

# **C3I Support Services Private Limited**

Financial Statements

For the year ended 31 March 2024 and 2023

**C3I Support Services Private Limited****Balance Sheet**

(All amounts in thousands of ₹ except share data and as stated otherwise)

	Note No.	As at 31 March 2024	As at 31 March 2023
<b>I. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	2.1	11,918	16,275
(b) Financial assets			
(i) Others	2.2	497	491
(c) Deferred tax assets (net)	2.19	3,535	5,776
(d) Other non current assets	2.3	2,376	3,078
<b>Total non-current assets</b>		<b>18,326</b>	<b>25,619</b>
<b>(2) Current assets</b>			
(a) Financial assets			
(i) Investments	2.4	669,026	553,517
(ii) Trade receivables	2.5		
Billed		86,310	45,359
Unbilled		46,289	49,330
(iii) Cash and cash equivalents	2.6	6,876	5,160
(iv) Loans	2.7	200,000	200,000
(v) Others	2.2	13,416	9,286
(b) Current tax asset (net)		3,056	12,178
(c) Other current assets	2.8	73,880	103,693
<b>Total current assets</b>		<b>1,098,853</b>	<b>978,523</b>
<b>TOTAL ASSETS</b>		<b>1,117,179</b>	<b>1,004,143</b>
<b>II. EQUITY</b>			
(a) Equity share capital	2.9	15,421	15,421
(b) Other equity		1,024,815	917,073
<b>TOTAL EQUITY</b>		<b>1,040,236</b>	<b>932,494</b>
<b>III. LIABILITIES</b>			
<b>(1) Non - current liabilities</b>			
(a) Financial Liabilities			
(i) Others	2.12	-	744
(b) Provisions	2.10	23,620	22,058
<b>Total non-current liabilities</b>		<b>23,620</b>	<b>22,802</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	2.11		
Billed			
1. Dues of micro enterprises and small enterprises		452	1,715
2. Dues of creditors other than micro enterprises and small enterprises		6,226	9,537
Unbilled and accruals		12,894	13,438
(ii) Others	2.12	26,174	18,960
(b) Other current liabilities	2.13	3,789	3,841
(c) Provisions	2.10	3,788	1,356
<b>Total current liabilities</b>		<b>53,323</b>	<b>48,847</b>
<b>TOTAL LIABILITIES</b>		<b>76,943</b>	<b>71,649</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,117,179</b>	<b>1,004,143</b>

**Material accounting policies**

1

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For B S R &amp; Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors  
of C3I Support Services Private LimitedPrince Sharma

Prince Sharma (Jun 19, 2024 22:10 GMT+5.5)

Prince Sharma

Partner

Membership Number: 521307

Place: Gurugram, India

Date: 19 June 2024

Atul Kumar Jain

Atul Kumar Jain (Jun 19, 2024 22:05 GMT+5.5)

Atul Kumar Jain

Director

DIN - 03016822

Place: Noida (UP), India

Date: 19 June 2024

Goutam Rungta

Goutam Rungta (Jun 19, 2024 22:04 GMT+5.5)

Goutam Rungta

Director

DIN - 08599656

**C3I Support Services Private Limited****Statement of Profit and Loss**

(All amounts in thousands of ₹ except share data and as stated otherwise)

	Note No.	Year ended	
		31 March 2024	31 March 2023
<b>I Revenue</b>			
Revenue from operations	2.14	503,937	462,694
Other income	2.15	63,334	55,524
<b>Total income</b>		<b>567,271</b>	<b>518,218</b>
<b>II Expenses</b>			
Employee benefits expense	2.16	301,651	277,135
Outsourcing costs		3,326	4,664
Finance costs	2.17	36	162
Depreciation	2.1	7,146	10,907
Other expenses	2.18	111,706	102,770
<b>Total expenses</b>		<b>423,865</b>	<b>395,638</b>
<b>III Profit before tax</b>		<b>143,406</b>	<b>122,580</b>
<b>IV Tax expense</b>	2.19		
Current tax		33,338	30,622
Deferred tax charge		2,262	618
<b>Total tax expense</b>		<b>35,600</b>	<b>31,240</b>
<b>V Profit for the year</b>		<b>107,806</b>	<b>91,340</b>
<b>VI Other comprehensive income</b>			
i) Items that will not be reclassified to statement of profit and loss		(85)	7,246
ii) Income tax on items that will not be reclassified to statement of profit and loss		21	(1,824)
<b>VII Total other comprehensive income, net of tax</b>		<b>(64)</b>	<b>5,422</b>
<b>VIII Total comprehensive income for the year</b>		<b>107,742</b>	<b>96,762</b>
<b>Earnings per equity share of ₹ 10 each</b>	2.20		
Basic (in ₹)		69.91	59.23
Diluted (in ₹)		69.91	59.23
<b>Material accounting policies</b>	1		

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Partner

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Director

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**C3I Support Services Private Limited****Statement of Changes in Equity**

(All amounts in thousands of ₹ except share data and as stated otherwise)

**Statement of changes in equity**

	Equity share capital		Other equity	Total Equity
	Number of Shares	Share capital	Reserves and Surplus	
			Retained earnings	
Balance as at 1 April 2022	1,542,107	15,421	820,311	835,732
Profit for the year	-	-	91,340	91,340
Other comprehensive income	-	-	5,422	5,422
<b>Total comprehensive income for the year</b>	-	-	<b>96,762</b>	<b>96,762</b>
Balance as at 31 March 2023	1,542,107	15,421	917,073	932,494
Balance as at 1 April 2023	1,542,107	15,421	917,073	932,494
Profit for the year	-	-	107,806	107,806
Other comprehensive loss	-	-	(64)	(64)
<b>Total comprehensive income for the year</b>	-	-	<b>107,742</b>	<b>107,742</b>
Balance as at 31 March 2024	1,542,107	15,421	1,024,815	1,040,236

**Refer note 1 for material accounting policies**

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For B S R &amp; Co. LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022

*Prince Sharma*

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Prince Sharma

Partner

Membership Number: 521307

Place: Gurugram, India

Date: 19 June 2024

For and on behalf of the Board of Directors  
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Place: Noida (UP), India

Date: 19 June 2024

*Goutam Rungta*

Goutam Rungta (Jun 19, 2024 22:04 GMT+5.5)

Goutam Rungta

Director

DIN - 08599656

**C3I Support Services Private Limited****Statement of Cash flows**

(All amounts in thousands of ₹ except share data and as stated otherwise)

	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Cash flows from operating activities</b>		
Profit before tax	143,406	122,580
<b>Adjustment for:</b>		
Depreciation and amortization expense	7,146	10,907
Income on investments carried at fair value through profit and loss	(43,937)	(29,029)
Interest income on others	(16,656)	(13,628)
Interest income on income tax refund	(378)	(3,524)
Other non cash charge	-	592
	<b>89,581</b>	<b>87,898</b>
<b>Net change in</b>		
Trade receivables	(37,910)	(62,745)
Other financial assets and other assets	30,515	(6,442)
Trade payables	(5,118)	7,562
Provisions, other financial liabilities and other liabilities	9,303	(5,668)
<b>Cash generated from operations</b>	<b>86,371</b>	<b>20,605</b>
Income taxes paid (net of refunds)	(23,837)	(8,665)
<b>Net cash flow from operating activities</b>	<b>(A) 62,534</b>	<b>11,940</b>
<b>B. Cash flows from investing activities</b>		
Loan given to related party	-	(100,000)
Proceeds from sale of investments in securities	478,900	601,200
Purchase of investments in securities	(550,472)	(518,775)
Purchase of property, plant and equipment	(1,765)	(4,377)
Interest received	12,519	12,983
<b>Net cash flow used in investing activities</b>	<b>(B) (60,818)</b>	<b>(8,969)</b>
<b>C. Cash flows from financing activities</b>		
<b>Net cash flow used in financing activities</b>	<b>(C) -</b>	<b>-</b>
Net increase in Cash and cash equivalents (A+B+C)	1,716	2,971
Cash and cash equivalents at the beginning of the year	5,160	2,189
<b>Cash and cash equivalents at the end of the year</b>	<b>6,876</b>	<b>5,160</b>

**Refer note 1 for material accounting policies**

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

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

Firm Registration Number: 101248W/W-100022

Prince Sharma

Prince Sharma (Jun 19, 2024 22:10 GMT+5.5)

**Prince Sharma****Partner**

Membership Number: 521307

Place: Gurugram, India

Date: 19 June 2024

**For and on behalf of the Board of Directors  
of C3I Support Services Private Limited**Atul Kumar Jain

Atul Kumar Jain (Jun 19, 2024 22:05 GMT+5.5)

**Atul Kumar Jain****Director**

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Place: Noida (UP), India

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**Goutam Rungta****Director**

DIN - 08599656

**C3I Support Services Private Limited**  
**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹, except share data and as stated otherwise)

**ORGANIZATION AND NATURE OF OPERATIONS**

C3I Support Services Private Limited (hereinafter referred to as “the Company”) is primarily engaged in providing IT enabled services. The Company was incorporated under the provisions of the Companies Act applicable in India in the year 2003, having its registered office at 5<sup>th</sup> Floor, Orion Block, The V. Plot No. 17, Software Units Layout, Madhapur, Hyderabad, Telangana 500081.

The financial statements for the year ended 31 March 2024 were approved and authorized for issue by the Board of Directors on 19 June 2024.

**1. MATERIAL ACCOUNTING POLICIES**

*(a) Basis of preparation*

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time and presentation requirements of Schedule III (Division II) to the Companies Act, 2013, as applicable to the financial statements.

These financial statements have been prepared under the historical cost convention on an accrual and going concern basis, except for the following assets and liabilities which have been measured at fair value

- a) Certain financial assets and liabilities (refer accounting policy regarding financial instruments),
- b) Defined benefit plans

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous year except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle of 12 months. The statement of cash flows has been prepared under indirect method.

The Company uses the Indian rupee (‘₹’) as its reporting currency.

*(b) Use of estimates, judgements and assumptions*

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. These estimates are based on the management’s best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the year in which the changes are made.

Significant estimates, judgements and assumptions are used for, but not limited to,

- i. Allowance for uncollectible accounts receivables, refer note 1(l)(i)
- ii. Recognition of income and deferred taxes, refer note 1(f) and note 2.19
- iii. Key actuarial assumptions for measurement of future obligations under employee benefit plans, refer note 1(k) and note 2.22
- iv. Useful lives of property, plant and equipment, refer note 1(g)
- v. Provisions and contingent liabilities, refer note 1(j) and note 2.10

**C3I Support Services Private Limited**  
**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹, except share data and as stated otherwise)

**(c) Foreign currency and translation**

The financial statements are presented in Indian Rupee (₹) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date of the transaction. Foreign-currency denominated monetary assets and liabilities are translated to the relevant functional currency at exchange rates in effect at the balance sheet date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the initial transaction. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined.

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

**(d) Fair value measurement**

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

The Company holds certain fixed income securities, other securities which must be measured using the guidance for fair value hierarchy and related valuation methodologies. The guidance specifies a hierarchy of valuation techniques based on whether the inputs to each measurement are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about current market conditions. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The prescribed fair value hierarchy and related valuation methodologies are as follows:

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

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

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

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

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

Certain assets are measured at fair value on a non-recurring basis. The assets consist primarily of non-financial assets such as intangible assets. Intangible assets recognized in business combinations are measured at fair value

**C3I Support Services Private Limited**  
**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹, except share data and as stated otherwise)

initially and subsequently when there is an indicator of impairment, the impairment is recognized.

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

**(e) Revenue recognition**

*Contracts involving provision of services*

Revenue is recognized when, or as, control of a promised service or good transfers to a customer, in an amount that reflects the consideration to which the company expects to be entitled in exchange for transferring those products or services. To recognize revenues, the following five step approach is applied: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. A contract is accounted when it is legally enforceable through executory contracts, approval and commitment from all parties, the rights of the parties are identified, payment terms are defined, the contract has commercial substance and collectability of consideration is probable.

Revenue from Information Technology enabled services (ITES) is recognized on cost plus model when services has been rendered, the fee is determinable and collectability is reasonably assured in terms of master service agreement.

Revenue is recognized net of discounts and allowances, value-added tax and service tax, and includes reimbursement of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenues.

*Other Income*

Other income mainly comprises interest income on debt securities, bank and other deposits, other interest income recognized using the effective interest method, profit on sale of property, plant and equipment, debt securities and mutual fund and net foreign exchange gains.

**(f) Income taxes**

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in the statement of profit and loss. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Provision for income tax includes the impact of provisions established for uncertain income tax positions. Tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are recognized for those temporary difference which originate during the tax holiday period and are reversed after the tax holiday period. For this purpose, reversal of timing differences is determined using first in first out method.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates



**C3I Support Services Private Limited**  
**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹, except share data and as stated otherwise)

and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

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

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the year that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

***(g) Property, plant and equipment***

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The Company identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

Expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

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

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work- in- progress.

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

The management's estimates of the useful lives of various assets for computing depreciation are as follows:

<b><u>Asset description</u></b>	<b><u>Asset Life (in years)</u></b>
Plant and equipment (including air conditioners, electrical installations)	10 years
Computers and networking equipments	4-5 years
Furniture and Fixtures	7 years
Office Equipment	3-5 years

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. The estimated useful lives for these assets are therefore different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

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

**C3I Support Services Private Limited**  
**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹, except share data and as stated otherwise)

**(h) Inventories**

Stock-in-trade, stores and spares are valued at the lower of the cost or net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Cost of stock-in-trade procured for specific projects is assigned by identifying individual costs of each item. Cost of stock in trade, that are interchangeable and not specific to any project and cost of stores and spare parts are determined using the weighted average cost formula.

**(i) Impairment of non-financial assets**

*Intangible assets and property, plant and equipment*

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. Impairment, if any, is measured by the amount by which the carrying value of the asset exceeds the estimated recoverable amount of the asset. Subsequently if there is a change in the estimates used to determine the recoverable amount, the impairment loss is reversed. Such reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined on the date of reversal, if no impairment loss had been recognized. Such impairment and any subsequent reversal is recognized under the head "Depreciation and amortization expense" in the statement of profit and loss.

**(j) Provisions and contingent liabilities**

A provision is recognized 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 resources embodying economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows.

The company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

**(k) Retirement and other employee benefits**

- i. **Provident fund:** Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for each period of service rendered by the employees. The company has no obligation, other than the contribution payable to the provident fund.
- ii. **Gratuity liability:** The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's base salary and the tenure of employment (subject to a maximum of ₹ 20 lacs per employee). The liability is

**C3I Support Services Private Limited**  
**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹, except share data and as stated otherwise)

actuarially determined (using the projected unit credit method) at the end of each year. Actuarial gains/losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the year in which they occur.

In respect to certain employees in India, the Company contributes towards gratuity liabilities to the Gratuity Fund Trust. Trustees of the Company administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by law.

- iii. **Compensated absences:** The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to the specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The expected cost of accumulating compensated absences is determined by actuarial valuation (using the projected unit credit method) based on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the balance sheet date. The expense on non-accumulating compensated absences is recognized in the statement of profit and loss in the year in which the absences occur. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.
- iv. **State Plans:** The contribution to State Plans, a defined contribution plan namely Employee State Insurance Fund and Employees' Pension Scheme for the Company are charged to the statement of profit and loss as and when employees render related services.

**(l) Financial Instruments**

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**i. Financial assets**

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit and loss) are added to the fair value measured on initial recognition of financial asset. Purchase and sale of financial assets are accounted for at trade date.

***Cash and cash equivalents and other bank balances***

Cash and cash equivalents in the balance sheet comprise cash in banks which are subject to an insignificant risk of changes in value.

***Financial assets at amortized cost***

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category includes cash and bank balances, loans, unbilled revenue, trade and other receivables.

**C3I Support Services Private Limited**  
**Notes to financial statements for the year ended 31 March 2024**

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***Financial asset at Fair Value through Other Comprehensive Income (OCI)***

A financial asset is classified and measured at fair value through OCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest.

Financial assets included within the OCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from OCI to statement of profit and loss.

***Financial assets at Fair Value through Profit and Loss***

Any financial assets, which does not meet the criteria for categorization at amortized cost or at fair value through other comprehensive income, is classified at fair value through profit and loss. Financial instruments included in the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

***Derecognition of financial assets***

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

***Impairment of financial assets***

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit and loss. Lifetime ECL allowance is recognized for trade receivables with no significant financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case they are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in the statement of profit and loss.

**ii. Financial liabilities**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

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

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. Changes in fair value of such liability are recognized in the statement of profit and loss.

**Financial liabilities at amortized cost**

The Company's financial liabilities at amortized cost are initially recognized at, net of transaction costs and includes trade payables, and other payables.

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method except for deferred consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

**C3I Support Services Private Limited**  
**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹, except share data and as stated otherwise)

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

***Derecognition***

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

***(m) Earnings per share (EPS)***

Basic EPS amounts are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

***(n) Recently issued accounting pronouncements***

On 31 March 2024, there are no new standards or amendments to the existing standards applicable to the company which has been notified by Ministry of Corporate Affairs (MCA).

**C3I Support Services Private Limited**
**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ except share data and as stated otherwise)

**2. Notes to financial statements**
**2.1 Property, plant and equipment**

The changes in the carrying value for the year ended 31 March 2024

	Plant and equipment	Office equipment	Computers	Furniture and fittings	Total
<b>Gross block as at 1 April 2023</b>	188	8,727	46,913	2,012	57,840
Additions	-	48	1,802	939	2,789
Disposals and adjustments	-	811	3,161	-	3,972
<b>Gross block as at 31 March 2024</b>	<b>188</b>	<b>7,964</b>	<b>45,554</b>	<b>2,951</b>	<b>56,657</b>
<b>Accumulated depreciation as at 1 April 2023</b>	71	8,004	31,723	1,767	41,565
Depreciation	19	695	6,141	291	7,146
Disposals and adjustments	-	811	3,161	-	3,972
<b>Accumulated depreciation as at 31 March 2024</b>	<b>90</b>	<b>7,888</b>	<b>34,703</b>	<b>2,058</b>	<b>44,739</b>
<b>Net block as at 31 March 2024</b>	<b>98</b>	<b>76</b>	<b>10,851</b>	<b>893</b>	<b>11,918</b>

The changes in the carrying value for the year ended 31 March 2023

	Plant and equipment	Office equipment	Computers	Furniture and fittings	Total
<b>Gross block as at 1 April 2022</b>	388	15,998	56,545	2,001	74,932
Additions	-	-	4,368	11	4,379
Disposals	200	7,271	14,000	-	21,471
<b>Gross block as at 31 March 2023</b>	<b>188</b>	<b>8,727</b>	<b>46,913</b>	<b>2,012</b>	<b>57,840</b>
<b>Accumulated depreciation as at 1 April 2022</b>	252	13,823	36,528	1,527	52,130
Depreciation	19	1,412	9,236	240	10,907
Disposals	200	7,231	14,041	-	21,472
<b>Accumulated depreciation as at 31 March 2023</b>	<b>71</b>	<b>8,004</b>	<b>31,723</b>	<b>1,767</b>	<b>41,565</b>
<b>Net block as at 31 March 2023</b>	<b>117</b>	<b>723</b>	<b>15,190</b>	<b>245</b>	<b>16,275</b>
<b>Net block as at 1 April 2022</b>	<b>136</b>	<b>2,175</b>	<b>20,017</b>	<b>474</b>	<b>22,802</b>

**2.2 Other financial assets**

	As at	As at
	31 March 2024	31 March 2023
<b>Non - current</b>		
<b>Carried at amortized cost</b>		
Bank deposits with more than 12 months maturity (refer note below)	299	299
Other receivable	198	192
	<b>497</b>	<b>491</b>
<b>Unsecured , considered doubtful</b>		
Security deposits	7	7
Less: Provision for security deposits	(7)	(7)
	<b>-</b>	<b>-</b>
	<b>497</b>	<b>491</b>
<b>Current</b>		
<b>Carried at amortized cost</b>		
Security deposits	8,063	8,063
Interest receivable-related parties (refer note 2.21)	5,353	1,223
	<b>13,416</b>	<b>9,286</b>

Note: Pledged with banks as security for guarantees ₹ 299 thousands (31 March 2023, ₹ 299 thousands)

C3I Support Services Private Limited

Notes to financial statements for the year ended 31 March 2024

(All amounts in thousands of ₹ except share data and as stated otherwise)

2.3 Other non current assets

	As at	
	31 March 2024	31 March 2023
<b>Unsecured considered good</b>		
Prepaid expenses	2,259	2,773
Deferred contract cost (refer note 2.14)	117	305
	<b>2,376</b>	<b>3,078</b>

2.4 Investments

	As at	
	31 March 2024	31 March 2023
<b>Financial Assets</b>		
<b>Current</b>		
<b>Unquoted investments</b>		
Carried at fair value through profit and loss		
Investment in mutual funds	669,026	553,517
<b>Aggregate amount of current investments</b>	<b>669,026</b>	<b>553,517</b>

2.5 Trade receivable - Billed

	As at	
	31 March 2024	31 March 2023
Unsecured , considered good (refer note 2.21)	86,310	45,359
Unbilled receivables (refer note 2.21)	46,289	49,330
	<b>132,599</b>	<b>94,689</b>

Trade receivables - current	Not Due	Outstanding as at 31 March 2024 from the due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
		Undisputed - considered good	86,310	-	-	-	-
Unbilled receivables	86,310	-	-	-	-	46,289	
						<b>132,599</b>	

Trade receivables - current	Not Due	Outstanding as at 31 March 2023 from the due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
		Undisputed - considered good	-	45,004	158	-	197
Unbilled receivables	-	45,003	158	-	197	49,330	
						<b>94,689</b>	

2.6 Cash and cash equivalents

	As at	
	31 March 2024	31 March 2023
<b>Cash and cash equivalents</b>		
Balance with banks	6,876	5,160
	<b>6,876</b>	<b>5,160</b>

2.7 Loans

	As at	
	31 March 2024	31 March 2023
<b>Current</b>		
<b>Carried at amortised cost</b>		
Unsecured, considered good		
Loan to related party (refer note below and 2.21)	200,000	200,000
	<b>200,000</b>	<b>200,000</b>

Note: Company has given loan to its fellow subsidiary to meet the working capital requirement

**C3I Support Services Private Limited**

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ except share data and as stated otherwise)

**2.8 Other current assets**

	As at	
	31 March 2024	31 March 2023
<b>Unsecured , considered good</b>		
Advances other than capital advances		
Advances to employees	18	83
Advances to suppliers	75	-
Others		
Deferred contract cost (refer note 2.14)	187	188
Prepaid expenses	6,551	12,839
Goods and service tax receivables	66,792	90,583
Security deposits	257	-
	<b>73,880</b>	<b>103,693</b>
<b>Unsecured , considered doubtful</b>		
Advances other than capital advances		
Advances to employees	800	825
Less: Provision for doubtful advances	(800)	(825)
	-	-
	<b>73,880</b>	<b>103,693</b>

**2.9 Equity share capital**

	As at	
	31 March 2024	31 March 2023
<b>Authorized</b>		
5,000,000 (31 March 2023 : 5,000,000) equity shares of ₹ 10 each	50,000	50,000
<b>Issued, subscribed and fully paid up</b>		
1,542,107 (31 March 2023 : 1,542,107) equity shares of ₹ 10 each	15,421	15,421

**Terms/ rights attached to equity shares**

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.

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

**Reconciliation of the number of shares outstanding at the beginning and at the end of the financial year**

	As at			
	31 March 2024		31 March 2023	
	No. of shares	₹ in thousands	No. of shares	₹ in thousands
Number of shares at the beginning	1,542,107	15,421	1,542,107	15,421
Number of shares at the end	1,542,107	15,421	1,542,107	15,421

**Shares held by holding company:**

	As at	
	31 March 2024	31 March 2023
<b>HCL America Inc., the holding company</b>		
1,542,106 equity shares of ₹ 10 each	15,421	-
<b>Telrx Marketing Inc, the holding company</b>		
1,542,106 equity shares of ₹ 10 each	-	15,421

**Details of shareholders holding more than 5 % shares in the company:-**

Name of the shareholder	As at			
	31 March 2024		31 March 2023	
	No. of shares	% holding in the class	No. of shares	% holding in the class
HCL America Inc.	1,542,106	100%	-	-
Telrx Marketing Inc, the holding company	-	-	1,542,106	100%

With effect from 15 March 2024, HCL America Inc. became the holding company pursuant to merger of Telrx Marketing Inc with HCL America Inc.

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

There were no bonus shares issued, no share issued for consideration other than cash and no shares bought back during the period of five years immediately preceding the reporting date.





**C3I Support Services Private Limited**

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ except share data and as stated otherwise)

**2.12 Other financial liabilities**

	As at	
	31 March 2024	31 March 2023
<b>Non - Current</b>		
<b>Carried at amortized cost</b>		
Other payables - related party (refer note below and 2.21)	-	744
	-	<b>744</b>
<b>Current</b>		
<b>Carried at amortized cost</b>		
Accrued salaries and benefits		
Employee bonuses accrued	16,833	13,052
Other employee costs	3,806	5,905
Others		
Capital accounts payables	1,027	3
Other payables - related party (refer note below and 2.21)	4,508	-
	<b>26,174</b>	<b>18,960</b>

Note : Includes ₹1,401 thousands (31st March 2023, ₹744 thousands) for amount payable to HCL Technologies Limited, the ultimate Parent Company againsts RSUs awarded to the employees of the Company

**2.13 Other current liabilities**

	As at	
	31 March 2024	31 March 2023
Withholding and other statutory dues	3,789	3,841
	<b>3,789</b>	<b>3,841</b>

**2.14 Revenue from operations**

	Year ended	
	31 March 2024	31 March 2023
Sale of services	503,937	462,694
	<b>503,937</b>	<b>462,694</b>

**Disaggregate Revenue Information**

The disaggregated revenue from customers by geographic area based on location of the customer is as follows:

	Year ended	
	31 March 2024	31 March 2023
<b>Geography wise</b>		
America	503,937	462,694
	<b>503,937</b>	<b>462,694</b>

**Remaining performance obligations**

Remaining performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). As at 31 March 2024, the aggregate amount of transaction price allocated to remaining performance obligations as per the requirements of Ind AS 115 was Nil (31 March 2023, ₹ Nil). These amounts are not adjusted for variable consideration allocated to remaining performance obligation, which are not probable.

**Contract balances**

**Contract assets :** A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are recognized where there is excess of revenue over the billings. Revenue recognized but not billed to customers is classified either as contract assets or unbilled receivable in our balance sheet. Contract assets primarily relate to unbilled amounts on fixed price contracts using the cost to cost method of revenue recognition. Unbilled receivable represents contracts where right to consideration is unconditional (i.e. only the passage of time is required before the payment is due).

The company does not have any contract assets as on 31 March 2024 (31 March 2023, Nil).

**Contract liabilities :** A contract liability arises when there is excess billing over the revenue recognized (also referred to as deferred revenue). The Company does not have any contract liabilities as on 31 March 2024 (31 March 2023, Nil).

**Deferred contract cost :** Deferred contract cost represents the contract fulfilment cost and cost for obtaining the contract.

The below table discloses the movement in balance of deferred contract cost.

	Year ended	
	31 March 2024	31 March 2023
Balance at beginning of the year	493	680
Deduction on account of cost amortised during the year	(189)	(187)
<b>Balance as at end of the year</b>	<b>304</b>	<b>493</b>

**C3I Support Services Private Limited**
**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ except share data and as stated otherwise)

**2.15 Other income**

	Year ended	
	31 March 2024	31 March 2023
Interest income		
-On loan to related party	16,644	13,593
-On other financial instruments (fixed deposits)	12	-
Income on investments carried at fair value through profit and loss		
-Unrealized gains on fair value changes on mutual funds	12,591	6,631
-Profit on sale of mutual funds	31,346	22,399
Interest income on income tax refund	378	3,524
Exchange differences (net)	2,317	4,027
Miscellaneous income	46	5,350
	<b>63,334</b>	<b>55,524</b>

**2.16 Employee benefits expense**

	Year ended	
	31 March 2024	31 March 2023
Salaries, wages and bonus	269,706	259,075
Contribution to provident fund and other employee funds	26,203	14,291
Staff welfare expenses	5,085	3,177
Share based payment to employees (refer note below)	657	592
	<b>301,651</b>	<b>277,135</b>

Note : During the year ended 31 March 2022, HCL Technologies Limited ("HCLT"), the ultimate Parent Company instituted the Restricted Stock Unit Plan 2021 ("RSU Plan") to provide equity-based incentives to all eligible employees of HCLT and its subsidiaries. Each RSU granted under the plan entitles the holder to one equity share of HCLT at an exercise price, which is approved by the Nomination and Remuneration Committee of HCLT.

"Share based payment expense" represents reimbursement of cost to HCLT, towards RSUs granted by HCLT to the employees of the Company. The fair value of these RSUs are determined using the Black-Scholes Model for RSUs with time and non-market performance-based vesting conditions and Monte Carlo simulation model is used for RSUs with market performance based vesting conditions.

**2.17 Finance cost**

	Year ended	
	31 March 2024	31 March 2023
Interest on direct taxes	-	139
Bank charges	36	23
	<b>36</b>	<b>162</b>

**2.18 Other expenses**

	Year ended	
	31 March 2024	31 March 2023
Rent	24,110	23,693
Power and fuel	6,919	5,998
Insurance	197	521
Repairs and maintenance	16,825	17,179
Communication costs	5,982	4,160
Travel and conveyance	43,593	35,884
Legal and professional charges	1,501	3,004
Software licenses	7,655	7,442
Rates and taxes	515	795
Recruitment, training and development	398	1,372
Expenditure towards corporate social responsibility activities (refer note 2.25)	1,915	2,104
Printing and stationery	48	38
Miscellaneous expenses	2,048	580
	<b>111,706</b>	<b>102,770</b>

**2.19 Income taxes**

	Year ended	
	31 March 2024	31 March 2023
<b>Income tax charged to statement of profit and loss</b>		
Current income tax charge/ (benefit)	33,338	30,622
Deferred tax charge	2,262	618
	<b>35,600</b>	<b>31,240</b>
<b>Income tax charged to other comprehensive income</b>		
Expense on re-measurements of defined benefit plans	(21)	1,824
	<b>(21)</b>	<b>1,824</b>

**C3I Support Services Private Limited**

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ except share data and as stated otherwise)

The reconciliation between the Company's provision for income tax and amount computed by applying the statutory income tax rate in India is as follows:

	Year ended	
	31 March 2024	31 March 2023
Profit before income tax	143,406	122,580
Statutory tax rate in India	25.17%	25.17%
<b>Expected tax expense</b>	<b>36,092</b>	<b>30,851</b>
Provision / (Reversal) of prior year provision	(845)	12
Permanent differences	538	629
Deferred tax asset on deduction u/s 80JJA	(185)	-
Others (net)	-	(252)
<b>Total tax expense</b>	<b>35,600</b>	<b>31,240</b>
Effective income tax rate	24.82%	25.49%

Components of deferred tax assets and liabilities as on 31 March 2024

	Opening balance	Recognized in profit and loss	Recognised in/ reclassified from OCI	Closing balance
<b>Deferred tax assets</b>				
Accrued employee costs	6,749	980	21	7,750
Property, plant and equipment	2,106	31	-	2,137
Others	709	(103)	-	606
<b>Gross deferred tax assets (A)</b>	<b>9,564</b>	<b>908</b>	<b>21</b>	<b>10,493</b>
<b>Deferred tax liabilities</b>				
Unrealized gain on mutual funds	3,788	3,170	-	6,958
<b>Gross deferred tax liabilities (B)</b>	<b>3,788</b>	<b>3,170</b>	<b>-</b>	<b>6,958</b>
<b>Net deferred tax assets (A-B)</b>	<b>5,776</b>	<b>(2,262)</b>	<b>21</b>	<b>3,535</b>

Components of deferred tax assets and liabilities as on 31 March 2023

	Opening balance	Recognized in profit and loss	Recognised in/ reclassified from OCI	Closing balance
<b>Deferred tax assets</b>				
Accrued employee costs	8,634	(61)	(1,824)	6,749
Property, plant and equipment	1,751	355	-	2,106
Others	206	503	-	709
<b>Gross deferred tax assets (A)</b>	<b>10,591</b>	<b>797</b>	<b>(1,824)</b>	<b>9,564</b>
<b>Deferred tax liabilities</b>				
Others	2,373	1,415	-	3,788
<b>Gross deferred tax liabilities (B)</b>	<b>2,373</b>	<b>1,415</b>	<b>-</b>	<b>3,788</b>
<b>Net deferred tax assets(A-B)</b>	<b>8,218</b>	<b>(618)</b>	<b>(1,824)</b>	<b>5,776</b>

**2.20 Earnings per equity share (EPS)**

The computation of earnings per share is as follows:

	Year ended	
	31 March 2024	31 March 2023
Net profit as per statement of profit and loss	107,806	91,340
Weighted average number of equity shares outstanding in calculating basic EPS	1,542,107	1,542,107
Nominal value of equity shares (in ₹)	10	10
<b>Earnings per equity share (in ₹)</b>		
- Basic	69.91	59.23
- Diluted	69.91	59.23

**C3I Support Services Private Limited**

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ except share data and as stated otherwise)

**2.21 Related party disclosures**

**a) Related parties where control exists**

- (i) Ultimate holding Company : HCL Technologies Limited  
(ii) Holding Company : Telerx Marketing Inc. (upto 14th March, 2024)  
HCL America Inc. (Telerx Marketing Inc. merged with HCL America Inc. w.e.f. 15th March 2024)

**b) Related parties with whom transactions (including outstanding balances) have taken place during the year:**

- (i) Ultimate holding Company : HCL Technologies Limited  
(ii) Holding Company : Telerx Marketing Inc. (HCL America Inc. w.e.f. 15th March, 2024)  
(iii) Fellow subsidiaries : HCL Training and Staffing Services Private Limited  
HCL Technologies UK Ltd.  
HCL Technologies Corporate Services  
(iv) Significant influence : HCL Avitas Private Limited

Transactions with related parties during the normal course of business	Ultimate holding company		Holding company		Fellow Subsidiary		Significant influence	
	Year ended		Year ended		Year ended		Year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Revenue from operations	-	-	503,937	462,755	-	-	-	-
Interest income	-	-	-	-	16,644	13,593	-	-
Loan given to related parties	-	-	-	-	-	100,000	-	-
Rental Income	-	112	-	-	-	-	-	-
Other expenses	136	-	-	-	-	-	2,418	1,408

Material related party transaction	Year ended	
	31 March 2024	31 March 2023
Revenue from operations (refer note below) HCL America Inc.	503,937	462,755
Loan given to related party HCL Training Staffing and Services Private Limited	16,644	100,000

Note: Telerx Marketing Inc. merged with HCL America Inc. w.e.f. 15th March 2024

Outstanding balances	Ultimate holding company		Holding company		Fellow Subsidiary		Significant influence	
	As at		As at		As at		As at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Trade receivables, other financial assets and other assets	-	94	132,596	94,205	205,356	201,618	-	-
Trade payables, other financial liabilities and other liabilities	4,759	1,136	-	-	3,107	-	566	288

Material related party balances	As at
	31 March 2024
HCL America Inc. Trade receivables, other financial assets and other assets	132,596
HCL Training Staffing and Services Private Limited Trade receivables, other financial assets and other assets	205,356

Material related party balances	As at
	31 March 2023
HCL America Inc. Trade receivables, other financial assets and other assets	94,205
HCL Training Staffing and Services Private Limited Trade receivables, other financial assets and other assets	201,618

**C3I Support Services Private Limited****Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ except share data and as stated otherwise)

**2.22 Employee benefits**

The Company has calculated the various benefits provided to employees as given below:

**A. Defined contribution plans and state plans**

Employer's contribution to Employees Provident Fund

Employer's contribution to Employee Pension Scheme

During the year the Company has recognized the following amounts in the statement of profit and loss :-

	Year ended	
	31 March 2024	31 March 2023
Employer's contribution to Employees Provident Fund	6,952	6,308
Employer's contribution to Employee's Pension Scheme	3,794	3,742
<b>Total</b>	<b>10,746</b>	<b>10,050</b>

**B. Defined benefit plans****Gratuity**

The following table sets out the status of the gratuity plan :

**Statement of profit and loss**

	Year ended	
	31 March 2024	31 March 2023
Current service cost	2,885	3,331
Interest cost (net)	884	847
<b>Net benefit expense</b>	<b>3,769</b>	<b>4,178</b>

**Balance Sheet**

	As at	
	31 March 2024	31 March 2023
Defined benefit obligations	22,213	20,716
Fair value of plan assets	1,411	3,768
<b>Net plan liability</b>	<b>20,802</b>	<b>16,948</b>
Current defined benefit obligations	2,110	-
Non-current defined benefit obligations	18,692	16,948

**C3I Support Services Private Limited****Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ except share data and as stated otherwise)

**2.22 Employee benefits (continued)**

Changes in present value of the defined benefit obligations are as follows:

	Year ended	
	31 March 2024	31 March 2023
Opening defined benefit obligations	20,716	28,174
Current service cost	2,885	3,331
Interest cost	1,431	1,330
Re-measurement (gains) losses in OCI		
Actuarial changes arising from changes in demographic assumptions	62	2,101
Actuarial changes arising from changes in financial assumptions	(443)	(6,686)
Experience adjustments	92	(3,598)
Benefits paid	(2,530)	(3,936)
<b>Closing defined benefit obligations</b>	<b>22,213</b>	<b>20,716</b>

Changes in fair value of the plan assets are as follows:

	Year ended	
	31 March 2024	31 March 2023
Opening fair value of plan assets	3,768	7,975
Interest income	547	483
Re-measurement gains (losses) in OCI		
Return on plan assets, excluding amount recognized in interest income	(374)	(937)
Benefits paid	(2,530)	(3,753)
<b>Closing fair value of plan assets</b>	<b>1,411</b>	<b>3,768</b>

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

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	As at	
	31 March 2024	31 March 2023
Discount rate	7.20%	7.40%
Estimated Rate of salary increases	6.00%	6.50%
Expected rate of return on assets	7.20%	7.40%

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**C3I Support Services Private Limited**

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ except share data and as stated otherwise)

**2.22 Employee benefits (continued)**

Discount rate and future salary escalation rate are the key actuarial assumptions to which the defined benefit obligations are particularly sensitive. The following table summarizes the impact on defined benefit obligations as at 31 March 2024 arising due to an increase / decrease in key actuarial assumptions by 50 basis points:

	Discount rate		Salary escalation rate	
	As at		As at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Impact of increase	(731)	(746)	758	760
Impact of decrease	776	793	(721)	(733)

The sensitivity analysis presented may not be representative of the actual change in the defined benefit obligations as sensitivities have been calculated to show the movement in defined benefit obligations in isolation and assuming there are no other changes in market conditions. There have been no changes from the previous years in the methods and assumptions used in preparing the sensitivity analysis.

The defined benefit obligations are expected to mature after 31 March 2024 as follows:

Year ending 31 March ,	Cash flows
- 2025	3,521
- 2026	3,935
- 2027	3,541
- 2028	3,602
- 2029	3,637
-Thereafter	62,187

The weighted average duration of the payment of these cash flows is 8.21 years.

**2.23 Financial instruments**

**(a) Financial assets and liabilities**

The carrying value of financial instruments by categories as at 31 March 2024 is as follows:

	Fair value through profit and loss	Amortized cost	Total carrying value
<b>Financial assets</b>			
Investments	669,026	-	669,026
Trade receivables (including unbilled)	-	132,599	132,599
Cash and cash equivalents	-	6,876	6,876
Loans	-	200,000	200,000
Others	-	13,913	13,913
<b>Total</b>	<b>669,026</b>	<b>353,388</b>	<b>1,022,414</b>
<b>Financial liabilities</b>			
Trade payables (including unbilled and accruals)	-	19,572	19,572
Others	-	26,174	26,174
<b>Total</b>	<b>-</b>	<b>45,746</b>	<b>45,746</b>

The carrying value of financial instruments by categories as at 31 March 2023 is as follows:

	Fair value through profit and loss	Amortized cost	Total carrying value
<b>Financial assets</b>			
Investments	553,517	-	553,517
Trade receivables (including unbilled)	-	94,689	94,689
Cash and cash equivalents	-	5,160	5,160
Loans	-	200,000	200,000
Others	-	9,777	9,777
<b>Total</b>	<b>553,517</b>	<b>309,626</b>	<b>863,143</b>
<b>Financial liabilities</b>			
Trade payables (including unbilled and accruals)	-	24,691	24,691
Others	-	19,704	19,704
<b>Total</b>	<b>-</b>	<b>44,395</b>	<b>44,395</b>



**C3I Support Services Private Limited****Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ unless stated otherwise)

**2.23 Financial instruments (continued)****Fair value hierarchy**

The assets and liabilities measured at fair value on a recurring basis as at 31 March, 2024 and the basis for that measurement is as below:

	Fair value	Level 1 inputs	Level 2 inputs	Level 3 inputs
<b>Assets</b>				
Investments carried at fair value through profit and loss	669,026	669,026	-	-

There have been no transfers between Level 1 and Level 2 during the current year.

The assets and liabilities measured at fair value on a recurring basis as at 31 March, 2023 and the basis for that measurement is as below:

	Fair value	Level 1 inputs	Level 2 inputs	Level 3 inputs
<b>Assets</b>				
Investments carried at fair value through profit and loss	553,517	553,517	-	-

There have been no transfers between Level 1 and Level 2 during the previous year.

**Valuation methodologies**

Investments: The Company's investments consist primarily of investment in mutual funds which are classified as fair value through profit and loss are determined using quoted prices for identical assets or liabilities in active markets and are classified as Level 1.

The Company assessed that fair value of cash and cash equivalents, trade receivables, other current assets, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**C3I Support Services Private Limited**  
**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ unless stated otherwise)

**2.23 Financial instruments (continued)**

**(b) Financial risk management**

Company is exposed to market risk, credit risk and liquidity risk which may impact the fair value of its financial instruments. Company has a risk management policy to manage & mitigate these risks.

Company's risk management policy aims to reduce volatility in financial statements while maintaining balance between providing predictability in the company's business plan along with reasonable participation in market movement.

**1. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk and interest rate risk. Company is primarily exposed to fluctuation in foreign currency exchange rates.

**Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in exchange rates. The Company's exposure to the risk of changes in exchange rates relates primarily to the Company's operations.

The exchange rate risk primarily arises from assets and liabilities denominated in currencies other than the functional currency. A significant portion of the Company revenue is in US Dollar while a large portion of costs are in Indian rupees. The fluctuation in exchange rates in respect to the Indian rupee may have potential impact on the statement of profit and loss and other comprehensive income and equity.

Appreciation / depreciation of 5% in respective foreign currencies with respect to functional currency of the Company would result in decrease / increase in the Company's profit before tax by approximately ₹4,173 thousands (31 March 2023, ₹4,405 thousands) for the year ended 31 March 2024.

The rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of the currency by 5% against the respective functional currency of the Company. The sensitivity analysis presented above may not be representative of the actual change.

	Financial assets		Financial liabilities	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
USD / INR	84,221	91,163	133	3,087
EUR / INR	380	-	137	(11)
GBP / INR	-	-	869	-

**Interest Rate Risk**

The company doesn't have exposure in market risk relating to change in interest rate as it doesn't have any borrowed funds whether in fixed rate or floating rate.

**2. Credit risk**

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and bank balances, trade receivables and unbilled receivables. The cash resources of the Company are invested with mutual funds and banks after an evaluation of the credit risk. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties.

The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of trade receivables and unbilled receivables. A single customer accounted for more than 10% of trade receivables and unbilled receivables.

There is no allowance for lifetime expected credit loss required on customer balances.

**C3I Support Services Private Limited****Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ except share data and as stated otherwise)

**2.23 Financial instruments (continued)****3. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The investment philosophy of the company is capital preservation and liquidity in preference to returns. The company consistently generates sufficient cash flows from operations and has access to multiple sources of funding to meet the financial obligations and maintain adequate liquidity for use.

Maturity profile of the Company's financial liabilities based on contractual payments is as below:

	Year 1 (Current)	Year 2	Year 3	Year 4-5 and thereafter	Total
<b>As at 31 March 2024</b>					
Trade payables (including unbilled and accruals)	19,572	-	-	-	19,572
Other financial liabilities	26,174	-	-	-	26,174
<b>Total</b>	<b>45,746</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,746</b>

	Year 1 (Current)	Year 2	Year 3	Year 4-5 and thereafter	Total
<b>As at 31 March 2023</b>					
Trade payables (including unbilled and accruals)	24,691	-	-	-	24,691
Other financial liabilities	18,960	744	-	-	19,704
<b>Total</b>	<b>43,651</b>	<b>744</b>	<b>-</b>	<b>-</b>	<b>44,395</b>

**2.24 Corporate social responsibility**

As required by section 135 of the Companies Act, 2013, Following shall be disclosed with regard to CSR activities:-

	Year ended	
	31 March 2024	31 March 2023
(i) amount required to be spent by the company during the year,	1,915	2,104
(ii) amount of expenditure incurred,		
a. Construction / acquisition of any assets		-
b. On purpose other than (a) above	1,915	2,104
(iii) shortfall at the end of the year,	-	-
(iv) total of previous years shortfall,	-	-
(v) reason for shortfall,	NA	NA
(vi) nature of CSR activities,	Promoting sustainable health, nutrition and hygiene interventions	Promoting sustainable health, nutrition and hygiene interventions
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

**2.25 Commitments and contingent liabilities**

	As at	
	31 March 2024	31 March 2023
<b>i) Capital and other commitments</b>		
<b>Capital commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	19	664
	<b>19</b>	<b>664</b>

**Notes:**

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

2. Tax Contingencies: The Company has ongoing litigations with Income tax authorities that arose in the ordinary course of business. Resolution of these matters involves some degree of uncertainty. However, based on the assessment made by the Company, the possibility of any outflow in settlement of these litigations is remote.

**2.26 Payment to auditors**

	Year ended	
	31 March 2024	31 March 2023
Statutory audit fees	275	350
Tax audit fees	200	185
	<b>475</b>	<b>535</b>

**C3I Support Services Private Limited**

**Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ except share data and as stated otherwise)

**2.27 Ratio**

Ratio	Numerator	Denominator	Units	Year ended		% Variance
				31 March 2024	31 March 2023	
Current ratio	Current assets	Current liabilities	Times	20.61	20.03	2.87%
Debt service coverage ratio	Earning availables for debt service (refer note 1 below)	Debt service (refer note 2 below)	Times	NA	NA	NA
Debt equity ratio	Total debt	Total equity	Times	NA	NA	NA
Return on equity ratio	Profit for the year	Average total equity	%	10.93%	10.33%	5.79%
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	Times	4.43	7.31	-39.32%
Trade payables turnover ratio	Net credit purchases (refer note below 3)	Average trade Payables	Times	5.20	5.14	1.16%
Net capital turnover ratio	Revenue from operations	Working capital (refer note below 4)	Times	0.48	0.50	-3.15%
Net profit ratio	Profit for the year	Revenue from operations	%	21.39%	19.74%	8.37%
Return on capital employed	Earning before interest and taxes	Capital employed (refer note 5 below)	%	13.83%	13.24%	4.46%
Return on investment - Unquoted	Income generated from invested funds	Time weighted average investments	%	7.26%	4.34%	67.29%

**Notes :**

- (1) Earning availables for debt services = Profit for the year + depreciation and amortisation + interest + provision for doubtful debts + share based payment to employees + non cash charges
- (2) Debt service = Interest + lease payment + principal repayments
- (3) Net credit purchase includes purchase of stock-in-trade, outsourcing costs and other expenses
- (4) Working capital = current assets - current liabilities
- (5) Capital employed = Tangible net worth - deferred tax asset
- (6) Average is calculated based on simple average of opening and closing balance

**Explanation where change in the ratio is more than 25%**

1. Trade receivables turnover ratio has declined due to increase in receivables which are not due at the year end.
2. Return on investment ratio has improved due to increase in market returns during the year.

**C3I Support Services Private Limited****Notes to financial statements for the year ended 31 March 2024**

(All amounts in thousands of ₹ except share data and as stated otherwise)

**2.28 Segment information**

The Company's business falls within a single primary business and geographical segment i.e. export of IT enabled services. There is no reportable segments as envisaged in Ind AS 108 'Operating Segments' notified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules 2014.

**2.29 Micro and small enterprises**

As per information available with the management, the dues payable to enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" are as follows:

	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Principal	Interest	Principal	Interest
Amount due to Vendor	-	-	-	-
Principal amount paid beyond the appointed date	-	-	-	-
Interest under normal credit terms				
Accrued and unpaid during the year	-	-	-	-
Total interest payable				
Accrued and unpaid during the year	-	2	-	2

This has been determined on the basis of responses received from vendors on specific confirmation sought by the Company.

**2.30** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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**As per our report of even date attached****For B S R & Co. LLP****Chartered Accountants**

Firm Registration Number: 101248W/W-100022

*Prince Sharma*Prince Sharma (Jun 19, 2024 22:10 GMT+5.5)**Prince Sharma****Partner**

Membership Number: 521307

Place: Gurugram, India

Date: 19 June 2024

**For and on behalf of the Board of Directors  
of C3I Support Services Private Limited***Atul Kumar Jain*Atul Kumar Jain (Jun 19, 2024 22:05 GMT+5.5)**Atul Kumar Jain****Director**

DIN - 03016822

Place: Noida (UP), India

Date: 19 June 2024

*Goutam Rungta*Goutam Rungta (Jun 19, 2024 22:04 GMT+5.5)**Goutam Rungta****Director**

DIN - 08599656

## Independent Auditor's Report

### To the Members of C3I Support Services Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of C3I Support Services Private Limited (the "Company") which comprise the balance sheet as at 31 March 2024, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Other Information

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

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

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

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding

## Independent Auditor's Report (Continued)

### C3I Support Services Private Limited

of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

**C3I Support Services Private Limited**

safeguards.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31 March 2024 and 1 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014
  - g. With respect to adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its financial statements - Refer Note 2.25 to the financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 2.30 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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

**C3I Support Services Private Limited**

- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 2.30 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares except matters below which are managed only by the service provider:
- i. audit trail was not enabled at the database level for accounting softwares to log any direct data changes,
- ii. certain privileged access at application layer for which audit trail was not enabled.
- Further, where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, no remuneration has been paid by the Company to any of its directors. Accordingly, provisions of Section 197 of the Act relating to remuneration to directors are not applicable. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

*Chartered Accountants*

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

**Prince  
Sharma** Digitally signed by  
Prince Sharma  
Date: 2024.06.19  
22:42:22 +05'30'

**Prince Sharma**

*Partner*

Place: Gurugram, India

Date: 19 June 2024

Membership No.: 521307

ICAI UDIN:24521307BKFLKR3288

**Annexure A to the Independent Auditor's Report on the Financial Statements of C3I Support Services Private Limited for the year ended 31 March 2024**

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified once in three years. In accordance with this programme, property, plant and equipment were verified during the financial year ended 31 March 2024. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily rendering IT enabled services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year.  
The Company has made investments in other parties during the year. The Company has not made any investments in companies, firms or limited liability partnerships.
- (a) (A)The Company does not have any subsidiary, associate or joint venture. Accordingly, clause 3(iii)(a) A of the Order is not applicable.
  - (B)Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to parties other than subsidiary, associate or joint venture during the year.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investment made are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not provided any guarantee or security or granted any loans or advance in the nature of loan to any party during the year.
- (c) According to the information and explanations given to us and on the basis of our examination

**Annexure A to the Independent Auditor's Report on the Financial Statements of C3I Support Services Private Limited for the year ended 31 March 2024 (Continued)**

of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated. The receipts of interest have been regular and the principal falling due during the year was extended by twelve months as permitted in the agreement. Further, the Company has not given any advance in the nature of loan to any party during the year.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion following loan falling due during the year was extended:

<b>Name of the parties</b>	<b>Aggregate amount of loans granted during the year (INR Thousands)</b>	<b>Aggregate amount dues extended (INR Thousands)</b>	<b>Percentage of the aggregate to the total loan granted during the year</b>
HCL Training & Staffing Services Private Limited	Nil	200,000	Not applicable

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months

**Annexure A to the Independent Auditor's Report on the Financial Statements of C3I Support Services Private Limited for the year ended 31 March 2024 (Continued)**

from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (INR in Thousands)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	8,696	FY 2006-07	High Court
Income Tax Act, 1961	Income Tax	5,597	FY 2007-08	High Court

\*Total amount deposited under protest / adjusted against refunds in respect of Income tax is INR 6,600 thousand.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

**Annexure A to the Independent Auditor's Report on the Financial Statements of C3I Support Services Private Limited for the year ended 31 March 2024 (Continued)**

- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.  
(b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.  
(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.  
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.  
(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged

**Annexure A to the Independent Auditor's Report on the Financial Statements of C3I Support Services Private Limited for the year ended 31 March 2024 (Continued)**

by the Company as and when they fall due.

- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

*Chartered Accountants*

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

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**Prince Sharma**

*Partner*

Place: Gurugram, India

Date: 19 June 2024

Membership No.: 521307

ICAI UDIN:24521307BKFLKR3288

## **Annexure B to the Independent Auditor's Report on the financial statements of C3I Support Services Private Limited for the year ended 31 March 2024**

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

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

#### **Opinion**

We have audited the internal financial controls with reference to financial statements of C3I Support Services Private Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

**Annexure B to the Independent Auditor's Report on the financial statements of C3I Support Services Private Limited for the year ended 31 March 2024 (Continued)**

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

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

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

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

*Chartered Accountants*

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

Prince  
Sharma

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**Prince Sharma**

*Partner*

Place: Gurugram, India

Date: 19 June 2024

Membership No.: 521307

ICAI UDIN:24521307BKFLKR3288