was forming part of the profit or loss for the year. However under Ind AS 19, it is recognised in other comprehensive income.

The impact arising from the change is summarized as follows:

	Year ended 31 March 2021
Statement of profit and loss	
Employee benefits expenses	(1.97)
	(1.97)
Other comprehensive income	
Remeasurement of defined benefit liability/ (assets)	1.97
	1.97
Adjustment before income tax	-
	-
Balance sheet	
Adjustment to retained earnings	-
	-



Spocto Solutions Private Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

B Loss allowance

On transition to Ind AS, the company has recognised impairment loss on trade receivables, based on expected credit loss model as required by Ind AS 109.

	Year ended 31 March 2021
Statement of profit and loss	
Loss allowance on trade receivable	(12.16)
Adjustment before income tax	(12.16)
Balance sheet	
Trade receivables	(17.70) (5.53)

C Deferred tax

The impact arising from the change is summarized as follows:

	Year ended 31 March 2021
Statement of profit and loss	
Deferred tax impact on change in tax rate	-
Deferred tax impact on expected credit loss	3.06
Deferred tax impact on temporary differences	(3.52)
	(0.46)
Other comprehensive income	
Income tax relating to items that will not be reclassified subsequently to profit or loss	0.50
	0.50
Adjustment before income tax	0.03
Balance sheet	
Deferred tax assets	5.64 6.60
Adjustment to retained earnings	5.64 6.60

D Retained earnings

The above changes (decreased) increased total equity as follows:

	01 April 2020	31 March 2021
Provision on account of expected credit loss	(17.70)	(5.08)
Provision for Gratuity	(4.71)	(11.38)
Ind AS 116 Leases	-	(10.15)
Deferred tax impact on the adjustments	5.64	4.63
Adjustment to retained earnings	(16.77)	(21.98)

E Reconciliation of total comprehensive income for the year ended 31 March 2021

	Year ended March 31, 2021
Profit after tax as per previous GAAP	151.59
Adjustments:	
Gratuity	(6.67)
Depreciation on ROU Asset	(18.69)
Interest on lease liability	(7.14)
Interest income on Security Deposits	12.61
Rent expense	15.68
Deferred tax	0.46
Total adjustments	(3.74)
Profit after tax as per Ind AS	147.85
Other comprehensive income	(1.47)
Total comprehensive income as per Ind AS	146.38



Spocto Solutions Private Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

39 Ind AS 115 - Revenue from contracts with customers

With effect from 1 April 2020, the Company has adopted Ind AS 115 'Revenue from Contracts with Customers' which introduces a new five-step approach to measuring and recognising revenue from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for services to a customer.

The Company has opted for the modified retrospective application permitted by Ind AS 115 upon adoption of new standard. Accordingly, the standard has been applied for the year ended 31 March 2021 only (i.e. the initial application period). Modified retrospective application also requires the recognition of cumulative impact of adoption of Ind AS 115 on all contracts as at 1 April 2020 ('transition date') in equity and the impact on such transition date is not material.

Also, the Company has elected to use the practical expedient that there is no financing component involved when the credit period offered to customers is less than 12 months.

Prior to adoption of Ind AS 115, the Company's revenue primarily comprised of revenue from sale of services. The recognition of these revenue streams is largely unchanged by Ind AS 115.

40 Micro and small enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 28 August, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). The disclosure in respect of the amounts payable to such enterprises as at 31 March 2020 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	-	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

41 The following are analytical ratios for the years ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	Year ended March 31, 2022	Year ended March 31, 2021	Variance
Current Ratio (a)	Current Assets	Current Liabilities	9.01	0.44	1956%
Debt-Equity Ratio (b)	Total Debt	Share Holders Equity	-	-1.57	-100%
Debt Service Coverage Ratio (c)	Earnings available for debt services	Interest payment on borrowings, Lease payments, Principal repayment	1.65	2.94	-44%
Return on Equity	Profit for the year	Average Shareholder's Equity	3%	-7%	11%
Trade receivables turnover ratio (d)	Revenue from operations	Average Trade Receivables	1.55	2.06	-25%
Net Capital Turnover Ratio (e)	Revenue from operations	Working Capital	0.07	(0.21)	-132%
Net Profit Ratio	Profit for the year	Revenue from operations	17%	11%	6%
Return on Capital Employed (f)	Earnings available before interest and Taxes	Capital Employed	8.75%	-64.87%	74%
Return on Investment	Income generated from invested funds	Invested funds in treasury investments	1.43%	-	1%

Reason for Variances:

(a) During the year, the Company has made fresh issue of shares on 25 February 2022. The funds received by the Company on 25 February 2022 is partly utilised for settling the borrowings and balance is available in Mutual Funds as at 31 March 2022. Improvement in Ratios such as, Current ratio, Debt Equity Ratio, Debt Service Coverage Ratio, Return on Equity, Net Capital Turnover Ratio and Return on Capital employed can be attributed to this.

(b) The improvement in trade receivable turnover ratio is mainly due to increase in turnover in FY 2021-22 and improvement in recoverability from customers when compared to previous year.

(c) The improvement in Net profit ratio is mainly due to increase in turnover in FY 2021-22 by adding new customers when compared to previous year.



Spocto Solutions Private Limited

Notes to financial statements for the year ended 31 March 2022

(All amounts are in Indian Rupees lakhs, except share data and as stated)

42 Impact of COVID-19 pandemic

The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian markets and slowdown in the economic activities. The Company has not identified any major impact of Covid-19 on its financials for the period ended March 31, 2022 as well as from the subsequent events till the date of board meeting.

However, considering the wave of virus spread continues across the country, the Company's business with customers, several lockdown extensions in specific areas of the country, and the related impact on the businesses of their customers and vendors. The Company management will continue to monitor the economic effects of the pandemic, including recovery of assets, and take steps to improve operational and financial efficiencies, the ultimate impact may be different from that presently estimated and would be recognized in the books of account when material changes to economic conditions arise.

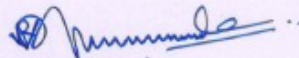
43 Previous year figures have been regrouped/ reclassified, where necessary, to conform current year's classification.

As per our report of even date attached

for **RS Kelkar & Co**

Chartered Accountants

Firm's Registration No. 113342W



Rajendra Deshpande

Partner

Membership No.: 104938

UDIN: 22104938AKQBRQ7669

Place: Mumbai

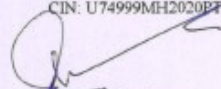
Date: 24 May 2022



for and on behalf of the Board of Directors of

Spocto Solutions Private Limited

CIN: U74999MH2020PTC337918



Sumit Srivastava

Director

DIN: 05258693

Place: Mumbai

Date: 24 May 2022



Puja Srivastava

Director

DIN: 07641710

Place: Mumbai

Date: 24 May 2022

