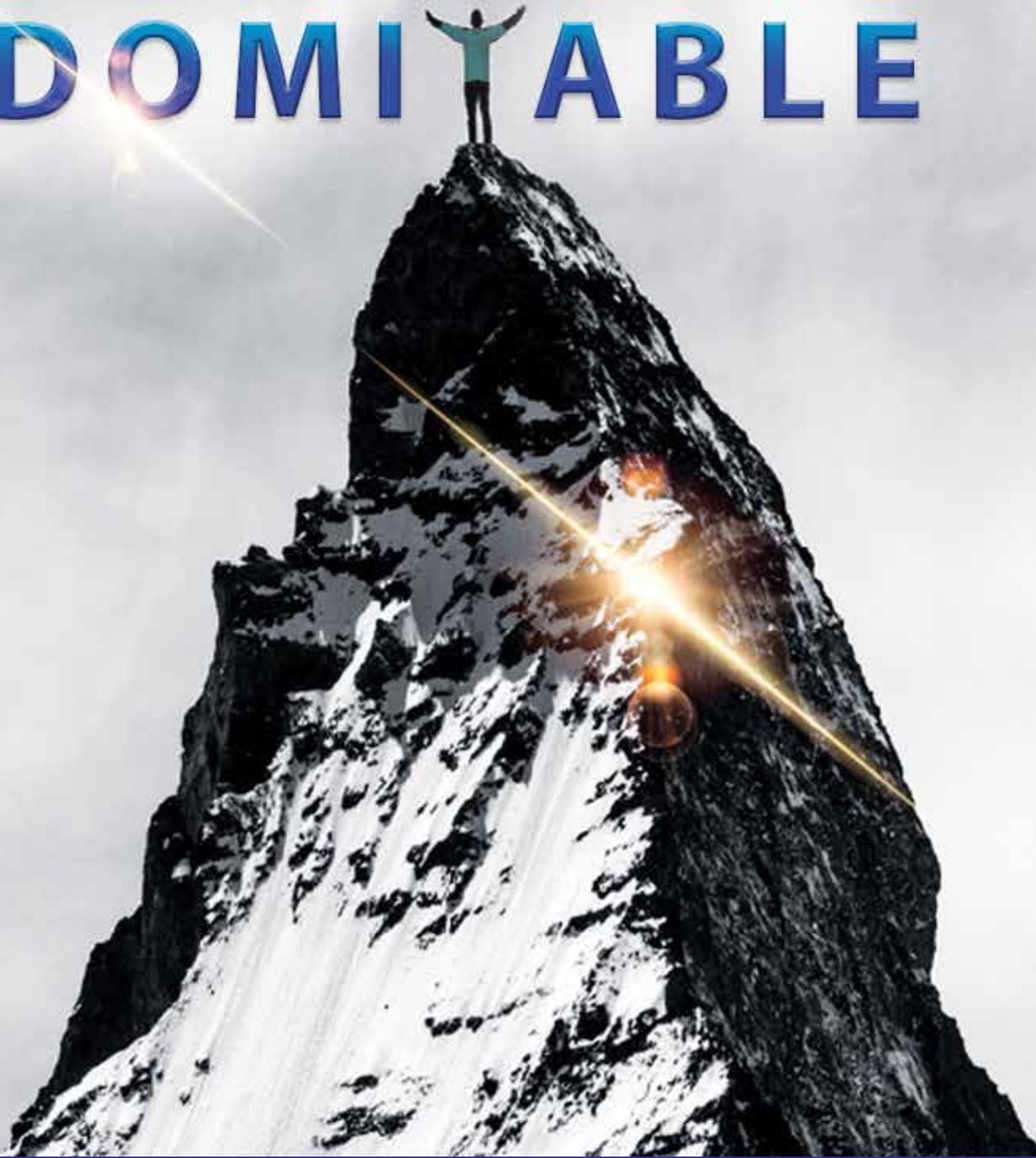


INDOMITABLE



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Venkat Chary (IAS, Retd.)

Chairman, Non-Executive Director

Justice Deepak Verma (Retd.)

Independent Non-Executive Director

Mrs. Chitkala Zutshi (IAS, Retd.)

Independent Non-Executive Director

Mr. Suresh Salvi (IAS, Retd.)

Independent Non-Executive Director

Mr. Kanekal Chandrasekhar

Independent Non-Executive Director

Mr. Sunil Shah

Non-Executive Director

Mr. Devender Singh Rawat

Non-Executive Director

Mr. Satyananda Mishra (IAS, Retd.)*

Govt. Nominee Director

Dr. Malini Vijay Shankar (IAS, Retd.)*

Govt. Nominee Director

Mr. Parveen Kumar Gupta*

Govt. Nominee Director

Mr. S. Rajendran

Managing Director & CEO

Mr. Devendra Agrawal

Whole-time Director & CFO

*Appointment of Nominee Directors by Ministry of Corporate Affairs has been stayed by the Hon'ble Supreme Court vide its order dated 9th March 2022.

REGISTERED OFFICE

63 Moons Technologies Limited

Shakti Tower- II, 4th Floor, Premises-J, 766,
Anna Salai, Chennai - 600 002,
Tamilnadu, India.

T: +91 44 4395 0850/51

F: +91 44 4395 0899

CORPORATE OFFICE

63 Moons Technologies Limited

FT Tower, CTS No. 256 & 257, Suren Road, Chakala,
Andheri (East), Mumbai - 400 093, Maharashtra, India.

T: +91 22 6686 1010

F: +91 22 6725 0257

info@63moons.com

www.63moons.com

CIN: L29142TN1988PLC015586

AUDITORS

Sharp & Tannan Associates

Chartered Accountants

SHARE TRANSFER AGENTS

KFin Technologies Limited

Selenium Tower- B, Plot No. 31 & 32, Gachibowli,
Financial District, Nanakramguda, Serilingampally,
Hyderabad – 500 032, Telangana, India.

einward.ris@kfintech.com

www.kfintech.com

BANKERS

Axis Bank Limited

HDFC Bank Limited

Union Bank of India

Kotak Mahindra Bank Limited

ICICI Bank Limited

Deutsche Bank AG

Standard Chartered Bank

▶ CONTENT

1. Letter From Chairman's Desk	04
2. Message From Managing Director & CEO	06
3. Board of Directors	09
4. Directors' Report	13
5. Management Discussion & Analysis	43
6. Business Responsibility & Sustainability Report	49
7. Corporate Governance Report	69
8. Financials	105

INDOMITABLE

*“Strength does not come from physical capacity.
It comes from an indomitable will.”*

— **Mahatma Gandhi**

History is replete with personalities who have changed society for the better and have positively impacted several lives. Although these game-changers can be distinguished by varying physical attributes, there is one innate quality that connects them all: their indomitable will and indefatigable spirit. This unshakeable belief in themselves has led to some of the greatest revolutions, be it political, industrial, or technological.

The realm of technology has witnessed path-breaking innovators who have revolutionised the world of commerce through their disruptive products and services. Your Company’s promoter is one such innovator whose visionary zeal and out-of-the-box mindset resulted in 63 moons technologies limited (formerly Financial Technologies India Limited) introducing pioneering solutions that digitally transformed the Indian financial markets.

It is his indomitable will that has permeated 63 moons, owing to which your Company has always dared to chart unknown territories and established itself as a trailblazer in every domain it entered. From powering financial markets through its cutting-edge brokerage and exchange solutions, to building multi-asset class financial exchanges across the globe, your Company has redefined the word “domination” by towering above competition.

This journey of reaching the zenith and retaining its numero uno position in every business has been fraught with challenges, be it rival technological innovations or hurdles created by competitors. It is in these testing times that your Company's indomitable DNA and resilient spirit rose to the occasion and helped it weather several storms and vanquish every adversity with unmatched grace.

Your Company has been known to embrace new-age technologies since its inception and that is precisely why it has made inroads into the expansive world of Web 3.0, through its venture, 3.0 verse. Along with its SBUs, 3.0 university and 3.0 tv, 3.0 verse offers an unprecedented access to data, insights, knowledge, and latest updates related to digital assets, blockchain, metaverse, AI, cybersecurity, and a host of futuristic technologies.

Like it has in the past, your Company is focused on creating an ecosystem that extends beyond the organisation-consumer experience and encompasses the wider community, thereby benefiting society at large. While retaining the spirit of excellence in its existing businesses, your Company remains self-assured in its ability to extend the Midas touch to 3.0 verse as well. Going by its track record, it is inevitable that 63 moons will continue to remain indomitable!

Letter From **CHAIRMAN'S DESK**

DEAR SHAREHOLDERS,

It is with great pleasure and immense pride that I present to you the Chairman's letter for our Annual Report. As we reflect upon the past year, we are filled with gratitude for your unwavering support and confidence in your Company. This year, our theme is "Indomitable," which perfectly encapsulates the essence of our journey as a fintech pioneer.

Since our inception, your Company has exemplified an indomitable spirit, relentlessly striving to provide world-class technological solutions for the ever-evolving financial markets. We have always embraced challenges head-on, transforming them into opportunities for growth and innovation. This indomitable spirit of ours has propelled us to become a market leader in all our endeavours.

The financial markets are known for their rapid transformations and complex landscapes. However, we have never shied away from the hurdles that came our way. Instead, we have viewed them as steppingstones to success. Our

ability to overcome these challenges and forge ahead has set us apart from the competition. We have consistently remained at the forefront of the industry, driven by our unwavering determination and resilience.

In line with our indomitable spirit, we have embraced futuristic technologies that are revolutionising the world. Blockchain, artificial intelligence, metaverse, cybersecurity, and more have become the cornerstones of our innovation strategy. By harnessing the power of these technologies, we have empowered ourselves to lead the way in the world of Web 3.0. We firmly believe that our indomitable spirit, combined with these cutting-edge tools, will position us as trailblazers, charting a path for others to follow.

Throughout the past year, we have witnessed unprecedented success and growth. Our commitment to delivering unparalleled products and services has yielded remarkable results. Our long-standing customers have trusted us as their preferred partner, relying on our innovative

VENKAT CHARY

Chairman



solutions to navigate the complexities of the financial landscape. This trust is a testament to the indomitable spirit that drives us forward, inspiring us to constantly raise the bar and exceed expectations.

Furthermore, our dedicated and talented team has been instrumental in our achievements. Their relentless pursuit of excellence, unwavering passion, and indomitable spirit have been the driving force behind our success. Their commitment to innovation and customer satisfaction has propelled us to new heights, solidifying our position as a leader in the industry. I extend my heartfelt appreciation to every member of our team for their invaluable contributions.

Looking ahead, we are filled with excitement and optimism for the future. The financial markets are evolving at an unprecedented pace, presenting us with boundless opportunities. Our indomitable spirit, coupled with our expertise in futuristic technologies, positions us perfectly to leverage

these opportunities and shape the future of Web 3.0. We will continue to push boundaries, challenge the status quo, and redefine what is possible.

In conclusion, I want to express my gratitude to each and every one of you, our esteemed shareholders. Your unwavering support, trust, and belief in our indomitable spirit have been the bedrock of our success. As we move forward, we remain committed to delivering exceptional value, driving innovation, and setting new benchmarks. Together, we will continue to overcome challenges and emerge stronger than ever before.

A stylized, handwritten signature in blue ink, appearing to read 'Venkat Chary'. The signature is fluid and cursive, with a long horizontal stroke at the end.

VENKAT CHARY

Chairman

63 moons technologies limited

Message From **MANAGING DIRECTOR & CEO**

DEAR SHAREHOLDERS,

Your Company has been fulfilling the role of a disruptor in several ways for many years. With technology in its DNA and its inherent indomitable spirit, **63 moons technologies limited** has surmounted many impediments over the past few years. You have been witnessing many changes brought about by your Company in enabling seamless operations in the realm of financial markets. Your Company's performance, as displayed by garnering a major market share in its sphere of operations, has indeed been remarkable despite the strong headwinds.

At this juncture, we are looking ahead at embracing new-age technologies that are set to revolutionise the digital world. Your Company has been a torchbearer in the technological advancements in the fintech space, providing the necessary support of critical technologies for multi-asset class exchanges, among the other segments.

During the year under review, 63 moons, through its subsidiary company, has undertaken a number of initiatives by adopting the emerging technologies of Web 3.0, such as AI, Machine

Learning, Blockchain Technology, Cyber Security, and so on, to bring the benefits of technological advancements to the masses. Your Company strongly believes that such adoption of newer technologies would help democratise the rich dividends flowing therefrom among its partakers.

REVIEW OF BUSINESS VERTICALS

In the following sections, we review the performance of business verticals of your Company in bringing about the change for a better world.

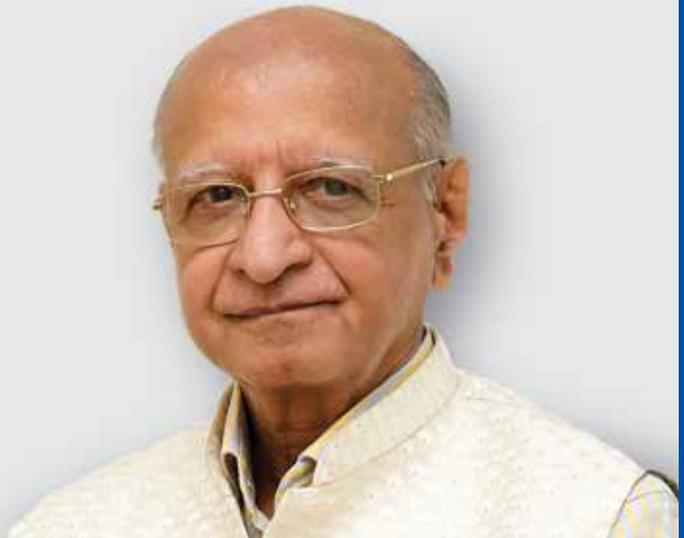
BROKERAGE TECHNOLOGY SOLUTIONS

Your Company's flagship technology product - ODIN - from the stable of Brokerage Technology Solutions (BTS) has witnessed a moderate business growth during the year 2022-23.

The ongoing legal issues have largely been attributable for the marginal growth in profitability and have caused severe headwinds for revenue growth. Among the other reasons, high cost of retaining the rich talent pool post-Covid has also taken a toll, while a big drop in revenues emanating

S. RAJENDRAN

Managing Director & CEO



from STP Gate has significantly impacted your Company's profitability.

Nevertheless, the BTS vertical has continued with unleashing enhancements and innovations to its core product suite, which has not only transformed the product range but has also paved the way for higher customer loyalty. While your Company faces severe environmental headwinds, the BTS division continues to persevere and is taking all the possible steps to keep intact its market share.

EXCHANGE TECHNOLOGY SOLUTIONS

Your Company's another business vertical, Exchange Technology (ET) Division, takes pride in serving India's largest commodity exchange, Multi Commodity Exchange of India Limited (MCX) and India's newest stock exchange, Metropolitan Stock Exchange of India Limited (MSEI).

As the business dynamics have been playing around over the previous few years, MCX had intimated its intentions by serving notice to end services at the end of technical support contract. Further, MCX truncated the bilateral discussions

by running Request for Proposal (RFP) process for technology procurement. Given the open pricing of ET's technology support services, your Company did not compete with RFP, as also, the Division was in the midst of discussion on the proposal, which could be in conflict.

However, MCX before concluding the bilateral discussions, awarded the contract to another vendor and unilaterally closed the discussion.

On the eleventh hour, MCX requested for extending the support services for three months from October 1, 2022, which was promptly provided. In the last week of December 2022, MCX approached your Company for extending the technical support. This time the extension was for six months effective from January 1, 2023, and ending on June 30, 2023. This request too was another last-minute extension sought by MCX. Recently, another last-minute extension was sought by MCX which is now effective for the period from July 1, 2023, to December 31, 2023.

The revenues flowing from the extensions of contract may not compensate the opportunities

that remain in the pipeline but will help your Company in shaping itself for newer horizons of innovations using the extensively experienced human capital.

With the turn of the above events, your Company demonstrates its indomitable spirit, which has helped itself to remain in a niche position and overcome the unfavourable situations in business.

RISK SOLUTIONS

Risk Solutions Division, your Company's another solution provider focussing primarily on Banking, Financial Services, and Insurance (BFSI) sector, has successfully been able to complete the third phase of its project on enterprise data flow management for an Indian regulator during the year 2022-23. The Division had commenced work on this particular project last year. With the completion of this project, a total number of 45 regulated entities have started submitting data to the regulator by using the Division's application. The Division has also successfully onboarded a few Housing Finance Companies (HFCs) as its clients and the Division's flagship product, DataCollector – has now been deployed to Amazon Web Services (AWS) by one of its international regulators and the same is now under User Acceptance Testing (UAT).

Your Company's Risk Solutions Division has successfully deployed its Value-at-Risk (VaR) product using the Python environment, thereby enabling the user to compute data at a faster speed for a large client portfolio. The Division has also started research in the area of Business Intelligence for enhancing the user experience for MIS reports.

The Division has actively been engaging in creating a stand-alone Interest Rate Risk of Banking Book (IRRBB) solution as per the latest RBI guidelines issued in February 2023.

Additionally, the Division has participated in Domestic and International Tenders for its DataCollector Product independently, and in association with a Global System Integrator having a committed presence in emerging market economies.

THE ROAD AHEAD

Your Company's pursuit for excellence has been eternal. Its unparalleled indomitable spirit and zest for bringing in advancements to its line of products has made the journey a truly remarkable one.

Your Company looks forward to the technological advancements in making its suite of technology solutions efficient, effective, and user-friendly. With these steps, the focus of 63 moons is in the direction of garnering a lion's share in its sphere of operations.

Keeping the fast-paced world in mind, it has adopted in the group, the latest aspects of technological advancements in Web 3.0, such as AI, Machine Learning, Blockchain Technology, Cyber Security, among others, to make its solutions one among the top-of-the-line.

Your Company believes that its inherent indomitable spirit would help achieve the goals it has set for itself in the coming years.



S. RAJENDRAN

Managing Director & CEO

63 moons technologies limited

▶ BOARD OF DIRECTORS

VENKAT CHARY (IAS, RETD.)

Chairman - Non-Executive Director

Mr. Venkat Chary is the Chairman, Non-Executive Director of 63 moons technologies limited (the Company). He was appointed as Non-Executive Director w.e.f. 23rd September 2021 after completion of his second term as Independent Director of the Company. He was the FMC approved Independent Director and Chairman, Multi Commodity Exchange (MCX), India's No.1 commodity futures Exchange and the very first Exchange in India to be listed on a stock exchange. He was the first Chairman, Indian Energy Exchange (IEX), India's 1st power Exchange with 97% market share, Chairman, Bourse Africa, Mauritius, Africa's first multi-asset Exchange (Mauritius being a country where both English and French are languages of habitual use), and former Member, Advisory Board, Metropolitan Stock Exchange of India Limited (formerly MCX-SX).

Earlier, he was a member of the Indian Administrative Service (IAS). While in the IAS, he was the Secretary, Maharashtra State Electricity Board, General Manager, Bombay Electric Supply & Transport Undertaking (BEST), Divisional Commissioner (Bombay and Konkan), Municipal Commissioner, Greater Mumbai Municipal Corporation, Joint Secretary & Industries Commissioner, Maharashtra, Secretary to the Chief Minister of Maharashtra, Finance Secretary, Planning Secretary, Home Secretary and officiating Chief Secretary of Government of Maharashtra, in Mumbai. He was Chairman, Forward Markets Commission, the country's commodity regulator, and Deputy Director of the prestigious Lal Bahadur Shastri National Academy of Administration, Mussoorie, Government of India, and post-retirement, Member, Maharashtra Electricity Regulatory Commission, the State's electricity regulator. During his career in the IAS, Mr. Chary has also been Chairman, Vice-Chairman, MD and CEO, and Government director on as many as 15 Central and State Government public sector companies.

While working with the Government of India, Cabinet Secretariat, in New Delhi, Mr. Chary was deputed in 1972 for doing a post-graduate Diploma in Economics and Finance at the 'Ecole National d'Administration' or ENA, the elite training institution for French senior civil servants. In 1978-79, he did another specialized course on International Economic Relations at the same institution.

Mr. Chary is a Governor's nominee on the Indian Red Cross Society (Maharashtra Chapter), is Member of the Advisory Board of 'One India One People Foundation' (the Foundation brings out a niche monthly magazine and conducts constructive activities for school students), and is Member of the Directing Committee for the grant of the prestigious Jamnalal Bajaj Awards. He is past-president Indo-French Technical Association, consisting of engineers, scientists (including nuclear scientists), finance experts, etc., who have either studied or worked in France.

Mr. Chary also has a law degree and he practices law as an Advocate in the Bombay High Court. He is empanelled with the Indo-French Centre for Mediation and Arbitration, Lyon, France, and can mediate in disputes between Indian and French Companies.

JUSTICE DEEPAK VERMA (RETD.)

Independent Non-Executive Director

Justice Deepak Verma is an Arts Graduate with a B.A. from St. Aloysius College, Jabalpur. He completed L.L.B. from Jabalpur University. He is a former Judge of the Supreme Court of India. Justice Verma has four decades of rich experience in various judicial positions. He held senior positions including, Judge of the Supreme Court of India, Chief Justice of the Rajasthan High Court, Judge of the High Court of Madhya Pradesh, Judge of the Karnataka High Court, Bangalore.

Mr. Verma was additionally appointed as Welfare Commissioner, Bhopal Gas Victims, to disburse the amount of compensation to the Gas Victims of Bhopal. Almost all the victims have been awarded compensation during his tenure except for those who were not traceable despite notices.

CHITKALA ZUTSHI (IAS, RETD.)

Independent Non-Executive Director

Ms. Zutshi is a post graduate in Sociology from the University of Rajasthan. She retired from the Indian Administrative Services (IAS) with four decades of experience in diverse fields.

She held various posts with the Government of India and the Government of Maharashtra including Additional Chief Secretary, Home Department, Government of Maharashtra; Principal Secretary, Finance Department, Government of Maharashtra; Projects Chief with the Ministry of Textiles, Government of India; Member of the Maharashtra Water Resources Regulatory Authority, a Statutory Body. She has led Government delegations to the US, UK, Canada, Australia, France, Japan and about 40 other countries.

SURESH SALVI (IAS, RETD.)

Independent Non-Executive Director

Mr. Suresh Salvi is associated with the Company since October 2016 as Non-Executive, Non-Independent Director. To comply with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.r.t. number of Independent Directors on the Board, he was appointed as Independent Director w.e.f. 18th September 2021. Mr. Suresh Salvi is a Governance expert with more than 40 years of diverse experience of leading various Government and corporate organizations in matters of public policy, regulatory affairs, administration and project strategy. Mr. Salvi retired from Indian Administrative Services (IAS) with three decades of rich experience, Held senior posts including, Secretary to Government, Municipal Commissioner, Managing Director & CEO, District Collector among others with the Government of Maharashtra.

Mr. Salvi's corporate experience include as President at NMSEZ & MSEZ (Reliance Group SEZ Project) where he led teams on land and land related legal & regulatory issues, rehabilitation, community development & CSR. He also worked with NGOs of repute in relation to tackling health, education & skill upgradation of various groups in weaker section communities. Mr. Salvi was also Consultant to TCS regarding implementation and execution of Software Development Project for GOI's NREGS Act.

KANEKAL CHANDRASEKHAR

Independent Non-Executive Director

Mr. Kanekal Chandrasekhar is associated with the Company since September 2017 as Non-Executive, Non-Independent Director. To comply with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.r.t. number of Independent Directors on the Board, he was appointed as Independent Director w.e.f. 18th September 2021. Mr. Kanekal Chandrasekhar is an accomplished and multifaceted professional with demonstrated capabilities in corporate planning and driving marketing strategy. With his vast experience of over three decades in the banking sector, Mr. Chandrasekhar has expertise in revenue maximization, resource management and financial as well as administrative operations in a competitive environment. He also has in-depth knowledge and practical exposure in various departments such as credit, treasury, foreign exchange, agriculture and general administration.

Mr. Chandrasekhar was associated with Union Bank of India for over 34 years and had held various positions including Chief Manager, General Manager and Field General Manager among others. He has also held directorships in companies such as CIBIL, NABARD and Ace Derivative and Commodity Exchange Limited. He is also a qualified Insolvency Professional.

SUNIL SHAH

Non-Executive Director

Mr. Sunil Shah is the Managing Director of Motivation Engineers and Infrastructure Pvt. Ltd. He serves as Chairman of Vibrant Motivation and Development Foundation (a Section 8 Company). Mr. Shah serves as Advisor to various Educational Institutions. He is also a Founder Chairman, All Gujarat Innovation Society, Mentor at Power of Idea IIM Ahmedabad and Times of India initiative since inception. Guest Speaker at Management Institution, Association and at various events both at National and International level. He was Vice President at Ahmedabad Management Association. He is currently Member Board of Management, Dr. Baba Saheb Ambedkar open University and Member of State Innovation Council. He is a IIMA Alumni.

DEVENDER SINGH RAWAT

Non-Executive Director

Mr. Devender S. Rawat, a Commerce Graduate with MA in Economics started his professional career with the country's regional apex Chamber PHD Chamber of Commerce & Industry in various capacities and as Senior Director served the PHD Chamber for 20 years. He moved to the oldest Apex Chamber ASSOCHAM and served as Assistant Secretary General for two years and thereafter became the CEO & The Secretary General and achieved the distinction of serving ASSOCHAM for the longest period of 14 years. During his tenure, ASSOCHAM service base increased from 400 to 4,50,000 units, established 10 national offices and 27 international offices. Its own Building known as ASSOCHAM Global Headquarters was set up in National Capital. He took voluntary retirement in September 2018.

Mr. Rawat was on Government Committees of various Ministries and public sectors such as ITPO, NSDC, S&T, GST, etc. Mr. Rawat has travelled globally and addressed various international forums such as UNDP, ILO, UNIDO, etc.

Mr. Rawat is currently associated as President of the CCI India Chamber, Vice Chairman of MSME Export Promotion Council, Chairman of Confederation of Organic Food Producers and Marketing Agencies of India and Vice Chairman of The Foundation for Millennium Sustainable Development Goals. He has brought out large number of studies and contributed in many publications. He has been interacting at the highest level nationally and internationally.

S. RAJENDRAN

Managing Director & CEO

Mr. S. Rajendran, is a post graduate in Commerce and a CAIIB, with over four decades of rich experience as a senior banking professional and multi-functional experience covering most areas of commercial banking and Enterprise-wise Risk Management in particular including guiding banks on moving to Advanced Approaches. He has extensive experience in Corporate Credit, Treasury and Investment Management, International Banking, Overseas Expansion, Skill Development and Training, Business Development, Branch banking set-up and operations and Customer Relationship Management, Internal controls, Regulatory Compliance and Audits and Training, Research and Knowledge Management. He had been MD & CEO of Technology Company for more than 4 years engaged in creation of Data Warehouse for Banking Industry.

DEVENDRA AGRAWAL

Whole-time Director & Chief Financial Officer

Mr. Devendra Agrawal, a Chartered Accountant by qualification with around three decades of professional experience in finance, accounts, MIS and taxation. He has a rich experience of working with organizations such as Aditya Birla Group of Companies and Reliance Industries Limited in his past assignments spread over 12 years. He is associated with 63 moons technologies limited since 2006. Mr. Agrawal is a versatile personality with excellent managerial abilities and human approach.

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DIRECTORS' REPORT



► DIRECTORS' REPORT

To,

The Members,

Your Directors present the Thirty-fifth Annual Report of your Company together with the Audited Financial Statements for the year ended March 31, 2023.

FINANCIAL PERFORMANCE

Financial Results Standalone and Consolidated

The financial statements for the year ended 31st March, 2023 has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the 2013 Act, as applicable.

(₹ in lakhs, except per share data)

Particulars	Standalone		Consolidated	
	Current Year 2022-23	Previous Year 2021-22	Current Year 2022-23	Previous Year 2021-22
Total Income	37,490.74	21,108.71	40,176.88	22,986.50
Total Operating expenditure	21,976.37	20,947.63	31,683.40	27,689.78
EBITDA	15,514.37	161.08	8,493.48	-4,703.28
Finance costs	54.47	39.31	63.15	47.30
Depreciation/amortization	1,187.26	1,207.37	2,338.98	1,248.90
Profit / (Loss) before exceptional item and tax	14,272.64	-1,085.60	6,091.35	-5,999.48
Exceptional Item	-7,386.55	-5,208.28	-4,136.55	-1,375.41
Profit / (Loss) before tax	6,886.09	-6,293.88	1,954.80	-7,374.89
Provision for taxation	4,110.68	-159.57	4,136.16	62.96
Profit after Tax/Net Profit for the year	2,775.41	-6,134.31	-2,181.36	-7,437.85
Add: Net share of profit / (Loss) of associates	0.00	0.00	-483.01	1,871.00
Add: Net minority interest in profit of subsidiaries	0.00	0.00	-1,033.49	-249.51
Profit after Tax/Net Profit for the year	2,775.41	-6,134.31	-1,630.88	-5,317.35
Earnings per share				
Basic	6.02	-13.31	-3.54	-11.54
Diluted	6.02	-13.31	-3.54	-11.54

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

Standalone Financials

The total revenue from operations for the year ended March 31, 2023 was at ₹ 27,249.38 lakhs as compared to ₹ 14,438.82 lakhs for the year ended March 31, 2022.

For the year under review, your Company has reported profit before finance cost, depreciation, exceptional items and tax of ₹ 15,514.37 lakhs compared to profit of ₹ 161.08 lakhs in the previous year. Profit before tax was ₹ 6,886.09 lakhs compared to Loss of ₹ 6,293.88 lakhs in the previous year.

The net Profit after tax was ₹ 2,775.41 lakhs as compared to loss of ₹ 6,134.31 lakhs in the previous year.

Consolidated Financials

The consolidated Net Loss for the year ended March 31, 2023 was at Rs. 1,630.88 lakhs as against Rs. 5,317.35 lakhs in the previous year ended March 31, 2022. Shareholders' funds as at the year ended March 31, 2023, was at Rs. 3,09,050.72 lakhs as against Rs. 307,724.30 lakhs as at March 31, 2022. Shareholders' fund includes non-controlling interest of (Rs. 2,450.13) lakhs as compared to (₹ 1,917.97) lakhs in previous year.

Pursuant to the provisions of the Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company. The Company continues to carry out activities as stated in the main object clause of its Memorandum of Association as there has been no change in the nature of its business.

BUSINESS OVERVIEW: FISCAL YEAR 2022-23

Your Company, with a proven track record of creating IT-driven innovations and building world class institutions over the last two decades, has been instrumental in making sure that the markets in which its operate continue to operate uninterrupted and seamlessly without a single glitch.

During the year under review, 63 moons, through its subsidiary company as well as its own initiative, has undertaken a number of initiatives by adopting the emerging technologies like Web 3.0, AI, Machine Learning, Blockchain Technology, Cyber Security, and so on to bring the benefits of technological advancements in the field of fintech space to the masses. Your Company strongly believes that such adoption of newer technologies would help democratise the rich dividends flowing therefrom among its partakers.

Your Company is looking ahead at embracing new-age technologies that are set to revolutionise the digital world. Your Company has been a torchbearer in the technological advancements in the fintech space, providing the necessary support of critical technologies for multi-asset class exchanges, among the other segments.

Brokerage Trading Solutions (BTS) Business

Business has seen a moderate growth in 2022-23. The slowdown in the growth and decline in profitability is due to the ongoing legal issues and brand reputation. Adverse legal environment continues to cause severe headwinds for revenue growth through new client acquisition. Severe increases in the salary expenses post covid and big drop in STP Gate revenue has significantly impacted profitability. The Brokerage Technology Solutions business has continued with enhancements and innovations to its core product suite. The transformations being done to the core product suite will pave the way for higher customer stickiness. While we face severe environmental headwinds, we continue to persevere and maintain our market share.

Exchange Technology Business

Exchange Technology division of your Company takes pride in serving India's largest commodities Exchange, viz Multi Commodity Exchange of India Limited (MCX) and to India's newest Stock Exchange, Metropolitan Stock Exchange of India Ltd. (MSE). As stated in previous year Annual Report, MCX intimated its intentions by serving notice to end services at the end of contract. There were bilateral discussions with MCX on the way forward. MCX was also running RFP process for technology procurement. Your Company found it futile to compete with in RFP and at the same time also continue discussion on proposal submitted to the same company, as there could be conflict. Further the price points of our services were already known. Before conclusion of bilateral discussions, MCX awarded the contract to another vendor and unilaterally closed the discussion. On the eleventh hour in September 2022, MCX requested for extension, and extension for period from 01st October 2022 to 31st December 2022, which was promptly provided. In the last week of December 2022, MCX approached your Company for another extension. This time the extension agreed was for 6 months i.e., for period from 01st January 2023 to 30th June 2023. Another last-minute extension was sought by MCX which is now effective for period from 01st July 2023 to 31st December 2023. These extensions to an extent has delayed the exploring of the emerging opportunities for newer horizons of innovations using the extensive experienced human capital.

Risk Solutions

During the F.Y.2023, the Risk Solutions division successfully completed the third phase of its project on enterprise data flow management for an Indian Regulator, which was commenced during the F.Y. 2022. Thus, a total number of 45 regulated entities have started submitting data to the Regulator using the divisions' application. The division has also successfully onboarded a few Housing Finance Companies (HFCs) as its clients. The division's flagship product has now been deployed to AWS by one of its international regulators and the same is now under UAT. The division has successfully deployed its Value-at-Risk (VaR) product using the Python environment. It has resulted in much faster computation time for a large client portfolio. The division has started research in the area of Business Intelligence towards enhancement of user experience for MIS reports.

The division is actively engaged in creating a stand-alone Interest Rate Risk of Banking Book (IRRBB) solution as per the latest RBI guidelines issued in the month of February 2023.

The Division has participated in Domestic and International Tenders for its Data Collector Product independently and in association with a Global System Integrator having a committed presence in emerging market economies.

New Vision

Your Company, with technology in its DNA, aspires to lead into a world of new technology and its applications for the benefit of the masses. It is already marching ahead in a new arena of Generative Artificial Intelligence (AI), blockchain technology, machine learning with ChatGPT in its business verticals with an objective to enrich the user experience in the fintech space of brokerage trading solutions, exchange technology, among others.

As you are aware, your Company is competent and capable of creating disruptive business models as technology innovation partners which will enable to explore new options in the 12 industry verticals across various sectors including Space-tech to Agri-tech, from Robotics to IoT (Internet of Things) and SMAC (Social Media, Analytics and Cloud) by leveraging next-gen technologies. Keeping the fast-paced world in mind, it has adopted in the Group, the latest aspects of technological advancements in Web 3.0, such as AI, Machine Learning, Blockchain Technology, Cyber Security, among others, to make its solutions one among the top-of-the-line.

Legal matters

In a civil suit filed by L.J. Tanna Private Limited & Ors., the Hon'ble Bombay High Court passed an ad interim order dated September 30, 2015 inter alia restraining Company from distributing any dividend or depositing the same in the dividend distribution account in accordance with the provisions of the Companies Act, 1956, pending the final hearing and disposal of the Notice of Motion. The matter is pending before the Hon'ble Bombay High Court. In compliance to the order, the Company has not distributed the final dividend to the shareholders pursuant to the directions of the Hon'ble Bombay High Court.

The Union of India, through the Ministry of Corporate Affairs ("MCA") has filed the Company Petition before the Company Law Board, inter-alia seeking removal and supersession of the Board of Directors of the Company. The NCLT has as interim arrangement with consent formed a committee for certain matters. In Appeal, NCLT dismissed the prayer of MCA for removal and supersession of the entire Board of the Company and ordered MCA to nominate three directors on the board of the Company. The NCLAT was pleased to uphold the NCLT Order. The Company has filed appeal before the Hon'ble Supreme Court challenging the orders passed by NCLAT & NCLT wherein Hon'ble Supreme Court has granted stay on appointment of three Govt. Nominee Directors on the Company and matter is pending for hearing. The Government of Maharashtra issued various Notifications under MPID Act attaching properties of the Company. The Company had filed the Writ Petitions before the Hon'ble Bombay High Court, challenging the validity of said Notifications. The Hon'ble Bombay High Court pleased to quash and set aside the said Notifications. In the Appeal filed before the Hon'ble Supreme Court against the order

of Hon'ble Bombay High Court, the Hon'ble Supreme Court has set aside the High Court order and held that all the Notifications issued under MPID Act are valid. The Company pursuing its remedy before Designated Court.

The Directorate of Enforcement has attached properties of Company by issuing provisional attachment orders under the Prevention of Money Laundering Act, 2002. The Adjudicating Authority under PMLA had confirmed the said provisional attachments. The Company filed appeal before Hon'ble Appellate Tribunal challenging said attachment. The Appellate Tribunal quashed the provisional attachment orders subject to conditions. Company has filed the appeal before the Hon'ble Bombay High Court for limited purposes challenging only the conditions mentioned in the impugned order of the Appellate Tribunal. The said appeal is pending for hearing. ED has also filed cross appeal, which is tagged with the Company's appeal.

Except as stated above and for matters stated as "Explanation to the Qualifications in Auditor Report", no material changes and commitments have occurred after the close of the financial year till the date of this Report, which significantly affects the financial position of the Company.

Explanation to the Qualifications in Auditor Report

A. Audit Report on Standalone Financial Statements

The Management explanation for qualification made by the Statutory Auditors in their Independent Auditors Report dated May 24, 2023 on the Standalone Financial Statements for the year ended March 31, 2023 is as under:

1) With respect to qualification A in Auditors Report, explanation of the Management is as under:

- i) The Company has investments of ₹ 20,000 Lakhs (face value) in Secured Non-Convertible Debentures issued by IL&FS Transportation Networks Ltd (ITNL) (subsidiary of Infrastructure Leasing & Finance Ltd – IL&FS) which were rated "A" by the rating agencies at the time of purchase and was also secured by way of charge on certain assets of ITNL. In earlier years, ITNL has defaulted in payment of interest and rating agencies have revised the credit ratings to the lowest category 'D' i.e. default. National Company Law Tribunal (NCLT) has superseded the then existing Board of Directors of the IL&FS and the new board was appointed on the recommendation application of the Union of India. Resolution process has been initiated under Companies Act by the New Board under the supervision of National Company Law Appellate Tribunal (NCLAT), in addition to various investigations and legal proceedings. The Company has filed its claim for the bonds held and also taken various measures including filing legal Civil Suit,

cases against specified parties at appropriate forum. The outcomes of legal matters are pending. The new Board of IL&FS from time to time submitted various progress reports including the resolution framework for the IL&FS Group to Hon'ble NCLAT. During the resolution process, Hon'ble NCLAT has approved the Revised Distribution Framework proposed by the New Board for distribution of cash received in financial bid amount / termination amount / settlement amount or by way of units created by InvIT. According to the estimated distribution to the secured creditors of ITNL provided by the New Board of IL&FS based on the estimated realization value and various progress of the resolution process time to time, without prejudice to its rights, the Company has impaired the investment for the expected credit loss by ₹ 7,500 lakhs till March 31, 2022 and further impaired / written off the investment by ₹ 4,136.55 lakhs during the current year.

2) With respect to qualification B in Auditors Report, explanation of the Management is as under:

- i) a) Post July-2013, civil suits have been filed against the Company in relation to the counter party payment default occurred on the exchange platform of NSEL, wherein the Company has been made a party. In these proceedings certain reliefs have been claimed against the Company, inter-alia, on the ground that the Company is the holding company of NSEL. These matters are pending before the Hon'ble Bombay High Court for adjudication. The Company has denied all the claims and contentions in its reply. There is no privity of contract between the Company and the Plaintiffs therein. The management is of the view that the parties who have filed the Civil Suits would not be able to sustain any claim against the Company. These matters are pending for hearing before the Hon'ble Bombay High Court.
- b) First Information Reports (FIRs) have been registered against various parties, including the Company, with the Economic Offences Wing, Mumbai (EOW) and Central Bureau of Investigation (CBI) in connection with the counter party payment default on NSEL trading platform. After investigation, EOW, Mumbai has presently filed various charge-sheets in the matter. The Company has been named in the charge sheet filed in December 2018. CBI has filed charge-sheets including against the Company for alleged loss caused to PEC Ltd. & MMTCLtd on NSEL platform and aforesaid cases are pending for trial before Court.
- c) CBI - EOW, has registered an FIR alleging conspiracy between the private persons and

SEBI official for granting renewal of stock exchange license to MCX Stock Exchange Ltd. by SEBI. Also, CBI-EOW, has registered FIR alleging that certain official of FMC, SEBI and other for giving illegal benefits to Multi Commodity Exchange of India Ltd. (MCX) and allowing MCX trading as commodity exchange. The investigation in both cases is pending.

- d) The SFIO has filed complaint with the Hon'ble Sessions Court under various sections of IPC and Companies Act against several persons/entities including the Company. The Company has challenged the issuance of process order before the Hon'ble Bombay High Court and the proceedings in the matter has been stayed by the Hon'ble High Court. The matter is pending for hearing before Hon'ble Bombay High Court.
- ii) The Company had filed the Writ Petitions before the Bombay High Court challenging inter alia, the provisions of the MPID Act are violative of the Constitution and the validity of various Notifications and corrigendum attaching the assets of the Company issued under the provisions of the MPID Act. The Hon'ble Bombay High Court pleased to quash and set aside the said impugned Notifications. In appeal, Hon'ble Supreme Court has set aside the High Court order and held that all the Notifications issued under MPID Act are valid. The Company is in process of pursuing its remedy before MPID Court against said Notifications.
- iii) The Enforcement Directorate('ED') has attached certain assets of the Company under the provisions of the Prevention of Money Laundering Act, 2002(PMLA). The three Provisional Attachments Orders had been confirmed by the Adjudicating Authority. The Hon'ble Appellate Tribunal quashed the provisional attachment orders and imposed conditions with regard to the Company. The Company has filed the appeal before the Hon'ble Bombay High Court for the limited purpose for challenging the conditions put by the Hon'ble Appellate Tribunal. The Hon'ble Court was pleased to admit the appeal and clarified that the later part of the impugned order shall not govern the Company. ED has also filed cross appeal, which is tagged with the Company's appeal. The matters are pending for hearing. Meanwhile, ED filed a prosecution complaint before the Spl. PMLA Court, Mumbai against the Company and the same is pending for trial.

B. Audit Report on Consolidated Financial Statements

The Management explanation for qualifications made by the Statutory Auditors in their Independent Auditors Reports dated May 24 , 2023 , on the Consolidated Financial Statements for the year ended March 31, 2023 are as under:

1. With respect to item no. 1 which pertains to the Company refer paragraph (A) above.
2. With respect to item no. 2 which are pertaining to the qualifications made by the Statutory Auditors of a subsidiary viz National Spot Exchange Limited (NSEL) in their Independent Auditors Report on NSEL's Consolidated Financial Statements for the year ended March 31, 2023 which has been reproduced by the Statutory Auditors of the Company (63moons) in their Independent Auditors Report (Auditors Report) dated May 24, 2023 on the Consolidated Financial Statements for the year ended March 31, 2023, the explanation given by the management of NSEL are as under: ("Company" in the response below refer to NSEL)
 - i) With respect to qualification 2A in Auditors Report, explanation of NSEL's Management is as under:
NSEL is taking all steps to defend its position, however since all matters are sub-judice, the Company is unable to quantify the impact, if any, of such legal proceedings on the financial statements of the Company. There are no claims/litigations/potential settlements involving the Company directly or indirectly, which may require adjustments in the Consolidated Ind AS Financial Statement.
 - ii) With respect to qualification 2B in Auditors Report, explanation of NSEL's Management is as under:
Majority in value of the trade and other receivables, loans and advances etc. are under litigation / subject to court orders. Where amount is doubtful for recovery, Company has either made provision or disclosed the reason for non-provisioning. Company is making full efforts for recovery of the amount.

DIVIDEND

Your Directors have recommended a dividend of Rs.2/- per share (i.e.100%) on the face value of Rs.2/- per share for the F.Y. 2022-23. The distribution of said dividend shall be subject to the approval of shareholders at the forthcoming Annual General meeting and appropriate judicial orders.

As the Shareholders are aware, the following dividends are pending for distribution due to the Hon'ble Bombay High Court order:

- a. The final dividend of ₹ 5/- per share for the FY 2014-15, approved by the shareholders at the Annual General Meeting held on September 30, 2015, could not be paid as the Hon'ble Bombay High Court vide its order dated September 30, 2015 in Notice of Motion no. 1490 of 2015 in Suit no. 121 of 2014 –

L.J. Tanna Shares & Securities Pvt. Ltd. and Ors., Vs. Financial Technologies (India) Limited inter-alia directed that pending hearing and final disposal of Notice of Motion "FTIL shall not distribute any dividend amongst its shareholders and shall also not deposit any amount in compliance with Section 123 sub - clause (iv) of the Companies Act, 1956", (to be read as Companies Act,2013).

- b. Payment of ₹ 2/- per share for FY 2016-17 approved by the shareholders at the 29th AGM held on September 27, 2017 is pending subject to appropriate judicial orders.
- c. Payment of ₹ 2/- per share for FY 2017-18 approved by the shareholders at the 30th AGM held on September 27, 2018, is pending subject to appropriate judicial orders.
- d. Payment of ₹ 2/- per share for FY 2018-19 approved by the shareholders at the 31st AGM held on September 18, 2019, is pending subject to appropriate judicial orders.
- e. Payment of ₹ 2/- per share for FY 2019-20 approved by the shareholders at the 32nd AGM held on December 09, 2020, is pending subject to appropriate judicial orders.
- f. Payment of ₹ 2/- per share for FY 2020-21 approved by the shareholders at the 33rd AGM held on September 18, 2021, is pending subject to appropriate judicial orders.

The Company has informed the IEPF Authority about the above pending dividends for distribution to shareholders in view of the Hon'ble Bombay High Court Order as stated in point (a) above.

Prior to the above mentioned High Court order, your Company has paid consecutive dividends for the past 38 quarters which is in accordance with the sustainable dividend pay-out policy of the Company and linked to its long term growth objectives. The Dividend Distribution Policy is available on the website of the Company which can be accessed at the link: www.63moons.com/investors/corporate-governance/policies/Dividend-Distribution-Policy.pdf

Pursuant to Finance Act 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 01/04/2020. As the payment of Dividend for FY 2020-21 is subject to appropriate judicial order, relevant communication relating to TDS would be sent to Shareholders after receipt of applicable judicial order.

UNPAID / UNCLAIMED DIVIDEND

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, ₹ 8.59 lakhs of unpaid / unclaimed dividends were transferred

during the financial year 2022-23 to the Investor Education and Protection Fund.

TRANSFER TO RESERVES

Your Company does not propose to transfer any sum to General Reserve for the year under review.

SHARE CAPITAL

There was no change in the Share Capital of the Company during the year under review. As on March 31, 2023, the paid-up equity Share Capital of your Company stood at ₹ 921.57 lakhs comprising of 46,078,537 equity shares of ₹ 2/- each. During the year under review the Company has not issued any shares with differential voting rights nor has it granted any Stock Option or Sweat Equity.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), is provided in a separate section forming part of this Annual Report.

DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES AND THEIR PERFORMANCE HIGHLIGHTS

The Company has 18 subsidiaries (including step-down subsidiaries) as on March 31, 2023 out of which three are under liquidation. There is one Associate company and no joint venture company within the meaning of Section 2(6) of the Companies Act, 2013. There has been no material change in the nature of business of the subsidiaries. During the year, the Board of Directors reviewed the affairs of the subsidiaries. Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("Act"), a statement containing salient features of the financial statements of Company's subsidiaries, associate companies and joint ventures is given in Form AOC-1 as Annexure - I and the same forms part of this report. The statement also provides the details of highlights of performance of subsidiaries. The financial statements of each of the subsidiaries may also be accessed on the website of the Company www.63moons.com. Bourse Africa Limited (BAL) (subsidiary of FTGIPL) the step-down subsidiary of your Company was liquidated w.e.f. 03rd December 2022. Further, Financial Technologies Middle East- DMCC (subsidiary of FTGIPL) is under liquidation. The voluntary liquidation process of IBS Forex Ltd. and Riskraft Consulting Ltd. (Riskraft) is yet to be completed.

During the previous year, Ticker Limited, a Subsidiary of the Company incorporated two wholly owned subsidiaries namely 3.0 Verse Limited, Mumbai and Three O Verse Global IT Services LLC, Dubai, resulting in creation of two step down subsidiaries for 63 moons technologies limited.

As the shareholders are aware that as per the terms of the Agreement NTT Data Corporation, Japan has to acquire balance 21,00,86,610 equity shares of NTT Data Payment Services India Limited (Formerly ATOM Technologies Limited) held by 63 moons, the closure of the said transaction would be subject to the appropriate Board and judicial approvals.

The Policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at the link: www.63moons.com/investors/corporate-governance/policies/Material-subsiary-policy.pdf

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The report on Corporate Governance as stipulated under the Listing Regulations is annexed hereto, and forms part of this Annual Report. A Certificate from the Auditors of the Company confirming compliance with Corporate Governance norms is annexed to the report on Corporate Governance.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of Regulation 34(2) (f) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('Listing Regulations') the Business Responsibility and Sustainability Report, in the prescribed format, forms an Integral Part of the Annual Report.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Companies Act, 2013 and Listing Regulations, as amended, your Company has formulated a Policy on Related Party Transactions which can be accessed on Company's website at www.63moons.com/investors/corporate-governance/policies/Related-Party-Transactions-Policy.pdf. The Policy is to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All arrangements / transactions entered by your Company with its related parties during the year were in ordinary course of business and on an arm's length basis. During the year, the Company has made investments in its subsidiary i.e. NSEL amounting to ₹ 3500 lakhs in terms of the shareholders' approval obtained in 2022. Except for the transaction with NSEL, the Company did not enter into any arrangement / transaction with related parties which could be considered material, in accordance with Companies Act, 2013 and Listing Regulations. All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approvals

are granted by the Audit Committee for related party transactions which are of repetitive nature, entered in the ordinary course of business and are on arm's length basis in accordance with the provisions of the Act read with the Rules issued thereunder and the Listing Regulations.

There were no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. The details of the transactions with related parties are provided in the accompanying financial statements.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR activities of the Company are as per the requirements of Section 135 of the Act which has been approved by the Board. During the year, the Company has been awarded CSR Leadership Award by World CSR Congress under Global CSR Excellence & Leadership award, as recognition of CSR program done by your Company. Also awarded in special category for support and improvement in Quality Education.

For details regarding the CSR Committee, please refer to the Corporate Governance Report, which is part of this report. The CSR policy is available on the website of the Company which can be accessed at the link: www.63moons.com/investors/corporate-governance/policies/CSR-policy.pdf

The Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as Annexure - II and the same forms part of this report.

RISK MANAGEMENT

The Board of Directors of the Company has formed a Risk Management Committee to monitor the risk management plan for the Company.

The risk management system identifies and monitors risks which are related to the business and over all internal control systems of the Company. The Audit Committee has oversight responsibility in the areas of financial risks and controls. The risk management committee is responsible for reviewing the risk management policy and ensuring its effectiveness and assist the Board in ensuring that all material Compliances, Control, Safety and Operations and Financial risks have been identified and adequate risk mitigations are in place to address these risks.

The Audit Committee and the Board has also noted the risks prevailing in respect of what is stated in the paras relating to legal matters and explanation to the Qualifications in Auditors Report above that may affect the business of the Company.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has in place internal financial control systems, which are commensurate with its size and the

nature of its operations. The Internal control system is reviewed and modified on an on-going basis to meet the changes in business conditions, accounting and statutory requirements. Internal Audit plays a key role to ensure that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported properly. The Internal Auditors independently evaluate the adequacy of internal controls. The findings and recommendations of the Internal Auditors are reviewed by the Audit Committee and followed up till implementation wherever required. Further, as per requirement of clause (i) of sub-section (3) of section 143 of the Companies Act, 2013 ('the Act'), the statutory auditors have reported on the internal financial controls and opined that the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2023, the Company has nine Directors comprising of two Executive Directors and seven Non-Executive Directors, out of which four are Independent Directors. There is one Women Director. At the Annual General Meeting of the Company held on September 27, 2022, Mr. Devendra Agrawal (DIN: 03579332) and Mr. Devender Singh Rawat (DIN: 02587354) who were liable to retire by rotation were re-appointed as the Directors of the Company.

Further, the first term of 2 consecutive years of Mr. Suresh Salvi (DIN: 07636298) and Mr. Kanekal Chandrasekhar (DIN: 06861358), Independent Directors of the Company would be ending on 17th September 2023. The Nomination & Remuneration Committee after duly considering the present need to have minimum 3 Independent Directors, operational and legal situation and the future requirements of the Company in terms of skills and expertise, has recommended the re-appointment of Mr. Kanekal Chandrasekhar for a second term comprising of five years.

Accordingly, the Board recommends the re-appointment of Mr. Kanekal Chandrasekhar for the consideration of the Members of the Company at the ensuing Annual General Meeting. The Board at its meeting held on 08th August 2023, appointed Mr. Kanekal Chandrasekhar as Additional Director (Independent Category) w.e.f. 18th September 2023, subject to approval by shareholders at the ensuing AGM as Independent Director.

Mr. Suresh Salvi would cease to be an Independent Director of the Company on the expiry of his term on 17th September 2023. The Board wishes to place on record its appreciation for the services rendered by Mr. Salvi during his tenure as Non-Executive Director and Independent Director upto September 17, 2023 with the Company.

Mr. Rajendran Soundaram (DIN: 02686150) was re-appointed by the members by way of postal ballot, as

Managing Director & CEO for a period of three years commencing from June 01, 2023 till May 31, 2026, not liable to retire by rotation. Similarly, Mr. Devendra Agrawal (DIN: 03579332) was also re-appointed by the members by way of postal ballot, as Whole-time Director & CFO for a period of three years commencing from May 27, 2023 till May 26, 2026, liable to retire by rotation.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as provided in Section 149(6) of Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. The Board is of the opinion that all the Independent Directors are having good integrity and possess the requisite expertise and experience. All the Independent Directors have confirmed that they are in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules 2014, with respect to registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Sunil Shah (DIN: 02569359) and Mr. Venkat Chary (DIN: 00273036) retire by rotation at the forthcoming Annual General Meeting and, being eligible offers themselves for re-appointment. The Board recommend their re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

The other Directors continue to be on the Board of your Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company are –

1. Mr. S. Rajendran, Managing Director and Chief Executive Officer
2. Mr. Devendra Agrawal, Whole-time Director and Chief Financial Officer
3. Mr. Hariraj Chouhan, Company Secretary.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, SEBI Listing Regulations and the Guidance Note on Board Evaluation issued by the SEBI on January 5, 2017, the Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors taking into consideration the various aspects of the Board's functioning, execution and performance of specific duties, obligations and governance. The performance of the Board, Chairman and Independent Directors was evaluated by the Board after seeking inputs from all the Directors. The criteria for performance

evaluation of the Board included aspects such as Board composition and structure, effectiveness of Board processes, contribution in treasury and risk management, legal challenges faced by the Company, general corporate governance, strategic planning etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members as well as other directors. The criteria for performance evaluation of the Committees included aspects such as composition of committees, effectiveness of committee meetings, etc. The performance evaluation of the Independent directors was carried out by the entire Board, excluding the independent director whose performance being evaluated.

The Independent Directors of the Company met on March 21, 2023, without the presence of Non-independent Directors and members of the management to review the performance of Non-independent Directors including Whole time directors and the Board of Directors as a whole, and to assess the quality, quantity and timeliness of the flow of information between the management and the Board of Directors. The NRC and Board in evaluating the performance of Executive Directors have appreciated their good leadership role for ensuring effective risk and human resource management despite the various financial and legal challenges faced by the Company. On review of Board as a whole, members expressed satisfaction on the diversity of experience, composition of group, and induction process of new members, and competency of directors. The members expressed appreciation on functioning of Audit committee, NRC, CSR, Stake holders, Risk Management and Investment Committee in discharging their expected role and expressed their satisfaction with the evaluation process.

MEETINGS OF THE BOARD

The Board of Directors of the Company met 6 (Six) times during the financial year. The details of Board Meetings are provided in the Corporate Governance Report, which forms part of this Annual Report.

As permitted by the relevant rules and regulations, Board and Committee meetings took place virtually through video conferencing and the applicable provisions were complied with for such virtual meetings.

AUDIT COMMITTEE

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is a part of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY COMPANY

Details of loans, guarantees and investments have been disclosed in the Financial Statements.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure - III and the same forms part of this Report.

ANNUAL RETURN

The Annual Return as required under Section 92 and Section 134 of the Companies Act, 2013 read with applicable Rules is available on the website of the Company and can be accessed at www.63moons.com/investors/shareholders/annual-reports.html

PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure - IV to this Report.

Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available electronically 21 days before the Annual General Meeting and members seeking to inspect such documents can send an email to info@63moons.com. Such details are also available on your company's website and can be accessed at www.63moons.com/investors/shareholders/annual-reports.html. None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a whistle blower policy and having necessary vigil mechanism in compliance with the Companies Act, 2013 and SEBI (LODR) Regulations to report genuine concerns or grievances. The Whistle Blower Policy has been disseminated within the Company and also posted on the website of the Company and can be accessed at the link: www.63moons.com/investors/corporate-governance/policies/Whistle-Blower-Policy.pdf

No employee was denied access to the Audit Committee.

NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy for selection and appointment of Directors including determining

qualifications, independence of a Director, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178 (3) of the Act. The details of the policy are provided in the Corporate Governance Report, which forms part of this Annual Report. The Nomination and Remuneration Policy has been placed on the website of the Company and can be accessed at the link: www.63moons.com/investors/corporate-governance/policies/Nomination-and-Remuneration-Policy.pdf

MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub-section(1) of section 148 of the Companies Act, 2013.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. The said policy is available on the internal portal of the Company for information of all employees. During the FY 2022-23, the Company has not received any complaints on sexual harassment and hence no complaints remain pending as of March 31, 2023.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

Except as stated in the para relating to legal matters mentioned above, there are no other significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future. The details of litigation including tax matters are disclosed in the notes to the Financial Statements which forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- c. the Directors have taken proper and sufficient care to maintain adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a going concern basis.
- e. the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

EMPLOYEES STOCK OPTION PLAN (ESOP)

The Nomination & Remuneration Committee of the Board of Directors of the Company, inter-alia, administers and monitors the Employees Stock Option Plan of the Company in accordance with the applicable SEBI Guidelines. The ESOP Scheme 2020 is yet to be implemented and stock options are yet to be granted and hence no stock options are outstanding as on March 31, 2023.

SECRETARIAL STANDARDS

The Company is in compliance with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

AUDITORS

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. Sharp & Tannan Associates, Chartered Accountants, Mumbai (Regn. No. 109983W) were appointed as the Statutory Auditors of the Company at the Annual General Meeting (AGM) held on September 19, 2019 for a period of five years on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. M/s. Sharp & Tannan Associates have confirmed their eligibility and qualification for continuing as Auditors of the Company for the remainder of their term.

DETAILS OF FRAUD, IF ANY REPORTED BY THE AUDITORS

There have been no instances of fraud reported by Auditors pursuant to Section 143(12) of the Companies Act, 2013.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act, the Board has appointed M/s BNP & Associates, Practising Company Secretaries, to conduct Secretarial Audit for the

financial year 2022-23. The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed herewith marked as Annexure - V and the same forms part of this report. The Secretarial Auditors' report does not contain any qualifications, reservations or adverse remarks.

AWARDS AND RECOGNITIONS

There was a big shoutout to the entire team of 63 moons at World HRD Congress event, Awards were presented to our MD & CEO at various Forum. 63 moons have been awarded in categories of Maharashtra State Best Employer Brand 2022 given by World HRD Congress at 17th Employer Branding Awards, TOP Organizations with Innovative HR Practices awarded by Times Ascent Asia Pacific HRM Congress Award 2022, India's Most Trusted IT Company 2022 awarded by IBC Info Media Pvt. Ltd. - International Brand Consulting Corporation - USA, CEO with HR Orientation awarded by Asia Pacific HRM Congress, Most Preferred Workplaces in Sector IT & ITES 2022 awarded by Marksmen Daily, Best Employer Brand at National Best Employer Brands Awards, Best Cyber Security by The Corporate TITAN Awards, Asia's Most Trusted Companies awarded by IBC Corporate Awards, Emerging Company of the Year awarded by Global HR Excellence Awards. The CSR Leadership Award, Best Support & Improvement in Quality of Education awarded in categories of Global CSR Excellence & Leadership Awards 2022. Ticker Ltd. (formerly Tickerplant Ltd.), one of our subsidiary, also received the award in the category of "Dream Companies To Work For".

ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the financial year 2022-23 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars / Guidelines issued thereunder.

The Annual Secretarial Compliance Report has been submitted by your Company to the Stock Exchanges.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential voting rights as to dividend, voting or otherwise.
- Neither the Managing Director nor the Whole-time Director of the Company receive any remuneration or commission from any of its subsidiaries.

HUMAN RESOURCES

63 moons technologies limited (63 moons) is an equal opportunity provider which ensures non-discrimination at

the workplace. The Company remains committed to its employees and values each one's contribution in the collective growth. At 63 moons, we believe in providing a great workplace/ a conducive work culture to emphasize that employees have freedom to ideate towards its core philosophy of entrepreneurship and innovation while having fun and joy at work. As of 31 March 2023, the Company had employee strength of 794 (increased by 14% YoY)

The Company strongly believes and promotes transparent communication policy. The Human Resources Dept. (HR Dept.) has an open door policy to encourage employees to reach out HR. The HR dept. is trained to, always, be on alert and available for any help sought by the employees.

Most of our systems and processes are automated to ensure that required information is available anytime to our employees. We have implemented new HRMS and Payroll system to improve the productivity and efficiency through efficient management of HR & Payroll processes.

HR Dept. has begun various cross functional communication channels, such as departmental meets and HOD meets. In addition, MoonQuest (monthly digital magazine) is used as a timely communication feed providing varied subject knowledge. At 63 moons we celebrate almost all the special days by imparting knowledge on varied topics and by doing something special for the employees to keep employees motivated while maintaining their work and life balance.

Post the Pandemic on high demand, the most popular event among employees, was back with few surprise elements – JOSH Reloaded 2023. This was a league competition spread across 2 weeks for indoor as well as outdoor games. Playing sports has proven to be an excellent method to rejuvenate mindset, improves communication, imbibes discipline, increases self-esteem, creates focused attitude, resilience, develops time management, team building, etc. We also make sure that the wellness of our employees is ascertained by providing the facility of Doctor-On-Site (at office) or on call which is extended to the family members of our employees too. Many wellness events are arranged for employees such as Yoga, Zumba, Eye check-up, Blood Donation, Scalp & Skincare and talks on various Health Topics. We ensure all the employees take part in the employee connect activities. Along with this, HR communication remains committed to share daily news and updates over established channels as well as on social media platforms.

A number of employee beneficial programs (Insurance, health care etc.) have been initiated/ are well placed. There are also new coverage benefits added in the Mediclaim policy keeping the current pandemic in mind. Considering wellbeing of our senior employees, we have rolled out the best Health Packages for them.

63 moons firmly believe in equality of all religions; hence the Company celebrates all festivals with similar zeal. Apart

from festive celebrations, we also rejoice with yearly recurring number of events for employees which help employee engagement and manages work life balance. All these events receive whole-hearted participation from our employees.

All our HR initiatives have not only helped us to strengthen our connect with employees but have also brought in a sense of general wellbeing and happiness at our workplace. Employee health benefit and engagement programs makes 63 moons as one of the best companies to work.

On the policies and process, the organization is most compliant and employee friendly.

As far as Annual leaves are concerned, the HR at 63 moons has taken 'sharing is caring' to the next level by introducing 'AVADAAN', a Leave Donation Program that allows employees to donate their accumulated/excess leave voluntarily to their colleagues who are in need in their difficult time/ health exigencies. At 63 moons we care for employees' work-life balance hence in addition to the Privilege leaves, the company has 'Family Bliss' leaves for the anniversary and birthday so that they can spend time with their near and dear ones on their special day. A religion-specific holiday has been introduced so that employees can take leave for their respective religious festival.

63 moons continues to trust the ability and quality of its Human Resources and has already started working on the next phase of the company's growth. The Company treats its employees as integral partners of the organization's growth story.

While the Company continue to hire talent from outside, it also ensures that there is a required investment done to scale up the internal talent by providing behavioural trainings along with domain expertise. The classroom training like training on Crucial Conversation Skills were completed with full enthusiasm. In view of induction of new members in the POSH Committee, we have also arranged training sessions for fresher and new Inductees in the existing POSH committee. There is also an extension of induction program conducted by imparting the knowledge on Capital markets, Agile technologies. This training helps employees to enhance their core skills. A special program was arranged by our Senior Management wherein our employees were privileged and got blessed with positive & cosmic energy by Rashtrasant Param Gurudev Shree Namramuni Maharaj Saheb Muni ji has addressed us on achieving Mental Peace and Revival of energy at workplace.

The Company's attrition number is 18% with focus on retention of Top and Niche talent. Structured interventions like our grievance redressal process of Prevention of Sexual Harassment (POSH), Information Security Awareness (ISA) and Innovative Thinking for our employees help us to proactively identify and mitigate risks on human rights and any other organization processes.

63 moons shall strive to continue to make efforts to ensure not to miss on any process, like training and engaging employees through the online mode of communication by organising virtual / classroom session to upscale employees knowledge and participation.

63 moons believes in giving back to the Society and support Society, by taking initiatives under Corporate Social Responsibilities (CSR). 63 moons participated in association with Srujana our NGO partner that supports Women Empowerment and motives to uplift the economically backward women in the society by teaching them skills which would help them to earn livelihood. Also, in association with Anvishka Blood Bank by Deepak's Foundation who help needy patients with blood and blood products for the past 28 years.

At 63 moons, HR Team always try to implement the plans and strategies aligning to the vision of the organization and grateful to the Top Management for their continued faith, support and confidence that always brings out our best for the betterment of the employees.

ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation for all the employees for their hard work, dedication and commitment.

Your Directors also place on record their gratitude to the Central Government, State Government, clients, vendors, financial institutions, bankers and business associates for their continued support and the trust reposed in the Company.

Your Directors take this opportunity to thank all the Shareholders, Regulatory Authorities, business associates for their continued support.

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 08, 2023

Venkat Chary
Chairman
DIN: 00273036

S. Rajendran
Managing Director & CEO
DIN: 02686150

Annexure - I

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Sr. No.	Name of the Subsidiary (includes step down subsidiaries) company	Date since when subsidiary was acquired	Reporting Currency	Exchange Rate as at March 31, 2023	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend	% of share-holding	Country
											(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)	
1	Ticker Limited (formerly TickerPlant Limited)(Ticker)	04-02-2005	INR	-	12,172.04	(7,046.24)	7,186.38	2,060.58	-	1,731.54	(4,406.72)	-	(4,406.72)	-	75.42%	India
2	3.0 Verse Limited	21-06-2022	INR	-	2,000.00	(204.35)	1,872.87	77.22	-	6.96	(210.07)	-	(210.07)	-	100.00%	India
3	FT Knowledge Management Company Limited (FTKMCL)	07-09-2007	INR	-	375.00	(320.63)	55.10	0.73	-	-	0.99	0.12	0.87	-	100.00%	India
4	National Spot Exchange Limited (NSEL)	30-09-2005	INR	-	28,947.91	(25,178.11)	42,931.38	39,161.58	1,043.00	-	(2,725.22)	-	(2,725.22)	-	99.99%	India
5	Indian Bullion Market Association Limited (IBMA)	15-06-2007	INR	-	1,453.89	(10,599.96)	2,473.54	11,619.61	-	-	(3.89)	-	(3.89)	-	60.88%	India
6	Westernghats Agro Growers Company Limited(WGAGL)	05-09-2012	INR	-	5.00	(42.67)	1.52	39.19	-	-	(0.40)	-	(0.40)	-	84.00%	India
7	Farmer Agricultural Integrated Development Alliance Ltd (FAIDA)	01-08-2012	INR	-	10.00	(20.07)	0.06	10.13	-	-	(0.46)	-	(0.46)	-	100.00%	India
8	Global Payment Networks Limited (GPNL)	05-03-2007	INR	-	100.00	84.68	184.98	0.30	-	-	8.17	1.13	7.04	-	100.00%	India
9	Financial Technologies Communications Limited (FTCL)	13-03-2007	INR	-	5.00	553.54	560.35	1.81	-	112.93	50.33	12.87	37.46	-	100.00%	India
10	FT Projects Limited. (FTPL)	18-05-2010	INR	-	22.50	2,984.48	3,007.87	0.89	-	-	1.05	-	1.05	-	100.00%	India

Sr. No.		Name of the Subsidiary (includes step down subsidiaries) company	Date since when subsidiary was acquired	Reporting Currency	Exchange Rate as at March 31, 2023	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend	% of share-holding	Country
11		Apian Finance & Investment Limited (Apian)	25-04-2008	INR	-	431.44	434.89	1,369.11	502.78	850.42	46.02	31.31	8.44	22.87		100.00%	India
12		Financial Technologies Singapore Pte Limited (FTSPL)	15-04-2009	USD	82.16	67,652.81	(48,310.46)	19,356.08	13.73	-	-	(1,184.29)	-	(1,184.29)		100.00%	Singapore
13		Knowledge Assets Pvt. Ltd. (KAPL)	29-03-2007	USD	82.16	8.22	(165.09)	4.65	161.52	-	-	(10.78)	-	(10.78)		100.00%	Mauritius
14		ICX Platform (Pty) Limited (ICX)	07-04-2008	ZAR	4.62	0.00	(278.17)	0.10	278.27	-	-	(63.73)	-	(63.73)		100.00%	South Africa
15		FT Group Investments Pvt. Ltd. (FTGIPL)	29-03-2007	USD	82.16	1,01,926.87	(1,77,776.57)	123.65	75,973.35	-	-	(81.00)	-	(81.00)		100.00%	Mauritius

Note 1: The following companies are under liquidation

- 1 IBS Forex Limited (IBS)
- 2 Riskraft Consulting Limited (Riskraft)
- 3 Financial Technologies Middle East DMCC (FTIME) (subsidiary of FTGIPL)

Note 2: In respect of following companies liquidation has been completed during the year

- 1 Credit Market Services Ltd. (CMSL) (Liquidated w.e.f. 22nd June, 2022)
- 2 Bourse Africa Limited (BAL) (subsidiary of FTGIPL) (Liquidated w.e.f. 3rd December, 2022)

Note 3: Indian rupee equivalents of the figures in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on March 31, 2023.

**Statement pursuant to section 129(3) of the Companies Act, 2013
related to Associate Companies and Joint Ventures
Part "B": Associate**

(₹ in lakhs)

Name of Associate	NTT Data Payment Services India Limited (formerly known as atom technologies limited (atom))
1. Latest audited Balance Sheet Date	31-Mar-23
2. Shares of Associate held by the Company on the year end	
No.	21,00,86,610
Amount of Investment in Associate	2,100.87
Extend of Holding %	29.15%
3. Description of how there is significant influence	Associate
4. Reason why the Associate is not consolidated	N.A
5. Networth attributable to Shareholding as per latest audited Balance Sheet	14,636.78
6. Profit / Loss for the year	
i. Considered in Consolidation	(483.01)
ii. Not Considered in Consolidation	(1,010.38)

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 08, 2023

Venkat Chary
Chairman
DIN: 00273036

S. Rajendran
Managing Director & CEO
DIN: 02686150

ANNEXURE II

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company

The Company has framed a CSR policy in compliance with the provisions of the Companies Act 2013 (ACT).

The Company undertakes activities relating to rural development / tribal development, promoting education, employment enhancing livelihood skills etc. and such other areas as may be decided by the CSR Committee and covered under the CSR Rules.

2. Composition of CSR Committee

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Chitkala Zutshi	Chairperson / Member, Independent, Non-Executive Director	1	1
2	Mr. Suresh Salvi	Member, Independent Director	1	1
3	Mr. S. Rajendran	Member, MD & CEO	1	1

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

<https://www.63moons.com/investors/corporate-governance/policies/CSR-policy.pdf>

<https://www.63moons.com/investors/CSR/project-activities.pdf>

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

The Company will carry out impact assessment of projects, as and when applicable and will provide details as part of its future reports pursuant to Rule 8(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any :

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ Lakhs)	Amount required to be set-off for the financial year, if any (in ₹ Lakhs)
1	FY 2021-22	4.44	-
2	-	-	-
3	-	-	-
	TOTAL	4.44	-

- 6 Average net profit of the Company as per section 135(5) : (₹ 818.00 lakhs) Loss

- 7 (a) Two percent of average net profit of the Company as per section 135(5): **NIL**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**

(c) Amount required to be set off for the financial year, if any: **NIL**

(d) Total CSR obligation for the financial year (7a+7b-7c): **NIL**

8 (a) **CSR amount spent or unspent for the financial year**

Total Amount Spent for the Financial Year. (in ₹): ₹ **15.83 lakhs**

Amount Unspent (in ₹): NIL

Total Amount transferred to Unspent CSR Account as per section 135(6).

Not Applicable (NA)

Date of transfer: **NA**

Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).

Name of the Fund:

Amount: **NOT APPLICABLE**

Date of transfer:

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (₹ in lakhs)	Amount spent in the current financial Year (₹ in lakhs)	Amount transferred to unspent CSR Account for the project as per Section 135 (6) (₹ in lakhs)	Mode of Implementation - Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	Dis-trict						Name	CSR Registra-tion number
1	Entrepreneurship and skill Development	7 (ii)	Yes	New Delhi	South East Delhi	November 2021 October 22	15.83	15.83	0	No	Adharshila	CSR00008054
	TOTAL						15.83	15.83				

(c) Details of CSR amount spent against other than ongoing projects for the financial year

Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes /No)	Location of the project		Amount spent in the current financial Year (₹ in lakhs)	Mode of Implementation - Direct (Yes / No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
-	-	-	-	-	-	-	-	-	-
TOTAL						-			

(d) Amount spent in Administrative Overheads : **NIL**(e) Amount spent on Impact Assessment, if applicable : **NIL**(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 15.83 lakhs**(g) Excess amount for set off, if any: **₹ 15.83 lakhs**

Sr. No	Particular	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	-
(ii)	Total amount spent for the Financial Year	15.83
(iii)	Excess amount spent for the financial year [(ii)-(i)]	15.83
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	15.83

9 (a) Details of Unspent CSR amount for the preceding three financial years

Sr. No.	Preceding Financial Year	Amount transferred to unspent CSR Account under section 135 (6) (₹ in lakhs)	Amount spent in the reporting Financial Year (₹ in lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (₹ in lakhs)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2020-21	20.59	20.59	-	-	-	-
TOTAL		20.59	20.59	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
1	FY31.03.2021_3	Entrepreneurship and skill Development	2020-21	March 21 - April 22	138.94	20.59	138.94	Completed
TOTAL					138.94	20.59	138.94	

10 In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(Asset-wise details)

(a)	Date of creation or acquisition of the capital asset(s).	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset	Not applicable
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

11 Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).
NIL

On behalf of the CSR Committee

Place : Mumbai
Date : August 08, 2023

S. Rajendran
Managing Director & CEO
DIN: 02686150

Chitkala Zutshi
Chairperson CSR Committee
DIN: 07684586

ANNEXURE III

Conservation of energy, technology absorption, foreign exchange earnings and outgo

[Pursuant to Clause (m) of sub-section 3 of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014]

(A) Conservation of energy

- (i) The steps taken or impact on conservation of energy:
- LED lights are fitted at all the floors at Corporate Office to reduce lighting energy consumption since last Eight years leading to considerable energy savings in lighting system.
 - 588.3 kWh of energy saved in lighting due to LED fittings in last one year, (April-22-March-23) resulting in net savings of Rs. 50,00,662 /- Per annum.
 - We have installed 50 KW Solar panel System at FT Tower, wherein we have generated around 63316 Units i.e. Rs.6,01,501/-in FY-2022-23.
 - Two passenger lifts are being switched off on all Saturdays / Sundays leading to optimum utilisation of lifts and resultant conservation of energy.
 - Air conditioning run time has been reduced by rescheduling the start / stop timing of air conditioning system from BMS system.
 - Lights and Air conditioning in all cabins in the building are on sensor mode leading to savings in energy consumption.
- (ii) The steps taken by the company for utilizing alternate sources of energy besides what is stated in (i):

Water Conservation Initiatives:

- The water supply to urinals and WCs are being controlled to minimal by using urinal sensors and controlled flush valves in WCs. Displayed water savings awareness posters in the Wash rooms and pantry to save water.

Other Initiatives:

- Due to fitment of DGU glasses on façade and window glasses of the building, lot of heat load is reduced, resulting in savings in energy consumption of air-conditioning system.
- The lighting energy is being saved by installation of New transparent type centre canopy on terrace top.
- Planned Preventive Maintenance of all electrical equipment's / systems are being done to save considerable electrical energy.
- Waste Segregation: Dry and wet garbage segregated as per BMC norms on daily basis.

(B) Technology absorption

(i) Virtualisation & Cloud:

Cloud Application:- Jira & Bitbucket

63 moons have adopted cloud software considering business efficiencies, agility and scalability which excels performance over existing on-premises software.

This Jira & Bitbucket software has been beneficial to 63 moons developer team with below mentioned features.

SOLUTIONS

- Jira

BENEFITS

- Help agile teams break large, complex projects into manageable pieces of work so focused teams ship faster.
- Use to visualise workflows, limit work-in-progress, and maximise efficiency as a team.
- Customisation as you go with unlimited storage.
- Flexible enough to mould to our teams own unique way of working.
- Access Control & instant up-scale with 99.9% uptime SLA

SOLUTIONS

- Bitbucket

BENEFITS

- Bitbucket Cloud has enterprise-grade security features including IP allowlisting, 2FA & SSO.
- Secured repository hosting services.
- Integration with CI/CD tools
- Create and manage Jira issues from Bitbucket and transition issue statuses automatically.
- Enables Git Large File Storage

(ii) The efforts made towards technology absorption:

Cymulate – Breach and Attack Simulation

To further improve security posture within 63 moons infrastructure we have deployed Cymulate breach and attack simulation system which help us to identify security control effectiveness.

BENEFITS

- Craft and launch attack scenarios, security control findings to assess our breach detection and incident response capabilities.
- Validate Security Operations (SOC) effectiveness against APT TTPs.
- Uncover systematic weakness and fortify protections against ATT&CK techniques deployed by APT groups.

(iii) The benefits derived like product improvement, cost reduction, product development or import substitution:

SOLUTIONS

Wi-Fi 6 :- Secured, efficient connectivity

63Moons implemented the new generation Wi-Fi 6 within its premises, which enables efficient connectivity with modern security features for our employees.

BENEFITS

- Modern Security Algorithms & Stronger Cipher
- Individualised data encryption
- WPA3 protects against offline password guesses.
- Up to 192 bits security for Enterprise.

SOLUTIONS

EDR :- Endpoint Detection & Response

Cyberattacks are becoming more sophisticated and capable of bypassing existing security measures. 63Moons implemented EDR solution, which provides visibility across all endpoints in our corporate network and delivers superior defenses, automating routine EDR tasks and enabling the SOC to speedily hunt out, prioritize, investigate, and neutralize complex threats and APT-like attacks.

BENEFITS:

- Multi-Platform Adaptive Security
- Identify abnormal behavior, automatically detecting and remediating threats & exploits.
- Accurate incident response
- Faster Root cause analysis

(iv) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

No Technology imported.

(v) The expenditure incurred on Research and Development

The aggregate amount of revenue expenditure incurred during the year on Research and Development as per allocation made by the management and shown in the respective heads of the account is ₹ 1326.99 lakhs (Previous Year ₹ 1294.77 lakhs).

C) Foreign exchange earnings and outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

a) Expenditure in foreign currency (including foreign branches)

a) Expenditure in foreign currency

(₹ in lakhs)

Nature of Expenses	Year Ended 31.03.2023	Year Ended 31.03.2022
Travelling expenses	5.91	4.52
Legal and professional charges	-	9.36
IT Support Charges	25.12	19.00
Data Center & Hosting Charges	3.49	19.71
Software license fees	173.85	146.70
Miscellaneous expenses	3.03	3.44
TOTAL	211.40	202.73

b) Earnings in foreign exchange: (including foreign branches)

(₹ in lakhs)

Nature of Income	Year Ended 31.03.2023	Year Ended 31.03.2022
Income from software services (Project based)	55.27	112.96
Interest on loans to subsidiary	5.79	5.36
TOTAL	61.06	118.32

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 08, 2023

Venkat Chary
Chairman
DIN: 00273036

S. Rajendran
Managing Director & CEO
DIN: 02686150

ANNEXURE IV

Details of Ratio of Remuneration of Director [Section 197(12), r/w Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

1	The ratio of the remuneration of each directors' and KMP to the median remuneration of the employees of the Company for the financial year ended 31st March 2022	Name of the Director(s) and Key Managerial Personnel	Designation	Ratio to Median remuneration of employees	% Increase / (Decrease) in remuneration@
		S. Rajendran	MD & CEO (KMP)	20.38	0%
		Devendra Agrawal	Whole-time Director & CFO (KMP)	8.36	0%
		Hariraj Chouhan	CS (KMP)	4.48	0%
	<p>@Pursuant to the Hon'ble Bombay High Court Order dated 30.09.2015, in the Notice of Motion no. 1490/2015, in suit No. 121 of 2014, - L. J. Tanna Shares & Securities Pvt. Ltd. And Ors., Vs. 63 moons technologies limited [earlier Financial Technologies (India) Ltd.], the Company has not paid any remuneration at the increased rate to its Managing Director / Whole-time Directors / KMPs / Senior employees and no increments has been given, pending hearing and final disposal of the aforesaid Notice of Motion.</p> <p>Note:</p> <ul style="list-style-type: none"> The Non-Executive Directors of the Company are entitled for sitting fees / commission as per the statutory provisions and within the limits approved by the Members. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report and is governed by the Remuneration Policy, as detailed in the said report. The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the purpose above. Sitting fees paid to Non-Executive Directors and Independent Directors are mentioned elsewhere in Annual Report. 				
2	The percentage increase in the median remuneration of employees in the financial year	The percentage increase in the median remuneration during the financial year is 2.24%. This has been arrived at, by comparing the median remuneration of the cost-to-the Company as on March 31, 2022, and the median remuneration of the cost-to-the Company as on March 31, 2023.			
3	The number of permanent employees on the rolls of Company	The total number of employees as on March 31, 2023 was 794.			
4	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	<p>Average % increase for eligible employees was 21.62% taken into account the reduction that was effected in the previous year.</p> <p>The Executive Directors remuneration for the FY 2022-23 has been computed in terms of Schedule V of the Companies Act, 2013. KMP's increase / decrease, if any, in remuneration has been reflected in para 1 above.</p>			
5	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes. The remuneration is as per the Remuneration Policy of the Company.			

For and on behalf of the Board of Directors

Place : Mumbai
Date : August 08, 2023

Venkat Chary
Chairman
DIN: 00273036

S. Rajendran
Managing Director & CEO
DIN: 02686150

ANNEXURE V

FORM MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
63 Moons Technologies Limited
Shakti Tower - II, 4th Floor,
Premises J, 766, Anna Salai,
Chennai 600002

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **63 Moons Technologies Limited** having **CIN No. L29142TN1988PLC015586** (hereinafter called 'the Company') for the audit period covering the financial year ended on **31st March 2023** (the 'audit period').

We conducted Secretarial Audit in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) Our verification of the Company's books, papers, minute books, forms and returns filed, statutory records provided physically and other records maintained by the company;
- (ii) Compliance certificate confirming compliance with corporate laws applicable to the company given by the Key Managerial Personnel / Senior Managerial Personnel of the company and taken on record by the company's Board of Directors; and
- (iii) Representations made, documents produced and information provided by the Company, its officers, agents and authorized representatives during our conduct of Secretarial Audit.

We hereby report that in our opinion, during the audit period covering the financial year ended on 31st March 2023 the Company has:

- (i) complied with the statutory provisions listed hereunder, and
 - (ii) Board-processes and compliance mechanism are in place
- to the extent, in the manner and subject to the reporting made hereinafter.

1. Compliance with specific statutory provisions

We further report that:

1.1 We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the year in terms of the applicable provisions/clauses of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- (ii) Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investments.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR);
- (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;*
- (d) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

*The company has also maintained Structured Digital Database ("SDD") pursuant to the requirement of regulation 3 (5) and 3 (6) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015.

(vi) Secretarial Standards relating to Board Meetings and General Meetings issued by The Institute of Company Secretaries of India (Secretarial Standards) and notified by the Central Government under Section 118 (10) of the Act which have mandatory application.

1.2 During the audit period, and also considering the compliance related actions taken by the company after 31st March 2023 but before the date of issue of this report, the company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us:

- i. complied with the all the applicable provisions of all the aforesaid Acts, Rules, Regulations, Guidelines and Secretarial Standards as mentioned above.
- ii. Complied with the applicable provisions/ clauses of :
 - (a) The Act and rules mentioned under paragraph 1.1 (i); and
 - (b) The Secretarial standards on meetings of the Board of Directors (SS-1) and Secretarial standards on General Meetings (SS-2) mentioned under paragraph 1.1 (vi) above in respect of meetings of the Board and Committees constituted by the Board held during the audit period, the 34th Annual General Meeting held on 27th September 2022 (34th AGM).

1.3 During the period under review, provisions of the following Acts / Regulations were not applicable to the Company and it was consequently not required to maintain any books, papers, minute books or other records or file any form/ returns thereunder:

- (i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iii) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
- (iv) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (vi) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of External Commercial Borrowings.

1.4 Based on the nature of business activities of the Company, the following specific Act is applicable to the Company the provisions of which have been duly complied with:

- (i) The Information Technology Act, 2000.

2. Board Processes Of The Company

We further report that:

2.1 The Board of Directors of Company as on 31st March 2023 comprised of:

- (i) Four Independent Directors including one independent woman Director i.e. Mr. Suresh Salvi (DIN: 07636298), Justice Deepak Verma (Retd.) (DIN: 07489985), Mr. Kanekal Chandrasekhar (DIN: 06861358) and Mrs. Chitkala Zutshi (DIN: 07684586).
- (ii) Three Non- Executive Non- Independent Directors i.e. Mr. Sunil Shah (DIN: 02569359), Mr. Venkat Chary (DIN: 00273036) and Mr. Devender Singh Rawat (DIN: 02587354).

(iii) One Whole Time Director & CFO i.e. Mr. Devendra Kumar Agrawal (DIN: 03579332).

(iv) One Managing Director & CEO i.e. Mr. Rajendran Soundaram (DIN: 02686150).

(v) (*)Three Nominee Directors (nominated by MCA) i.e. Mr. Satyananda Mishra (DIN: 01807198), Mr. Parveen Kumar Gupta (DIN: 02895343) and Mrs. Malini Shankar (DIN: 01602529).

(*)Note: The appointment of above three Nominee Directors by the Ministry of Corporate Affairs (MCA) has been stayed by the Supreme Court vide its order dated 9th March 2022 and the stay continues as on the date of this Report.

2.2 The processes relating to the following changes in the composition of the Board of Directors and Key Managerial Personnel during the year were carried out in compliance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015:

(i) Re-appointment of Mr. Devender Singh Rawat (DIN: 02587354), as Non-executive, Non-Independent Director, who retired by rotation and was re-appointed at 34th Annual General Meeting held on 27th September 2022.

(ii) Re-appointment of Mr. Devendra Agrawal (DIN: 03579332), Whole Time Director, who retired by rotation and was re-appointed at 34th Annual General Meeting held on 27th September 2022.

2.3 Adequate notices of the meetings of the Board and its committees were sent to all the Directors to enable them to plan their schedule for the meetings of the Board or its Committees, at least seven days in advance except for the meetings which were convened at shorter notice, with the consent of the Directors /members of the Committee/s, to transact urgent business, at which at least one Independent Director was present as required under Section 173 (3) of the Act and SS-1.

2.4 Agenda and detailed notes on agenda were sent to the Directors at least seven days before the meetings of the Board and its committees, other than in respect of a few meetings which were convened at a shorter notice to transact urgent business, and necessary compliance as required under Section 173 (3) of the Act and SS-1 was in place.

2.5 Agenda and detailed notes on agenda for the following items were either circulated separately less than seven days before or at the meetings of the Board and its Committees and consent of the Board for so circulating them was duly obtained as required under SS-1.

(i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited financial statement/ results, unaudited financial results and connected papers, and

(ii) Additional subjects/ information/ presentations and supplementary notes.

2.6 A system exists for Directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.

2.7 We note from the minutes examined that, at the Board meetings held during the year:

(i) Decisions are taken through the majority of the Board; and

(ii) No dissenting views were expressed by any Board member on any of the subject matters discussed, which were required to be captured and recorded as part of the minutes.

3. Compliance mechanism:

There are adequate systems and processes prevalent in the Company, which are commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

4. Management's response on Statutory Auditor's Qualified Opinion:

The Statutory Auditors vide their Independent Auditors Report dated May 24, 2023 on the financial results of the Company for the year ended 31st March 2023, have mentioned that, they have been informed by the management and those charged with Governance that, other than as stated in the notes to the Financial Statement/s, that there are no claims, litigations, potential settlements involving the Company directly or indirectly which require adjustments to/disclosures in the Statement and that the ability of the Company to continue as a going concern entity and to carry out its day to day operations/activities is not seriously affected.

5. Specific events/ actions:

- 5.1 No major corporate event has occurred during the year which has a major bearing on the Company affairs in pursuance of applicable laws, rules, regulations, guidelines, standards etc. except the following;
- a) Investment in Rights issue offered by the subsidiaries of the Company viz. National Spot Exchange Limited and FT Projects Limited which was duly approved by the Audit Committee, Board and NCLT Committee.
 - b) Company has been informed by its subsidiary Tickerplant Limited that it has incorporated a Wholly Owned Subsidiary, namely "3.0 Verse Limited" in Mumbai, India, and subsequently it has become a step-down subsidiary of the company, with effect from 21st June 2022.
 - c) Company has been informed by its subsidiary Tickerplant Limited that it has incorporated a Wholly Owned Subsidiary, namely "THREE O VERSE GLOBAL IT SERVICES L.L.C" in Dubai, UAE, and subsequently it has become a step-down subsidiary of the company with effect from 14th October 2022.
 - d) Bourse Africa Limited, Mauritius, a stepdown subsidiary of the Company has ceased to be in existence with effect from 16th November 2022.
 - e) Based on Hon'ble National Company Law Appellate Tribunal (NCLAT) order dated March 12, 2020, the Ministry of Corporate Affairs (MCA) vide its order dated March 16, 2020 appointed three Nominee Directors on the Board of the Company. The Hon'ble Supreme Court vide its Order dated March 09, 2022 has stayed the NCLAT order. Consequently, the MCA order dated March 16, 2020 appointing three nominee Directors i.e. Mr. Satyananda Mishra, Mrs. Malini Shankar and Mr. P. K. Gupta was stayed and the stay is effective as on the date of this report.
 - f) The Hon'ble Supreme Court has set aside the judgement of the Hon'ble Bombay High Court date 22nd August 2019, and upheld the attachment of properties of the company under the Maharashtra Protection of Interest of Depositors (MPID) Act 1999, in relation to the National Spot Exchange Limited (NSEL) , a subsidiary of the company. We are informed that appropriate steps have been taken by the company to get relief under various provisions of the MPID Act.
 - g) The Board of Directors at its meeting held on February 04, 2023 approved the proposal for buy-back of shares held by the company in Metropolitan Clearing Corporation of India Limited(MCCIL) by Metropolitan Stock Exchange of India (MSEI). MSEI has announced a scheme of amalgamation wherein MSEI will buy-back the shares of MCCIL from the company.
 - h) In response to the compounding applications filed by the applicants Mr. Jignesh P. Shah and Mr. Hariraj S. Chouhan in 2016 and 2017 respectively, in respect of non-provision / non-disclosure of information in the Annual Report 2012-2013 of the Company, the Regional Director, Southern Region, Ministry of Corporate Affairs, Chennai, after hearing the matter on October 20, 2022, levied compounding fees of Rs. 10,000/- each on Mr. Jignesh P. Shah, Ex-Managing Director and Mr. Hariraj S. Chouhan, present Company Secretary of the Company, in each of its three compounding orders. The same was paid individually by them on October 26, 2022, as mentioned in three orders dated October 31, 2022.

Date: August 8, 2023

Place: Mumbai

**For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
PR No. 637/2019**

**Name: Avinash Bagul
Partner
FCS No: 5578 /COP:19862
UDIN:F005578E000760101**

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

Annexure A

To,

The Members

63 Moons Technologies Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
6. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: August 8, 2023

Place: Mumbai

**For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]
PR No. 637/2019**

**Name: Avinash Bagul
Partner
FCS No: 5578 /COP:19862
UDIN:F005578E000760101**

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MANAGEMENT DISCUSSION & ANALYSIS



► MANAGEMENT DISCUSSION & ANALYSIS

OVERVIEW

During the year under review, overall economic activities faced several challenges. Some of the challenges that clouded the economic environment were, Russia's invasion of Ukraine, thereby leading to supply shocks, outbreak of COVID-19 in China and its zero-Covid policy that further accentuated the supply-shocks. This led to building up of inflationary pressure, thereby compelling the central banks to tighten monetary policies to mitigate the inflation.

Let's have a detailed perspective of the economic situation in the below sections.

GLOBAL ECONOMIC OVERVIEW

The global economy was faced with challenges at different levels, sustained the momentum gained in the preceding quarters despite the still elevated but somewhat moderate inflation, tighter financial situation and lingering geopolitical tensions.

The world economy witnessed a major shock when Russia invaded Ukraine in the first quarter of CY2022, and the war still continues to cloud the economic recovery. The Russian attack on Ukraine had an immediate response of a ban being imposed by the western powers on dealings with Russia that led to supply chain disruptions. This, in turn, affected the overall pace of growth across geographies.

As per IMF's projections, global economic growth moderated to 3.4% in 2022 from 6.3% in 2021, due to several factors such as impact of the Russia-Ukraine war, disruptions in trade, zero-Covid policy of China. This aggravated the already ubiquitous high inflationary situation in many countries, that led to tightening the financial conditions on the back of higher interest rates, among other factors.

Economic growth in Advanced Economies (AEs) halved to 2.7% in 2022 from 5.4% in 2021. Within this group, European economies posted a moderate growth of 3.5% in 2022 against 5.4% in 2021. The US economic growth also slowed down to 2.1% compared to the growth of 5.9% in 2021.

The performance of Emerging Market and Developing

Economies (EMDEs) was slightly better than the performance of AEs. EMDEs expanded by 4% in 2022 as against the growth of 6.9% in 2021. A severe slowdown in growth is due to China's zero-Covid policy that led to a drastic decline in China's growth from 8.5% in 2021 to 3% in 2022, accounting for most of the moderation in economic growth among the EMDEs.

On the price front, global inflation remained elevated at 8.7% in 2022, compared with 4.7% in 2021. Higher global commodity prices due to the Russia-Ukraine war as well as stressed global supply chains were responsible for the steep increase in prices. Inflation in several AEs as well as EMDEs remained well over the central banks' target bands. To bring inflation under control, central banks world over raised policy rates aggressively. Amongst major AE central banks, the US Federal Reserve raised policy rates by 500 bps, followed by the Bank of England (BoE) and the European Central Bank (ECB) with rate hikes of 440 bps and 375 bps, respectively, during the same period.

Amidst a decline in global growth and weak demand, the world trade volume of goods and services dipped in 2022 to 5.1% from 10.6% in 2021. This was led by a sharp deceleration in volume of goods export to 2.6% compared with 10.7% in 2021. The volume of goods imports was also lower at 4% in 2022 compared with 11.5% in 2021. Uncertainties have once again risen over the global growth outlook.

Owing to these headwinds, the IMF projects global GDP growth at 2.8% in 2023 with heavily tilted downside risks. In fact, the report notes that the possibility of a "hard landing" has increased. As per the report, growth in AEs is expected to moderate further to 1.3%. This will be led by a sharp slowdown in growth in Euro Area to just 0.8%, on one hand.

On the other hand, the growth in EMDEs is expected to be slowing marginally at 3.9%. This will be supported by a strong rebound in growth in China, which is expected to grow by 5.2%. This is expected to offset the loss in momentum in activity in other countries such as India, Brazil and South Africa.

On the back of softer global commodity prices, led by food

and fuel, the global inflation is expected to decelerate in 2023. Core inflation in several economies continues to remain high. However, recently the inflationary trend appears to have slowed down, leading to a hawkish pause in raising of rates by RBI and similarly in several other countries across the globe.

INDIAN ECONOMIC OVERVIEW

India's economy registered a strong growth of 7.2% in FY23, much higher than anticipated, signalling a kind of resilience in the economy. Despite the global headwinds at play, Indian economy is poised to do much better than the global counterparts on the back of strong domestic fundamentals.

Among the sectors, agriculture and allied sector posted a growth of 4% in FY23 compared with 3.5% in FY22. Industry sector came down from a high base of 11.4% in Apr-Mar 2022, to 5.1% in Apr-Mar 2023, which was led by slowdown in manufacturing and mining activity, while electricity production continued to inch up. Manufacturing activity moderated with 4.5% growth in FY23 versus 11.8% growth posted during FY22.

Separately, services sector performed very well, as was also indicated by services PMI, averaging at 57.3 in FY23 against 52.3 in FY22.

Despite the moderation experienced in economic momentum in FY23, prices continued to remain elevated. CPI inflation averaged at 6.7% in FY23, up from 5.5% in FY23, thus also crossing RBI's upper tolerance band of 6%.

During Q1 of FY23, the inflation was at its peak of 7.3%, following the breakout of war between Russia and Ukraine in February 2022. Core inflation, too, remained sticky with around 6.1% in FY23 compared to 6% in FY22. In the current fiscal year (FY24), RBI expects headline CPI to ease to 5.2%. However, significant upside risks to the projection remain, owing to food price dynamics, adverse climate conditions leading to erratic performance and spread of monsoon and imported inflationary pressures.

The external situation in FY23 was strained as trade deficit ballooned to US\$267 bn from US\$191 bn in FY22. Coming off a high base and due to weakening global demand, our export growth slowed to 7.2% in the last fiscal year, following 54% growth witnessed in FY22. On the other hand, relative stability in domestic demand and volatile commodity prices led to a less-sharper dip in imports.

On the monetary policy front, RBI has hiked repo rate by 250 bps in FY23, in line with global central banks. In its first policy for FY24, RBI decided to pause but has indicated that it stands ready to act if inflation does not fall within the targeted band. Going forward, RBI expects FY24 growth to settle at 6.5%. As most developed economies

are projected to enter recession/face significant slowdown in economic activity in CY23, and uncertainty is likely to prevail in global financial systems, this could pose risks to our domestic growth.

On the positive side, Indian Meteorological Department's (IMD) prediction of normal monsoon augurs well, enhanced government budget for capex spending, and lower inflation, is expected to provide the necessary support to growth during FY24.

OUTLOOK FOR 2023-24

Although some challenges are persisting such as inflationary pressure – though benign – holds the future direction of RBI's monetary policy, the threat of economic slowdown in the advanced economies leading to weak demand for our exports, could impinge upon the domestic economy. Nevertheless, the huge potential of domestic economy could insulate against the external forces of economic slowdown.

There are noteworthy positives as well, such as the decline in commodities prices including crude oil prices, solid momentum in GST collections, and the government push for capex in both – the public and the private sector. Given the challenges, the growth looks to moderate a bit owing to lower exports and impact of high interest rate regime on the business sentiments.

With the potential such as strong domestic demand, resilient if not robust economic activities could push the economic growth higher in the long-term. IMF has projected that the Indian economy is a bright spot in the overall economic scenario.

NEW VISION

63 moons technologies limited, with technology in its DNA, aspires to lead into a world of new technology and its applications for the benefit of the masses. It is already marching ahead with a vision to master in a new arena of Web 3.0, with an objective to enrich the user experience.

63 moons technologies already has ventured into the areas of digital assets, blockchain and AI technology through its stepdown subsidiary - 3.0 Verse. This business initiative is expected to open doors to a totally different world for the general public on one hand and for technocrats on the other, as its arms such as 3.0 University and 3.0 TV would further its developments through knowledge imparting and sharing the latest updates and insights.

Your Company envisions that these technological fields would open doors for new opportunities, be it for job seekers or for budding entrepreneurs.

FINANCIAL POSITION AND RESULT OF OPERATIONS

Overview

The financial statements of the Company, including consolidated financial statements, have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") read with the Companies (Indian Accounting Standards) Rules, 2015, subsequent amendments thereto and the relevant provisions of the 2013 Act, as applicable.

The discussion on financial performance in the Management Discussion and Analysis relate to the standalone financial statement of the Company.

Equity Share Capital

Your Company's authorised share capital is ₹ 3,000 lacs, divided into 1,500 lacs equity shares of ₹ 2 each. The paid up share capital of your company stood at ₹ 921.57 lacs. During the year, there was no change in the paid-up share capital of your Company.

Other Equity

Your Company's other equity amounted to ₹ 260,734.88 lacs as on March 31, 2023 as against ₹ 258,097.98 lacs as on March 31, 2022. The addition is mainly on account of net profit for the year ₹ 2,775.41 lakhs (previous year net loss ₹ 6,134.31 lakhs)

During the year, there was no change in Securities premium account which stood at ₹ 41,746.62 lacs as on March 31, 2023.

During the year, there was no change in General reserve which stood at ₹ 32,579.86 lacs as on March 31, 2023.

Total Equity

Total equity stood at ₹ 261,656.45 lacs as on March 31, 2023 as against ₹ 259,019.55 lacs as on March 31, 2022.

Deferred Tax assets (net)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. At the year end, your Company has reported accrual of total net deferred tax asset of ₹ 4,721.93 lacs compared to ₹ 8,399.73 lacs at the end of previous year. It mainly includes MAT credit entitlement of ₹ 5,217.69 lacs as at March 31, 2023 compared to ₹ 8,585.02 lacs as at March 31, 2022. The reduction in deferred tax asset is mainly attributed to utilisation of MAT credit during the year.

Trade payable

At the end of the year, trade payables stood at ₹ 312.47 lacs as compared to ₹ 230.33 lacs at the end of previous year.

Other financial liabilities (current + non-current)

Other financial liabilities at the end of the year amounted to ₹ 8,518.48 lacs as against of ₹ 8,539.38 lacs at the end of previous year. It mainly includes ₹ 6,911.78 lacs (previous year ₹ 6,911.78 lacs) towards unpaid dividend, which has not been paid pursuant to the Hon'ble Bombay High Court's ad interim order dated September 30, 2015 inter alia restraining the Company from distributing any dividend or depositing the same in the dividend distribution account in accordance with the provisions of the Companies Act, 1956 (to be read as Companies Act, 2013) pending the final hearing and disposal of the Notice of Motion. The matter is pending for hearing.

Current tax assets and liabilities

Current tax assets at the end of the year amounted to ₹ 3,270.51 lacs as against ₹ 1,729.60 lacs at the end of previous year.

Other liabilities (current + non current)

Other liabilities at the end of the year amounted to ₹ 10,751.36 lacs as against of ₹ 2,525.57 lacs at the end of previous year. It mainly includes income received in advance / unearned revenue, statutory liabilities and other contractual obligations. Increase is mainly due to receipt of income in advance during the year which was ₹ 10318.90 lakhs at the year end as compared to ₹ 2,114.35 lakhs at the end of previous year.

Provisions (current + non-current)

Total provisions as at the end of the year amounted to ₹ 1,556.44 lacs as against of ₹ 1,341.63 lacs at the end of the previous year. It mainly includes provision for employee benefits viz. provision for compensated absences and gratuity.

Lease Liability (current + non-current)

At the end of the year, lease liability, accounted in accordance with Indian Accounting Standard (Ind AS 116 Leases), stood at ₹ 420.19 lacs as compared to ₹ 27.95 lacs at the end of previous year. The increase in amount is mainly due to computer hardware and premises taken on long term lease.

Property, plant and equipment, right of use assets, investment properties and other intangible assets

The carrying value of property, plant and equipment, right of use assets, investment properties and other intangible assets is shown in the table below:

(₹ in lakhs)		
As on March 31,	2023	2022
(A) Property, plant and equipment		
Freehold Land	4,836.18	4,836.18
Buildings	14,563.26	14,863.47
Office Equipments	315.64	324.05
Computer Hardware	460.65	493.52
Furniture and Fixtures	48.62	59.34
Vehicles	245.13	347.43
Total (A)	20,469.48	20,923.99
(B) Right of use assets	428.01	26.25
(C) Investment Property	10,238.73	10,448.80
(D) Other Intangible assets including Software, Technical know-how etc.	207.47	319.18
Total (A+B+C+D)	31,343.69	31,718.22

Financial Investments (current + non-current)

The total financial investments (net of provision) as at March 31, 2023 were at ₹ 76,214.15 lacs as compared to ₹ 90,202.12 lacs as at March 31, 2022. The investments mainly comprised of investment in bonds, mutual funds and investments in subsidiaries. The reduction as compared to previous year was mainly on account of maturity of certain bonds, proceeds of which has been invested in bank fixed deposits and write off / impairment of certain debentures (Refer Note 42 to the financial statements for the year ended March 31, 2023).

Trade receivables

As at the end of year, trade receivables (net of provision) were at ₹ 915.31 lacs as compared to ₹ 597.68 lacs at the end of the previous year

Cash & cash equivalents (including other bank balance)

At the end of the year cash & cash equivalent (including other bank balance) stood at ₹ 125,219.94 lacs as compared to ₹ 110,564.17 lacs at the end of the previous year. This included fixed deposits placed with banks ₹ 119,533.40 lacs (Previous Year ₹ 108,085.77 lacs).

Financial Assets: loans (current + non-current)

At the end of the year, Loans and advances (current + non-current) (net of provision) amounted to ₹ 520.34 lacs as against ₹ 531.62 lacs at the end of previous year.

Other financial assets (current and non-current):

At the end of the year, other financial assets stood at ₹ 30,762.53 lacs as against ₹ 15,009.82 lacs at the end of

the previous year. The increase is due to bank deposits kept for longer duration. It mainly includes fixed deposits with banks maturing after one year, deposit kept with Hon'ble Bombay High Court in respect of a legal matter, interest accrued on fixed deposits / bonds, and other bank balances.

Other assets (current and non-current):

At the end of the year, other assets amounted to ₹ 10,246.99 lacs as against ₹ 12,931.45 lacs at the end of the previous year. It includes income tax paid for earlier years which are in appeals, prepaid expenses and advance for goods and services etc.

Revenue Analysis

During the year, revenue from operations stood at ₹ 27,249.38 lacs compared to ₹ 14,438.82 lacs in the previous year. The increase is mainly due to renewal of contract with a major customer for the period from October 2022 to June 2023 at revised term.

Other Income

During the year, other income stood at ₹ 10,241.36 lacs as compared to ₹ 6,669.89 lacs in the previous year. The increase was mainly due to increase in interest rates on bank fixed deposits during the year. Other Income mainly includes interest from bonds, interest on bank deposits / investments, gain / (loss) on fair valuation of financial assets, rental income etc.

Expense Review

During the year, employee benefits expenses were at ₹ 12,304.16 lacs as compared to ₹ 10,573.27 lacs in the previous year, increase being in line with general industry trend.

Finance cost was ₹ 54.47 lacs during the current year as compared to ₹ 39.31 lacs during the previous year. Other expenses during the year were ₹ 9,672.21 lacs as compared to ₹ 10,374.36 lacs in the previous year.

Total expenses during the year was ₹ 23,218.10 lacs as compared to ₹ 22,194.31 lacs in the previous year.

Exceptional Items

During the year, exceptional items stood at loss of ₹ 7,386.55 lacs compared to ₹ 5,208.28 lacs in previous year. The exceptional items during the year mainly includes (a) Write off / impairment of receivable in respect of debentures / bonds ₹ 4,136.55 lacs (b) allowance for expected credit loss in the value of investments in subsidiaries were ₹ 3,500.00 lacs.

Profit / (Loss)

Your Company has reported the following during the year.

- Profit before finance cost, depreciation, exceptional items and tax was ₹ 15,514.37 lacs, compared to profit of ₹ 161.08 lacs in the previous year.
- Profit before tax and exceptional items was ₹ 14,272.64 lacs, compared to Loss before tax and exceptional items ₹ 1,085.60 lacs in the previous year.
- Profit before tax was ₹ 6,886.09 lacs, compared to Loss before tax ₹ 6,293.88 lacs in the previous year.
- Net Profit after tax was ₹ 2,775.41 lacs, compared to Net Loss after tax ₹ 6,134.31 lacs in the previous year.
- Other Comprehensive Loss, net of tax, for the year was ₹ 138.51 lacs as compared to income of ₹ 93.61 lacs in the previous year.
- Total comprehensive Income for the year was ₹ 2,636.90 lacs as compared to Total comprehensive Loss ₹ 6,040.70 lacs in the previous year.

CAUTIONARY STATEMENTS

This report may contain forward-looking statements about 63 moons technologies ltd (formerly Financial Technologies (India) Ltd.) and its group companies, including their business operations, strategy and expected financial performance and condition. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or concern future financial performance (including revenues, earnings or growth rates), possible future Company plans and action. Forward-looking statements are based on current expectations and understanding about future events. They are inherently subject to, among other things, risks, uncertainties and assumptions about the Company, economic factors and the industry in general. The Company's actual performance and events could differ materially from those expressed or implied by forward-looking statements made by the Company due to, but not limited to, important factors such as general economic, political and market factors in India and internationally, competition, technological change and changes in Government regulations.



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT



► BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L29142TN1988PLC015586
2.	Name of the Listed Entity	63 moons technologies limited
3.	Year of incorporation	1988
4.	Registered office address	Shakti Tower -II, 4th Floor, Premises -J 766, Anna Salai, Chennai - 600002
5.	Corporate address	FT Tower, CTS Nos.256 & 257, Suren Road, Andheri (East) Mumbai - 400093
6.	E-mail	info@63moons.com
7.	Telephone	022 – 66868010
8.	Website	www.63moons.com
9.	Financial year for which reporting is being done	April 1, 2022 to March 31, 2023
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	The paid -up equity share capital of the Company as on March 31, 2023, stood at Rs. 9,21,57,074 consisting of 46078537 equity shares of Rs.2/- each
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Hariraj Chouhan, Company Secretary & Compliance Officer, Tel No. 022 – 66868010, E-mail Id – info@63moons.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosure under this report is made on standalone basis, unless specified in a particular disclosure.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Computer programming, consultancy and related services	STP Technologies / Solutions	98.30%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

63 moons is a software solutions provider company. The NIC Code is

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Computer programming, consultancy and related services	620	98.30%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	NA	4	4
International	NA	2 through subsidiaries	2

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	2 through subsidiaries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports contributes 0.20% of the total turnover of the entity on standalone basis.

c. A brief on types of customers

Our customers are mainly from Capital market, Banking and financial services sectors.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	794	632	80%	162	20%
2.	Other than Permanent (E)	40	30	75%	10	25%
3.	Total employees (D + E)	834	662	79%	172	21%
WORKERS						
4.	Permanent (F)	NIL	NIL	NIL	NIL	NIL
5.	Other than Permanent (G)	NIL	NIL	NIL	NIL	NIL
6.	Total workers (F + G)	NIL	NIL	NIL	NIL	NIL

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	2	2	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	2	2	100%	0	0

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than Permanent (G)	NA	NA	NA	NA	NA
6.	Total differently abled workers (F + G)	NA	NA	NA	NA	NA

*There are no workers on the employment of the Company.

19. Participation/Inclusion/Representation of women

Location	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	1	11.11%
Key Management Personnel*	3	-	-

*Includes Managing Director, Chief Financial Officer and Company Secretary

20. Turnover rate for permanent employees and workers

Location	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13	21	14.98	23	34	25.79	16	10	15
Permanent Workers	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

Refer to Form AOC- 1 provided at page no. 26 of this Annual Report for information on subsidiary/associate companies/ joint ventures.

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes /No)

(ii) Turnover (in Rs. in lakhs) : 27249.38 lakhs

(iii) Net worth (in Rs. in lakhs) : 261508.86 lakhs

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

- Employees may register their concerns through the dedicated e-mail address available (whistleblower@63moons.com) or by writing a letter to the Chairman of the Audit Committee. The Company encourages the employees to register their concerns/grievances, if any, and ensures that there is no discrimination or harassment of any kind against the employee who reports through vigil mechanism or participates in the investigation.

- Investors and shareholders may register their complaints/grievances through the grievance redressal mechanism in co-ordination with Company's Registrar and Transfer Agent M/s. Kfin Technologies Limited. The details of Investor complaints received and resolved during the year is provided on page No. 82 of this Annual Report.
- Suppliers may provide their feedback either through e-mail to Head of the Procurement department. Company takes feedback and suggestions from its suppliers from time to time.
- Customers may raise grievances through the respective Customer account managers or by sending email at info@63moons.com
- The Company monitors and track the complaints/grievances received from different stakeholders on an ongoing basis.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
National	(If Yes, then provide web-link for grievance redress policy)						
Communities	https://www.63moons.com/investors/corporate-governance/policies/Whistle-Blower-Policy.pdf	NIL	NIL	----	NIL	NIL	----
Investors (other than shareholders)		NIL	NIL	----	NIL	NIL	----
Shareholders		8	NIL	----	8	NIL	----
Employees and workers		NIL	NIL	----	NIL	NIL	----
Customers		NIL	NIL	----	NIL	NIL	----
Value Chain Partners		NIL	NIL	----	NIL	NIL	----
Other (please specify)		NIL	NIL	----	NIL	NIL	----

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format: NA

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	NA	NA	NA	NA	NA
	NA	NA	NA	NA	NA
	NA	NA	NA	NA	NA

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9									
Policy and management processes																		
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	N	Y	Y									
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	N	Y	Y									
c. Web Link of the Policies, if available	https://www.63moons.com/investors/corporate-governance/policies.html																	
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	N	Y	Y									
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	N	N	N	N	N	N	N	N	N									
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Policies have been formulated and implemented in accordance with National Guidelines on responsible business conduct, requirements of the Companies Act, 2013 and SEBI Regulations, aligned with internationally renowned quality standards and models like ISO 9001:2015, ISO 14001:2015, ISO/IEC 27001:2013, ISO 20000-1:2018																	
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Not applicable																	
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable																	
Governance, leadership and oversight																		
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (<i>listed entity has flexibility regarding the placement of this disclosure</i>)																		
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board of Directors of the Company and Stakeholders Relationship Committee is responsible for implementation and oversight of the Business Responsibility policies.																	
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Stakeholders Relationship Committee of the Board of Directors of the Company is responsible on decision making on sustainability related issues.																	
10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The policies of the Company are reviewed periodically or on need basis by the Board. The effectiveness of the policies are reviewed and necessary changes to policies and procedures are implemented, if needed																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with the regulations, as applicable to the Company. Further, the compliance certificate on applicable laws is taken from the respective department heads on an Annual basis. Further, the Company has obtained ISO certifications viz., ISO 9001:2015, ISO 14001:2015, ISO/IEC 27001:2013, ISO 20000-1:2018 and there is regular compliance audit process on annual basis																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The evaluation of the working of its policies is being done internally.								
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not applicable								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not applicable								
It is planned to be done in the next financial year (Yes/No)	Not applicable								
Any other reason (please specify)	None								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

- Percentage coverage by training and awareness programmes on any of the Principles during the financial year: The employees of the Company undergo various programs

Segment	Total Number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	10	Annual / quarterly financial performance & reporting / business review / budgets, Regulatory framework and updates, Legal status and updates	100%
Key Managerial Personnel	10	Annual / quarterly financial performance & reporting / business review / budgets, Regulatory framework and updates, Legal status and updates	100%
Employees other than BODs and KMPs	18	Capital markets sessions, Crucial Conversation, POSH awareness training, Skill upgradation	33%
Workers	-	-	-

- Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):
During the year, Company has not paid any fines/ penalties/ punishment/ award/ compounding fees/ settlement which are material in nature.

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	NA	NA	NA	NA
Settlement	NA	NA	NA	NA	NA
Compounding fee	NA	NA	NA	NA	NA

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	NA
Punishment	NA	NA	NA	NA

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed: Not applicable.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, our Code of Conduct complies with the legal requirements of applicable laws and regulations. All the policies are accessible at www.63moons.com.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

None

6. Details of complaints with regard to conflict of interest: NIL

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of Complaints received in relation to issue of conflict of interest of the Director	NIL	NIL	NIL	NIL
Number of Complaints received in relation to issues of conflict of interest of the KMPs	NIL	NIL	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. Not applicable

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe**Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively. Not applicable

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
 b. If yes, what percentage of inputs were sourced sustainably?
 Not applicable considering that the sourcing of materials is not significant part of the company's operations.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
 63 moons does not manufacture any products, hence it is not applicable. However, 63 moons has waste management strategies in place for its own operations, as mentioned on page no. 33 of this Annual Report.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. Not applicable.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**Essential Indicators**

1. a. Details of measures for the well-being of employees:
 Please refer to the para on Human Resources on page no. 23 of this Annual Report.

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	632	632	100%	632	100%	NA	NA	632	100%	NA	NA
Female	162	162	100%	162	100%	162	100%	NA	NA	NA	NA
Total	794	794	100%	794	100%	162	20%	632	80%	NA	NA
Other than Permanent employees											
Male	30	5	16%	5	16%	NA	NA	NA	NA	NA	NA
Female	10	3	30%	3	30%	NA	NA	NA	NA	NA	NA
Total	40	8	20%	8	20%	NA	NA	NA	NA	NA	NA

b. Details of measures for the well-being of workers: PL refer the response to 1.a. above.

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Other than Permanent workers											
Male	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	No. of Employees covered as a % of total employees	No. of worker-s covered as a % of Total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of Employees covered as a % of total employees	No. of worker-s covered as a % of Total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	77.3%	-	Yes	80.70%	-	Yes
Gratuity	100%	-	Yes	100%	-	Yes
ESI	3.40%	-	Yes	3.70%	-	Yes
Others – Please Specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the office is accessible for persons with disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company have an equal opportunity policy as per the Rights of persons with Disabilities Act, 2016. All the policies are accessible to all the employees.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (if yes, then give details of the mechanism in brief)
Permanent Workers	The grievance redressal mechanism is available through various medium be it through policies, be it e-mail, be it personal meet with HR as well as with Management.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity: None

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	632	NA	NA	191	30%	549	NA	NA	342	62%
Female	162	NA	NA	67	41%	145	NA	NA	107	75%
Total	794	NA	NA	258	33%	694	NA	NA	449	65%
Workers										
Male	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

9. Details of performance and career development reviews of employees and worker:

100% coverage for employees.

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	Under Process			549	549	100%
Female				145	145	100%
Total				694	694	100%
Workers						
Male	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL	NIL

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, the Company understands its obligations around occupational hazards and has prioritize actions towards health and safety of its employees. Refer Human Resource para on page no. 23 of Directors' Report. In addition to the above, canteen food is provided at subsidised rate & purified water is provided to all employees.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Company encourages proactive approach and reporting through defined channels available to employees.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N),

Yes, all health and safety related concerns can be raised to HR through e-mail.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)
 Yes, First aid kits are provided on all floors reception. Wheel chair and stretcher is also available. Ambulance is arranged by the BMS team whenever required. Sick rooms are available for employees.

11. Details of safety related incidents, in the following format: no such safety related incidence has happened during the F.Y. 2022-23.

Safety Incident/Number	Category	FY 2021-22 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Company has taken various initiatives to maintain hygiene & sanitation in the company premises. Hand sanitizer made available at all entry points, regular temperature and oxygen level checking done during covid period and is still continuing with the possible signs of come back of covid.

Access to company premises is controlled by Access control system and the security guards are available on all floors and at all entry/exit points. The premises is under CCTV surveillance to ensure security of employees and the premises. Fire safety equipments like fire extinguishers, smoke detectors are installed at the office premises.

13. Number of Complaints on the following made by employees and workers: NIL

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	---	0	0	----
Health & Safety	0	0	---	0	0	----

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	All the offices were assessed for health, safety and working condition as part of the business operating process.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not applicable. As no significant risks arising from assessments of health & safety practices and working conditions.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The key stakeholders identified are employees, investors, customers and suppliers. Stakeholders expectations are taken into consideration while determining the organization’s materiality to ensure fair representation of key material areas.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable & Marginalized Group	Channels of Communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ Others – Please Specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Email	Continuous	<ul style="list-style-type: none"> Customer Satisfaction Product/ Services quality
Employees	No	Email, Website	Continuous	<ul style="list-style-type: none"> Learning opportunities Compensation Structure Growth prospects Developing safe work practices among employees
Investors	No	Email, Newspaper, Website	Continuous	<ul style="list-style-type: none"> Investors and Shareholders queries, Complaints Corporate Governance

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

During the financial year 2022-23 the Company didn't provide any training on human rights issues to its employees. However, the Company has imparted training on POSH through its online assessment training module. Further, in the coming years the Company will take endeavour to provide various other trainings to its employees.

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	794	10	1.26%	694	0	0%
Other permanent	40	0	0%	47	0	0%
Total Employees	834	0	1.20%	741	0	0%
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other permanent	NA	NA	NA	NA	NA	NA
Total Employees	NA	NA	NA	NA	NA	NA

2. Details of minimum wages paid to employees and workers, in the following format:

All employees and Contractors have been paid more than the minimum wage in accordance with the applicable laws.

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	632	NA	NA	632	100%	549	NA	NA	549	100%
Female	162	NA	NA	162	100%	145	NA	NA	145	100%
Other than Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Workers										
Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Details of remuneration/salary/wages, in the following format:

Please refer Annexure IV on page no. 36 of the Annual Report for KMP and for BOD, please refer page no. 81 of corporate governance report.

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	8	Ref page no. 81 of Corporate governance report	1	Ref page no 81 of Corporate governance report
Key Managerial Personnel (KMP)	3	Refer Annexure IV to Directors' Report.	NIL	NA
Employees other than BoD and KMP	629	9,60,000	162	6,80,500
Workers	-	-	-	-

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Mr. Pravin Sawant, CHRO, is responsible for addressing human rights issue.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Company has grievance redressal mechanism which is governed in accordance with Code of Conduct. In addition, Company has Whistleblower mechanism to report and take appropriate action on any such practices.

6. Number of Complaints on the following made by employees and workers:

There have been no complaints made by the employees during the past two years.

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Code of Business Conduct & Ethics and Whistle Blower Policy provides the mechanism to prevent adverse consequences to the complainant discrimination and harassment cases.

8. Do human rights requirements form part of your business agreements and contracts?

(Yes/No) Yes.

9. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0
Others – please specify	0

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

We conduct periodical review to address risks and escalate to the next level in case of any issues. We ensure all applicable statutory compliances regarding minimum wages and strictly prohibit employment of child labour.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	45,07,226 Units	4297112 Units
Total fuel consumption (B)	2981 Units	8125 Units
Energy consumption through other sources (C) Solar	63,316 Units	65,904 Units
Total energy consumption (A+B+C)	45,73,523 Units	43,71,141 Units
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	NA	NA
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency: No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the Company is not covered under Performance, Achieve and Trade(PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	14,140 KL	11,209 KL
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	14,140 KL	11,209 KL
Total volume of water consumption (in kilolitres)	14,140 KL	11,209 KL
Water intensity per rupee of turnover (Water consumed / turnover)	NIL	NIL
Water intensity (optional) – the relevant metric may be selected by the entity	NIL	NIL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency: No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not applicable. Water is recycled as per the practice of the office building maintenance agencies.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format: Air emissions (other than GHG emissions) by the entity are insignificant and not being tracked.

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx		NA	NA
Sox		NA	NA
Particulate matter (PM)		NA	NA
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA
Others – please Specify		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency: No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	NA	NA
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	NA	NA
Total Scope 1 and Scope 2 emissions per rupee of Turnover		NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency: No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. No
8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1.20	0.4
E-waste (B)	NA	NA
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	NA	NA
Other Non-hazardous waste generated (H). <i>Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)</i>	NA	NA
Total (A+B + C + D + E + F + G + H)	1.20	0.4
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	1.20	0.40
(ii) Re-used	NA	NA
(iii) Other recovery operations	NA	NA
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NA	NA
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency: No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Your Company being an IT company, does not manufacture physical products and therefore does not use hazardous or toxic chemicals in any of the process. The waste generated by the company is disposed through government approved e-waste recyclers.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

None of our offices are in/around ecologically sensitive areas.

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	NA	NA	NA
	NA	NA	NA

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is complied with applicable environmental laws/regulations/ guidelines

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	NA	NA	NA	NA

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

1. a. Number of affiliations with trade and industry chambers/ associations.
ASSOCHAM, FICCI, CII, EU, AIMA
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	ASSOCHAM	National
2	FICCI	National
3	CII	National
4	EU	National
5	AIMA	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

None

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

As per provisions governing CSR activities, the Company will conduct SIA's, wherever applicable.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not applicable

S. No.	Name of project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA

3. Describe the mechanisms to receive and redress grievances of the community.

The Community stakeholders have the option of sharing their concerns with us through e-mail mentioned on our website, in addition to the Grievance Redressal.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Not applicable, being a software Company.

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	-	-
Sourced directly from within the district and neighbouring districts	-	-

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**Essential Indicators**

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
Customers may raise grievances through the respective Customer account managers or by sending email at info@63moons.com

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:
Not applicable

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following: The Company is committed to deliver the services and solutions which exceeds customer expectations. No severe/serious complaints from customers were received.

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	None	None	None	None	None	None
Advertising	None	None	None	None	None	None
Cyber-security	None	None	None	None	None	None
Delivery of essential services	None	None	None	None	None	None
Restrictive Trade Practices	None	None	None	None	None	None
Unfair Trade Practices	None	None	None	None	None	None
Other	None	None	None	None	None	None

4. Details of instances of product recalls on account of safety issues: Not applicable

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, 63 moons is committed towards protecting the data of its customers and employees. 63 moons also have a business contingency plan for mitigation in case of cyber security issues or data breaches.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:

No regulatory action has been done regarding advertising, essential services, cyber security, data privacy or product recalls.



CORPORATE GOVERNANCE



▶ CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

In accordance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('Listing Regulations') the detailed report on Corporate Governance of 63 moons technologies limited for the Financial Year 2022-2023 is set out hereunder:

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Your Company's corporate governance is based on a philosophy of trusteeship, transparency, empowerment, accountability, consistency and ethical corporate behaviour.

Your Company adheres to the corporate practices as per the applicable Listing Regulations and also constantly strives to adopt globally emerging best practices.

The Company's governance framework is based on the following principles:

- Well informed and Independent Board to ensure highest standards of corporate governance;
- Systems and processes in place for Internal control;
- Board overseeing function of Company's Management and thus protects long term interests of stakeholders;
- Timely disclosure of requisite material, operational and financial information to the stakeholders.

The Company is in compliance with the applicable provisions of the Listing Regulations.

Governance Structure

The Corporate Governance structure at 63 moons technologies limited is as follows:

- a) Board of Directors:** The Board provides leadership, guidance, objective and an independent view to the Company's management to have long-term vision to improve the quality of governance and ensuring that the management complies with ethics, transparency and disclosure requirements. The Company has an established framework for the meetings of the Board and Board Committees. The Board periodically reviews related party transactions, risk mitigation measures, presentations from MD & CEO, Business heads, CFO and Company Secretary.
- b) Committees of the Board:** Board Committees are the pillar of corporate governance. In this background various committees, statutory as well as non-statutory, are formed, for improving Board effectiveness and efficiency where more focused, specialized and technically oriented discussions are required. Committees enable better management of the Board's time and allow in-depth scrutiny and focused attention. The Board has constituted the following mandatory committees viz., Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Stakeholders Relationship Committee and Risk Management Committee apart from non-mandatory committees mentioned elsewhere in this report. Each of the Committees has been mandated to operate within a given framework.

Governance Policies

The Company has adopted various codes and policies to carry out the duties in an ethical manner and to ensure transparency in dealing with all stakeholders. Some of the codes and policies are:

- Code of Conduct for Board and Senior Management
- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

- Vigil Mechanism and Whistle Blower Policy
- Corporate Social Responsibility Policy
- Policy for determining Material Subsidiaries
- Policy on Related Party Transactions
- Policy for determination of materiality of event or information
- Nomination and Remuneration Policy
- Archival Policy

2. BOARD OF DIRECTORS (BOARD)

2.1 Composition and Category of Board of Directors

The Board comprises an optimum combination of Executive and Non-Executive (Independent and Non-Independent) Directors with a good mix of age, experience & background which enables the Board to discharge its responsibilities and provide effective entrepreneurial leadership to the business. As on 31st March 2023, the Board consisted of nine (9) professionally competent members comprising one Managing Director, one Whole-time Director, four Independent Directors and three Non-Independent Non-Executive Directors. The Composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations. The position of the Chairman and Chief Executive Officer is held by separate individuals, where the Chairman of the Board is a Non-Independent Non-Executive Director. None of the Directors of your Company are inter-se related to each other. The composition of the Board as on date is as per the table given below:

Name of Director	Director Identification Number (DIN)	Designation	Category	Shareholding in the Company as of 31st March, 2023 (No. of shares)
Mr. Venkat Chary	00273036	Chairman	Non-Independent, Non-Executive Director	Nil
Justice Deepak Verma (Retd.)	07489985	Director	Independent, Non-Executive Director	Nil
Mrs. Chitkala Zutshi	07684586	Director	Independent, Non-Executive Director	Nil
Mr. Suresh Salvi	07636298	Director	Independent, Non-Executive Director	Nil
Mr. Kanekal Chandrasekhar	06861358	Director	Independent, Non-Executive Director	Nil
Mr. Sunil Shah	02569359	Director	Non-Independent, Non-Executive Director	Nil
Mr. Devender Singh Rawat	02587354	Director	Non-Independent, Non-Executive Director	Nil
Mr. S. Rajendran	02686150	Managing Director & CEO	Executive Director	Nil
Mr. Devendra Agrawal	03579332	Whole-time Director & CFO	Executive Director	200
Mr. Satyananda Mishra ¹	01807198	Director	Nominee Director	Nil
Dr. Malini V. Shankar ²	01602529	Director	Nominee Director	Nil
Mr. Parveen Kumar Gupta ³	02895343	Director	Nominee Director	Nil

^{1, 2, 3} Based on Hon'ble NCLAT order dated 12th March, 2020, Ministry of Corporate Affairs (MCA) vide its order dated 16th March, 2020 had communicated to the Company about appointment of three Nominee Directors on their Board with immediate effect. The Company had filed an appeal challenging the order dated 12th March, 2020, passed by Hon'ble NCLAT before Hon'ble Supreme Court along with an application for stay of the Order passed by MCA. Hon'ble Supreme Court has vide its order dated 9th March, 2022 stayed the NCLAT order and consequently MCA order dated 16th March, 2020 remain stayed.

2.2 Independent Directors

Independent Directors are non-executive directors as defined under Regulation 16 (1) (b) of the SEBI Listing Regulations and Section 149(6) of the Act alongwith Rules framed thereunder. Independent Directors bring objective view and valuable outside perspective to the Board deliberations. They act as the guardians of the interest of all stakeholders, especially in the areas of potential conflict of interest. The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence laid down under the Companies Act, 2013 and the Listing Regulations. Further, pursuant to the notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, Independent Directors have completed the registration with the Independent Directors Databank and the Company has received requisite disclosures in this regard. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfil the conditions of independence specified in the Listing Regulations and are independent of the management of the Company.

A formal letter of appointment stating the terms and conditions of appointment of Independent Director as required under the Companies Act, 2013 and the Listing Regulations is posted on the website of the Company (Weblink: www.63moons.com/investors/corporate-governance/policies/terms-and-conditions-of-appointment-of-Independent-Director.pdf)

2.3 Skills, Expertise and Competencies of Directors

Considering, the present state of affairs of the Company mainly revolving around treasury management, existing business operation, follow up on numerous legal cases, general corporate governance, support of administration etc, the Board identified the following core skills / expertise / competencies amongst its members for the Board to function effectively:

- Legal and Regulatory compliance;
- Treasury management, banking & investments;
- Corporate Governance;
- Functional and managerial experience, knowledge and skills in accounting, finance and audit, Taxation, general management practices, crisis response and management, human resources, risk management, senior level government experience and academic background;
- Diversity of thought, experience, knowledge, perspective, gender and culture.

Board Membership Criteria/skills:

The Board comprises of the eminent personalities and leaders in their respective fields. The NRC alongwith the Board identifies the candidate based on well defined selection criteria viz., qualifications, skills, expertise, diversity and experience etc. In case of appointment of Independent Directors, NRC Committee satisfy itself with regards to the independence of Directors to enable the Board to discharge its functions and duties effectively. As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have registered themselves with the Independent Directors Databank. The Board and NRC ensures that the candidates identified for appointment as Directors are not disqualified for appointment under section 164 and other applicable provisions of the Companies Act, 2013.

The NRC has identified the following core skills, expertise and competencies required in the context of the Company's business which are available with the Board:

Skills	Definition
Wide Management and Leadership experience	Strong management and leadership experience, strategic planning, operations in technology, banking, investments and finance, senior level Government experience and academic administration.
Strategy and Planning	Advising and guiding management team in deciding various business related strategies, decision making process in uncertain environment.
Corporate Governance, Risk and compliance	Experience in developing best governance practices, managing stakeholders interest and Company's responsibility towards customers, employees, suppliers, regulatory bodies. To identify key risks associated with the Company including legal, regulatory framework and its mitigation.
Functional and managerial experience	Knowledge and skills in Accounting and finance, Taxation, crisis response and management, industry knowledge, sales and marketing.
Global exposure	Understanding of global business dynamics across various international markets and guiding the management.

2.4 Board Meetings

Decisions relating to business strategies, legal issues, risks, policies and operations of the Company are arrived at the meetings of the Board held periodically. The notice and detailed agenda along with relevant notes and other material information are provided to the Directors in a timely manner to enable them to prepare for the Board Meeting. However, in case of Business exigencies, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is duly noted in the subsequent Board meeting.

2.4.1 Number of Board Meetings held and the dates thereof

The Board of Directors met six (6) times during the year. The dates of meetings being 12th April 2022, 28th April 2022, 27th May 2022, 09th August 2022, 10th November 2022, 04th February 2023.

Necessary quorum was present in all the meetings.

2.4.2 Attendance at the Board Meetings and the last Annual General Meeting

The table mentioned below gives the attendance record of Directors at the Board Meetings held during FY 2022-23 as well as the last Annual General Meeting, which was held on 27th September 2022. It also gives details of the number of other Directorships and Chairmanship / Membership of Committees, such Directors hold in various public companies, as on 31st March 2023.

Name of Director	No. of Board Meetings held during respective tenure of Director	Attendance Particulars		No. of other Directorships and Committee Membership / Chairmanship		
		Board Meetings	Last AGM	Committee		
				Directorship of other Indian Public Companies	Membership	Chairmanship
Mr. Venkat Chary	6	6	Yes	-	-	-
Justice Deepak Verma (Retd.)	6	6	Yes	1	-	-
Mrs. Chitkala Zutshi	6	6	Yes	-	-	-
Mr. Suresh Salvi	6	6	Yes	-	-	-
Mr. Kanekal Chandrasekhar	6	6	Yes	-	-	-
Mr. Sunil Shah	6	6	Yes	1	-	-
Mr. Devender Singh Rawat	6	6	Yes	-	-	-
Mr. S. Rajendran	6	6	Yes	-	-	-
Mr. Devendra Agrawal	6	6	Yes	5	-	-

Notes:

1. Comprises directorship, membership & chairmanship of committees of only Indian Public Limited Companies.
2. The committees considered for the above purpose are those as specified in Regulation 26 of the Listing Regulations i.e. Audit Committee and Stakeholders Relationship Committee.
3. None of the Directors on the Board hold directorship in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director.
4. Brief profile of each of the above Directors is available on the Company's website (www.63moons.com)

2.4.3 Board Support

The Company Secretary attends the Board / Committee meetings and provides inputs to the Board on Compliances with applicable laws and governance.

2.4.4 Post meeting mechanism

The important decisions taken at Board / Committee meetings are communicated to the concerned departments / divisions by Secretarial dept.

2.4.5 Familiarization programme for Independent Directors

The Company had conducted various sessions during the financial year to familiarize Independent Directors with the Company's annual / quarterly financial performance & reporting / business review / budgets, regulatory framework and updates, legal status and updates etc.

The details of such familiarization programs are displayed on the website of the Company and can be accessed at www.63moons.com/investors/corporate-governance/policies/familiarization-programme-fy-2022-23.pdf

At the time of appointing a Director, a formal letter of appointment is given to the Independent Directors, which explains the role, function, duties and responsibilities expected from a Director of the Company. The Director is also explained in detail the compliance required under the Companies Act, 2013, applicable listing regulations and other relevant regulations and affirmation taken from the Directors, with respect to the same.

2.4.6 Code of Conduct

The Company has formulated and implemented a Code of Conduct for the Board of Directors and Senior Management of the Company (one level below the Board). Annual affirmation of compliance with the Code has been made by the Directors and Senior Management of the Company. The Code has also been posted on the website of the Company (Weblink: www.63moons.com/investors/corporate-governance/policies/code-of-conduct.pdf). The necessary declaration by the Managing Director & CEO of the Company regarding compliance of the Code of Conduct by Directors and Senior Management of the Company for the financial year ended 31st March 2023 forms a part of the Corporate Governance Report.

2.4.7 Conflict of Interest

The Company's code of conduct provides for the Directors / Senior management / Employees to avoid in dealings which may be in conflict with the interest of the Company. If such an interest exists, they are required to make adequate disclosures to the Board or to the Compliance officer of the Company. An Interested Director neither participates in the meeting nor votes in respect of any item in which he is interested. The Board members inform the Company on an annual basis about their Directorship and Committee positions in other companies including Chairmanship and notifies changes during the year. Such disclosures are placed before the Board. Members of the Board avoid conflict of interest in the decision making process, while discharging their duties.

2.4.8 Insider Trading Policy

The Company has formulated 'Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons', 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Policy for Procedure of Inquiry in case of leak of UPSI' in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 to deter the insider trading in the securities of the Company based on Unpublished Price Sensitive Information (UPSI). The aforesaid policies are amended from time to time reflecting the changes brought in by SEBI in the Insider Trading Regulations. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company (Weblink: www.63moons.com/investors/corporate-governance/policies/code-of-practices-and-procedures-for-fair-disclosure-of-upsi.pdf)

2.5 The details of directorship of the Company's Directors in other Indian public limited Companies as on 31st March 2023 are given below:

Sr. No.	Name of the Director	Other Listed Company Directorship (alongwith category of directorship)	Other Directorship details
1	Mr. Venkat Chary	Nil	Nil
2	Justice Deepak Verma (Retd.)	Nil	Ticker Limited (formerly Tickerplant Limited)
3	Mrs. Chitkala Zutshi	Nil	Nil
4	Mr. Suresh Salvi	Nil	Nil
5	Mr. Kanekal Chandrasekhar	Nil	Nil
6	Mr. Sunil Shah	Nil	NTT Data Payment Services India Limited
7	Mr. Devender Singh Rawat	Nil	Nil

Sr. No.	Name of the Director	Other Listed Company Directorship (alongwith category of directorship)	Other Directorship details
8	Mr. Devendra Agrawal	Nil	(i) Riskraft Consulting Limited (under Liquidation), (ii) IBS Forex Limited (under Liquidation), (iii) Financial Technologies Communications Limited, (iv) Global Payment Networks Limited, (v) FT Knowledge Management Company Limited
9	Mr. S. Rajendran	Nil	Nil

2.6 Information provided to the Board

The Board of the Company is presented with all the information whenever applicable and materially significant. This information is submitted either as a part of agenda papers or tabled before the Board Meeting or circulated to the members of the Board. This information inter-alia includes:

- Annual operating plans and budgets and half yearly review on its adherence.
- Capital budgets and any updates.
- Quarterly results for the Company and its operating divisions or business segments.
- Minutes of meetings of audit committee and other committees of the board of directors.
- The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Quarterly Corporate Governance report and other periodical disclosures as submitted to stock exchanges.
- Quarterly Legal MIS and status update on ongoing legal cases.
- Quarterly review and noting of Related Party Transactions.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

3 BOARD COMMITTEES:

Details of the Board Committees are provided hereunder:

a) Audit Committee

Mrs. Chitkala Zutshi – Independent Director (Chairperson of the Committee)
 Mr. Venkat Chary – Non-Executive Director
 Mr. Kanekal Chandrasekhar – Independent Director

b) Nomination & Remuneration Committee

Mr. Kanekal Chandrasekhar – Independent Director (Chairman of the Committee)
 Mr. Venkat Chary – Non-Executive Director
 Mrs. Chitkala Zutshi – Independent Director

c) Stakeholders' Relationship Committee

Mr. Suresh Salvi – Independent Director (Chairman of the Committee)

Mr. Venkat Chary – Non-Executive Director

Mr. S. Rajendran – MD & CEO

d) Corporate Social Responsibility Committee

Mrs. Chitkala Zutshi – Independent Director (Chairperson of the Committee)

Mr. Suresh Salvi – Independent Director

Mr. S. Rajendran – MD & CEO

e) Risk Management Committee

Mr. Suresh Salvi – Independent Director (Chairman of the Committee)

Mr. S. Rajendran – MD & CEO

Mr. Devendra Agrawal – Whole-time Director & CFO

f) Investment Committee

Mr. Kanekal Chandrasekhar – Independent Director

Mr. Sunil Shah – Non-Executive Director

Mr. S. Rajendran – MD & CEO

Mr. Devendra Agrawal – Whole-time Director & CFO

g) Restructuring Committee

Mr. Venkat Chary – Non-Executive Director (Chairman of the Committee)

Mrs. Chitkala Zutshi – Independent Director

Mr. Kanekal Chandrasekhar – Independent Director

Mr. S. Rajendran – MD & CEO

h) Governance Committee

Mr. Kanekal Chandrasekhar – Independent Director (Chairman of the Committee)

Mr. Sunil Shah – Non-Executive Director

Mr. Devendra Agrawal – Whole-time Director & CFO

i) MCX Sub-Committee

Mrs. Chitkala Zutshi – Independent Director

Mr. Kanekal Chandrasekhar – Independent Director

Mr. S. Rajendran – MD & CEO

Mr. Devendra Agrawal – Whole-time Director & CFO

j) National Company Law Tribunal Committee (NCLT Committee)*

Justice G. P. Mathur (Retd.) – Appointed by NCLT

Dr. Anup K. Pujari – Nominated by Union of India

Mr. Kanekal Chandrasekhar – Independent Director

Mr. S. Rajendran – MD & CEO

Mrs. Chitkala Zutshi – Independent Director

**Constituted by NCLAT, New Delhi*

4 AUDIT COMMITTEE**4.1 Composition, Names of Members and Chairperson**

The Audit Committee comprises of two Independent Directors and one Non-Executive Director:

Name of the Member	Designation	Category
Mrs. Chitkala Zutshi	Chairperson	Independent Director
Mr. Venkat Chary	Member	Non-Executive Director
Mr. Kanekal Chandrasekhar	Member	Independent Director

The Composition of the Audit Committee is in compliance with the provisions of Section 177 of the Companies Act 2013 and Regulation 18 of the Listing Regulations.

4.2 Powers of the Audit Committee

- To call for comments on Auditor's Report, about internal control systems, the scope of the audit, including the observations of the auditors and review of financial statements before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
- To investigate any activity within its terms of reference and shall have full access to the information and records of the Company.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

4.3 Brief Description of terms of reference / Responsibility of the Audit Committee

Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include,

- 4.3.1 Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 4.3.2 Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- 4.3.3 Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4.3.4 Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013, as may be applicable.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Modified opinion(s) in the draft audit report
- 4.3.5 Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 4.3.6 Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 4.3.7 Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 4.3.8 Approval or any subsequent modification of transactions of the Company with related parties;
- 4.3.9 Scrutiny of inter-corporate loans and investments;
- 4.3.10 Valuation of undertakings or assets of the Company, wherever it is necessary;
- 4.3.11 Evaluation of internal financial controls and risk management systems;
- 4.3.12 Reviewing with the management performance of statutory and internal auditors and adequacy of the internal control systems;
- 4.3.13 Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 4.3.14 Discussion with internal auditors of any significant findings and follow up there on;
- 4.3.15 Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- 4.3.16 Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 4.3.17 To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 4.3.18 To review the functioning of the Whistle Blower mechanism / Vigil Mechanism;
- 4.3.19 Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- 4.3.20 Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- 4.3.21 Reviewing the utilization of loans and / or advances from / investment by the holding Company in the subsidiary exceeding Rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower.

4.4 Review of information by Audit Committee

The Audit Committee reviews the following information:

- 4.4.1 Management discussion and analysis of financial condition and results of operations;
- 4.4.2 Statement of significant related party transactions, submitted by management;
- 4.4.3 Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4.4.4 Internal audit reports relating to internal control weaknesses; and
- 4.4.5 The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- 4.4.6 Statement of deviations:
- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
 - annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.

4.5 Meetings and attendance

The Audit Committee met six (6) times during the year. The dates of the meeting being 12th April 2022, 09th May 2022, 26th May 2022, 08th August 2022, 09th November 2022 and 03rd February 2023. The MD & CEO, Chief Finance Officer, Partners / Representatives of the Statutory Auditors and the Internal Auditors were some of the invitees to the Audit Committee meetings. The Company Secretary of the Company acts as the secretary to the Committee. The Internal Auditor reports directly to the Audit Committee.

Name of the Member	No. of Audit Committee Meetings held during the tenure of Members	Attendance Particulars
Mrs. Chitkala Zutshi	6	6
Mr. Venkat Chary	6	6
Mr. Kanekal Chandrasekhar	6	6

4.6 Internal Controls and Governance Processes

The Company has appointed a firm of Chartered Accountants as Internal Auditors to inter alia review and report on the internal control system. The report of the Internal Auditors is reviewed by the Audit Committee. The Internal Auditors attend the meetings of the Audit Committee on regular basis and submit their recommendations to the Audit Committee which provides a road map for future action.

5 NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee has been constituted to meet the requirements of Section 178 of the Companies Act 2013 and Regulation 19 of the Listing Regulations.

5.1 Composition, Names of Members and Chairperson:

The Nomination and Remuneration Committee comprises of two Independent Directors & one Non-Executive Director:

Name of the Member	Designation	Category
Mr. Kanekal Chandrasekhar	Chairman	Independent Director
Mr. Venkat Chary	Member	Non-Executive Director
Mrs. Chitkala Zutshi	Member	Independent Director

5.2 Brief Description of terms of reference

The Role, terms of reference and powers of Nomination and Remuneration Committee (NRC), inter alia, includes the following

- 5.2.1 To identify persons who are qualified to become Directors and who may be appointed in the senior management;
- 5.2.2 To formulate a criteria for determining qualifications, positive attributes and independence of a director;
- 5.2.3 To recommend to the Board, appointment and removal of the identified directors and senior management personnel based on the laid down criteria and formulated policy;
- 5.2.4 To formulate criteria for evaluation of Independent Directors and the Board and shall carry out evaluation of every director's performance;
- 5.2.5 To review the performance of the Managing Director and Whole-time Director and recommend to the Board in this regard;
- 5.2.6 To devise a policy on the Board diversity;
- 5.2.7 To recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees. Also, to recommend to the Board, all remuneration, in whatever form, payable to senior management;
- 5.2.8 To review the overall compensation policy and service agreements of the Managing Director and Whole-time Directors and other employees of appropriate cadres;
- 5.2.9 To evaluate the remuneration paid by comparable organizations;
- 5.2.10 To monitor and implement the ESOS / ESOP Scheme and also formulate such schemes hereafter for grant of Stock Options to the employees including the Managing and the Whole-time Director (other than Promoter Directors) in accordance with the relevant regulations in force at the time; To issue and allot equity shares and recommend the same to the Board for its consideration and monitor proper implementation thereof;
- 5.2.11 The Committee discharges such other function(s) or exercise such power(s) delegated to the Committee by the Board from time to time.

During the year under review, the Committee met five (5) times viz. 26th May 2022, 08th August 2022, 10th November 2022, 04th February 2023 and 21st March 2023.

Name of the Member	No. of Nomination & Remuneration Committee Meetings held during the tenure of the member	Attendance Particulars
Mr. Kanekal Chandrasekhar	5	5
Mr. Venkat Chary	5	5
Mrs. Chitkala Zutshi	5	5

5.3 Nomination and Remuneration Policy

Pursuant to Regulation 19 of the Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee has adopted a Nomination and Remuneration Policy which has following objectives:

- a. guide and recommend to the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management personnel.
- b. to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation by the Board.
- c. to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management Personnel.

- d. to ratify / approve, the appointment / removal / remuneration of Senior Management and other employees, other than Executive Directors and KMPs. For Senior Management & other employees, the Committee shall consider the recommendation of the MD & CEO and / or HR Head.

The policy is placed on Company website www.63moons.com/investors/corporate-governance/policies/Nomination-and-Remuneration-Policy.pdf.

5.4 Performance evaluation criteria

The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates evaluation of performance of Independent Directors, Non-Independent Directors and Chairman. The Board has carried out the annual evaluation of its own performance, its committees and its Directors individually. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

Performance evaluation of Independent Directors was done by the entire Board of Directors, excluding the Directors being evaluated. The performance evaluation criterion for Independent Directors is determined by Nomination and Remuneration Committee. Factors considered for performance evaluation of Independent Directors include commitment to fulfilment to the Directors obligations and fiduciary responsibilities, participation and contribution by a Director, independence of behaviour and judgement, ability to address challenges and risk, effective deployment of knowledge and expertise, long term strategic planning, effective management of relationship with stakeholders, maintenance of confidentiality & integrity, objective view in evaluation of performance of board and management, etc. The performance evaluation of Managing Director, Whole-time Director and the non-executive Directors was carried out by the NRC as well as Independent directors in their independent meeting.

5.5 Directors' Remuneration

- i. Remuneration paid to the Executive Directors

The aggregate value of salary, perquisites paid for the year ended 31st March 2023 to the Managing Director and Whole-time Director are as follows:

(₹ in lakhs)

PARTICULARS	S. Rajendran (Managing Director & CEO)	Devendra Agrawal (Whole-time Director & CFO)	Total
Salaries and Allowances*	177.12	72.61	249.73
Monetary value of perquisites	-	-	-
Commission	-	-	-
TOTAL	177.12	72.61	249.73

*Post-employment benefits which are actuarially determined on overall basis are not included.

*The above remuneration includes basic salary, allowances, taxable value of perquisites excluding Company contribution towards PF etc. It excludes gratuity and compensated absences which are actuarially valued and where separate amounts are not identifiable and which are paid on termination of services.

*The Company has entered into agreements with Managing Director and Executive directors. Services of the Managing Director and Executive Directors may be terminated by either party, giving the other party three months' notice or by paying gross salary for the deficient notice period.

- ii. Remuneration paid to the Non-Executive Directors

The criteria of making payments to Non-Executive Directors:

The Nomination and Remuneration Committee considers and is bound by the statutory requirements, interests of the Company and its stakeholders and such other factors as it deems appropriate while making proposal for compensation for the Board of the Company. Contribution of the Non-Executive Directors in the Board and Committee Meetings, time devoted by them, participation in strategic decision making, timely guidance to the Board on various matters of the Company, performance of the Company and industry practices and benchmarks form the main criteria for determining payments to Non-Executive Directors. The Non-Executive Director(s) may

receive Sitting fees for attending meetings of the Board or Committee thereof or any other meeting within the limits prescribed under Companies Act, 2013. In addition to the sitting fees, a Non-Executive Director can be paid fee if such Director renders any service(s) of Professional nature to the Company which in the opinion of the Nomination and Remuneration Committee requires specific judgement and skills for the practice of that particular profession.

The Company pays following sitting fees per meeting to the Non-Executive Directors for attending various meetings:

1. Board Meeting: ₹ 100,000/-
2. Audit Committee, MCX Sub-Committee and Independent Directors Meeting: ₹ 50,000/-
3. Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Risk Management Committee, Restructuring Committee, Investment Committee & Governance Committee: ₹ 25,000/-
4. National Company Law Tribunal Committee: ₹ 100,000/-

Gross sitting fees for the year ended 31st March 2023 is as follows:

Name of the Director	Total (₹)
Mr. Venkat Chary	10,75,000
Mr. Sunil Shah	7,25,000
Mr. Suresh Salvi	7,50,000
Justice Deepak Verma (Retd.)	6,50,000
Mrs. Chitkala Zutshi	14,75,000
Mr. Kanekal Chandrasekhar	15,75,000
Mr. Devender Singh Rawat	6,00,000

During the year, the Non- Executive Directors were not issued any stock options by the Company. For the details of shares held by Directors, refer section 2.1 of this Report.

Payment of Rs. 21.6 lakhs each was made to Mr. Sunil Shah and to Mr. Devender Singh Rawat towards professional fees during the financial year 2022-23.

6 STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of Stakeholders Relationship Committee is in compliance with Section 178(5) of the Companies Act 2013 and Regulation 20 of the Listing Regulations.

6.1 Composition, Names of Members and Chairperson

The Committee comprises of:

Name of the Member	Designation	Category
Mr. Suresh Salvi	Chairman	Independent Director
Mr. Venkat Chary	Member	Non-Executive Director
Mr. S. Rajendran	Member	MD & CEO

6.2 Compliance Officer

Mr. Hariraj S. Chouhan, Sr. Vice-President & Company Secretary is the Compliance Officer and can be contacted at FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai – 400 093.

T: +91-22-6686 8010 | F: +91-22-67250257 | E: info@63moons.com

6.3 Brief Description of terms of reference

The Scope of the Committee inter alia includes:

- 6.3.1 Approval of transfer and transmission of shares, issuance of duplicate share certificates and reviews all the matters connected with share transfers. The Committee also looks into the redressal of shareholders / investors complaints related to transfer of shares, non-receipt of Annual Report, non- receipt of dividends etc. received directly or through SEBI (SCORES), Stock Exchanges, Ministry of Corporate Affairs, Registrar of

Companies etc. Moreover, the Committee oversees the performance of the Registrar & Share Transfer Agent of the Company.

- 6.3.2 Consideration and resolution / redressal of the grievances of the security holders of the Company. The Committee met once during the year under review on 10th November 2022.

Name of the Member	No. of Stakeholders Relationship Committee Meetings held during the tenure of the member	Attendance Particulars
Mr. Suresh Salvi	1	1
Mr. Venkat Chary	1	1
Mr. S. Rajendran	1	1

The status of nature of complaints received, resolved and pending during the financial year ended 31st March 2023

Nature of Complaints	Received	Resolved	Pending
Non receipt of dividend	7	7	0
Non-receipt of share certificates after transfer / merger / split / consolidation	0	0	0
Non-receipt of Annual Report	0	0	0
SEBI / BSE / NSE	1	1	0
TOTAL	8	8	0

During the year under review, no share transfer / complaints remained pending for more than 30 days. Also, there were no share transfers pending as on 31st March 2023.

7 CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Composition of Corporate Social Responsibility Committee (CSR) is pursuant to the provisions of Section 135 of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

7.1 Composition, Names of Members and Chairperson

Name of the Member	Designation	Category
Mrs. Chitkala Zutshi	Chairperson	Independent Director
Mr. Suresh Salvi	Member	Independent Director
Mr. S. Rajendran	Member	MD & CEO

7.2 Brief Description of terms of reference

- 7.2.1 To recommend CSR Policy which inter alia, elucidates activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013;
- 7.2.2 To evaluate and recommend amount to be spent on each of CSR activities;
- 7.2.3 To monitor CSR Policy and CSR amount spent on approved CSR projects;
- 7.2.4 Preparation and review of information / disclosure on CSR activities in the Annual Report.

- 7.3 The Company has formulated CSR Policy, duly approved by the Board, which is uploaded on the website of the Company (Weblink: www.63moons.com/investors/corporate-governance/policies/csr-policy.pdf)

7.4 Meeting and attendance

The CSR Committee met once during the year under review i.e. on 27th September 2022.

Name of the Member	No. of Corporate Social Responsibility Committee Meetings held during the tenure of the member	Attendance Particulars
Mrs. Chitkala Zutshi	1	1
Mr. Suresh Salvi	1	1
Mr. S. Rajendran	1	1

8 RISK MANAGEMENT COMMITTEE

The Company has laid down procedures about the risk assessment and its mitigation. The procedures are reviewed periodically to ensure that risk is controlled through properly defined framework. For further details refer Directors Report.

8.1 Composition, Names of Members and Chairperson:

Name of the Member	Designation	Category
Mr. Suresh Salvi	Chairman	Independent Director
Mr. S. Rajendran	Member	MD & CEO
Mr. Devendra Agrawal	Member	Whole-time Director & CFO

8.2 Brief description of terms of reference:

The Risk Management Committee monitors the risk management plan of the Company and is responsible for reviewing the risk management policy and ensuring its effectiveness and assist the Board in ensuring that all material compliances, control, safety and operations and financial risks have been identified and adequate risk mitigations are in place to address these risks. The risk management system identifies and monitors risks which are related to the business and over all internal control systems of the Company.

8.3 Meetings and attendance:

The Risk Management Committee met twice (2) during the year under review i.e. on 25th May 2022 and 22nd March 2023.

Name of the Member	No. of Risk Management Committee Meetings held during the tenure of Members	Attendance Particulars
Mr. Suresh Salvi	2	2
Mr. S. Rajendran	2	2
Mr. Devendra Agrawal	2	2

9 INVESTMENT COMMITTEE

The Investment Committee has been constituted with the following mandate

- To formulate and amend, as may be required from time to time, the Investment policy of the Company;
- To approve and authorize investments as per the Investment policy;
- To advise Management on the review and exit of investments based on any developments.

9.1 Composition, Names of Members and Chairperson:

Name of the Member	Designation	Category
Mr. Kanekal Chandrasekhar	Member	Independent Director
Mr. Sunil Shah	Member	Non-Executive Director
Mr. S. Rajendran	Member	MD & CEO
Mr. Devendra Agrawal	Member	Whole-time Director & CFO

Note: Chairman is elected at the commencement of the meeting

9.2 Meetings and attendance

The Investment Committee met once (1) during the year under review i.e on 09th November 2022

Name of the Member	No. of Investment Committee Meetings held during the tenure of Members	Attendance Particulars
Mr. Kanekal Chandrasekhar	1	1
Mr. Sunil Shah	1	1
Mr. S. Rajendran	1	1
Mr. Devendra Agrawal	1	1

10 RESTRUCTURING COMMITTEE

The Restructuring Committee has been constituted to oversee a restructuring plan for the Company in its efforts to charter new growth path for the Company. Restructuring plan includes the possibility of identifying a strategic partner who will help drive growth of the Company and contribute towards leveraging the Company's core DNA of technology creation to drive strategic growth beyond financial markets. The Committee also considers divestment of the Company's investment in other Exchanges as a part of the restructuring.

10.1 Composition, Names of Members and Chairperson

Name of the Member	Designation	Category
Mr. Venkat Chary	Chairman	Non-Executive Director
Mr. S. Rajendran	Member	MD & CEO
Mrs. Chitkala Zutshi	Member	Independent Director
Mr. Kanekal Chandrasekhar	Member	Independent Director

10.2 Meetings and attendance

The Restructuring Committee met once (1) during the year under review i.e on 14th October 2022

Name of the Member	No. of Restructuring Committee Meetings held during the tenure of Members	Attendance Particulars
Mr. Venkat Chary	1	1
Mr. S. Rajendran	1	1
Mrs. Chitkala Zutshi	1	1
Mr. Kanekal Chandrasekhar	1	1

11 GOVERNANCE COMMITTEE

As per the requirements of SEBI Circular dated May 10, 2018 for Implementation of certain recommendations of the Committee on Corporate Governance formed under the Chairmanship of Shri Uday Kotak, the Governance Committee has been constituted on May 21, 2018 inter-alia with the following mandate:

- To review the performance of various direct subsidiaries on a quarterly / half-yearly basis;
- To review the utilization of loans and / or advances from / investment by the holding Company in the subsidiary on a half-yearly basis;
- To review the investments made by subsidiaries periodically.

11.1 Composition, Names of Members and Chairperson

Name of the Member	Designation	Category
Mr. Kanekal Chandrasekhar	Chairman	Independent Director
Mr. Sunil Shah	Member	Non-Executive Director
Mr. Devendra Agrawal	Member	Whole-time Director & CFO

11.2 Meeting and attendance

The Governance Committee met four (4) times during the year under review i.e. on 25th May 2022, 08th August 2022, 09th November 2022 and 03rd February 2023.

Name of the Member	No. of Governance Committee Meetings held during the tenure of Members	Attendance Particulars
Mr. Kanekal Chandrasekhar	4	4
Mr. Sunil Shah	4	4
Mr. Devendra Agrawal	4	4

12 MCX SUB-COMMITTEE

The MCX Sub-Committee has been constituted to negotiate the extension of Exchange License to MCX and/or negotiate for a price for perpetual license of the IPR to MCX for its own use.

12.1 Composition, Names of Members and Chairperson

Name of the Member	Designation	Category
Mrs. Chitkala Zutshi	Member	Independent Director
Mr. Kanekal Chandrasekhar	Member	Independent Director
Mr. S. Rajendran	Member	MD & CEO
Mr. Devendra Agrawal	Member	Whole-time Director & CFO

Note: Chairman is elected at the commencement of the meeting

12.2 Meeting and attendance

The MCX Sub-Committee met three (3) times during the year under review i.e. on 25th May 2022, 18th August 2022 and 27th December 2022.

Name of the Member	No. of MCX Sub-Committee Meetings held during the tenure of Members	Attendance Particulars
Mrs. Chitkala Zutshi	3	3
Mr. Kanekal Chandrasekhar	3	3
Mr. S. Rajendran	3	3
Mr. Devendra Agrawal	3	3

13 COMMITTEE FORMED AS PER NATIONAL COMPANY LAW TRIBUNAL (NCLT) ORDER

As per Order passed by Hon'ble National Company Law Tribunal (NCLT) dated 24th June 2016 and as modified on 25th June 2016 and as continued by the Appellate Tribunal order dated 27th June 2018 and 3rd July 2018, a Committee has been formed comprising of two Independent Directors and Managing Director & CEO of 63 moons technologies Ltd. (Company), a retired Judge of the Hon'ble Supreme Court and Nominee of the Petitioner i.e. Union of India; or as be modified by NCLT from time to time.

The Committee has been empowered by the NCLT to consider the following:

- Sale of investments held by the Company in compliance with any order / direction passed by any Regulatory or Statutory Authority in India or Abroad, as and when such sale is proposed by the Company;
- Treasury operations of the Company such as investment of surplus funds or switching and/or altering the investment of surplus funds;
- Funding of the working capital requirements of the subsidiaries of the Company.

The Retired Judge and the Nominee of the Petitioner i.e. Union of India, shall have veto powers individually. Anything not agreed upon in the Committee meeting has to be referred to NCLAT / Supreme Court.

13.1 Composition, Names of Members and Chairperson

The Committee comprises of:

Name of the Member	Designation	Category
Justice G. P. Mathur (Retd.)	Chairman	Appointed by NCLT
Dr. Anup K. Pujari	Member	Nominated by Union of India
Mr. S. Rajendran	Member	MD & CEO
Mrs. Chitkala Zutshi	Member	Independent Director
Mr. Kanekal Chandrasekhar	Member	Independent Director

13.2 Meeting and attendance

The NCLT Committee met twice (2) during the year under review i.e. on 19th April 2022 and 04th February 2023.

Name of the Member	No. of NCLT Committee Meetings held during the tenure of Members	Attendance Particulars
Justice G. P. Mathur (Retd.)	2	2
Dr. Anup K. Pujari	2	2
Mr. S. Rajendran	2	2
Mrs. Chitkala Zutshi	2	2
Mr. Kanekal Chandrasekhar	2	2

14 MEETINGS OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. The meeting reviews the performance of Non-Independent Directors and the Board as a whole, reviews the performance of the Chairman of the Board, taking into account the views of the Executive Directors and Non-Executive Directors and assessed the quality and timelines of flow of information between the Management and the Board to effectively perform its duties.

At such meeting, the Independent Directors discussed inter alia, the performance of the Company and risks faced by it, governance, compliance, performance of executive members of the Board including the Chairman.

One meeting of Independent Directors was held during the year on 21st March 2023. All the Independent Directors were present at this meeting.

15 GENERAL BODY MEETINGS**15.1 The date, time and venue for the last three Annual General Meetings (AGM) are mentioned hereunder:**

Financial Year	Date	Time	Venue of the Meeting
2019-20	09-12-2020	11.00 a.m.	Meeting conducted through Video Conferencing / Other Audio Visual Means pursuant to various Circulars issued by MCA and SEBI.
2020-21	18-09-2021	11.30 a.m.	Meeting conducted through Video Conferencing / Other Audio Visual Means pursuant to various Circulars Issued by MCA and SEBI.
2021-22	27-09-2022	11.30 a.m.	Meeting conducted through Video Conferencing / Other Audio Visual Means pursuant to various Circulars Issued by MCA and SEBI.

Particulars of Special Resolutions passed in the previous three Annual General Meetings:

Financial Year	Date of AGM	Particulars
2019-20	09-12-2020	i) Appointment of Director in place of Mr. Suresh Salvi (IAS, Retd.) (DIN: 07636298), who retires by rotation and being eligible, offers himself for re-appointment. ii) Re-appointment of Mr. Rajendran Soundaram (DIN: 02686150) as Managing Director and Chief Executive Officer of the Company. iii) Re-appointment of Mr. Devendra Agrawal (DIN: 03579332) as Whole-time Director and Chief Financial Officer of the Company. iv) Approval of 63 moons technologies limited Employees Stock Option Scheme 2020. v) Approval of 63 moons technologies limited Employees Stock Option Scheme 2020 for Company's Subsidiary(ies)

Financial Year	Date of AGM	Particulars
2020-21	18-09-2021	i) Re-appointment of Mr. Rajendran Soundaram (DIN: 02686150) as Managing Director and Chief Executive Officer (MD & CEO) of the Company. ii) Appointment of Mr. Suresh Salvi (IAS, Retd.) (DIN: 07636298), as an Independent Director, not liable to retire by rotation. iii) Appointment of Mr. Kanekal Chandrasekhar (DIN: 06861358), as an Independent Director, not liable to retire by rotation. iv) Appointment of Mr. Venkat Chary (IAS, Retd.) (DIN: 00273036) as a Non-Executive, Non-Independent Director of the Company, liable to retire by rotation.
2021-22	27-09-2022	i) Appointment of Director in place of Mr. Devender Singh Rawat (DIN: 02587354), who retires by rotation and being eligible, offers himself for re-appointment.

15.2 Postal Ballot

15.2.1 The Company successfully completed the process of obtaining the approval of shareholders through postal ballot vide its Postal Ballot Notice dated May 24, 2023.

Particulars of resolutions passed by the shareholders and the details of voting pattern are as under:

Description of Resolution	Type of Resolution	Number of Votes Polled	Votes cast in favour & %	Votes cast against & %
Re-appointment of Mr. Devendra Agrawal as Whole-time Director and CFO of the Company	Special Resolution	26,863,351	26,835,152 (99.8950%)	28,199 (0.1050%)
Re-appointment of Mr. Rajendran Soundaram as Managing Director and CEO of the Company	Special Resolution	26,863,350	26,835,159 (99.8951%)	28,191 (0.1049%)

The aforesaid resolutions were passed with requisite majority.

15.2.2 Procedure for Postal Ballot:

The postal ballot is conducted in accordance with the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014. The Postal Ballot Notice was sent in electronic form only to those shareholders whose name appeared in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited and Central Depository Services (India) Limited and whose email addresses were available with the Depository participants or with the Company's Registrar and Share Transfer Agent as on the cut-off date, and Shareholders were required to communicate their assent or dissent only through remote e-voting process in accordance with the provisions of the Companies Act, 2013, applicable rules and MCA Circulars. The Company availed the services of M/s. KFin Technologies Limited, Registrar & Share Transfer Agent of the Company to enable the shareholders to cast their votes electronically. The Board of Directors of the Company appointed Mr. B. Narasimhan (FCS No.1303), Proprietor, M/s. BN & Associates, Company Secretaries, Mumbai or failing him, Mr. Avinash Bagul (FCS No. 5578) or failing him, Mr. K. Venkataraman (ACS No. 8897), partners of M/s. BNP & Associates, Practicing Company Secretaries, Mumbai as Scrutinizer to scrutinize the Postal Ballot process in a fair and transparent manner. The Company also published a Notice in the newspapers in accordance with the requirements under the Companies Act 2013. Subsequent to the submission of the Scrutinizer's report, the result were communicated to the stock exchanges and were placed on the website of the Company and the service provider. The results were also displayed on the Notice Board at the Registered Office and Corporate Office of the Company. The detailed procedure of passing of resolutions through Postal Ballot was explained in the notice of Postal Ballot circulated to the shareholders.

15.3 Disclosures

15.3.1 The Company has complied with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 1956 & Companies Act, 2013, as applicable in the preparation of the financial statements of the Company.

15.3.2 During the FY 2022-23:

- i. The Company has made investments in its subsidiary i.e. NSEL amounting to Rs. 3500 lakhs in terms of earlier shareholders' approval obtained in 2022.
- ii. The Company has not entered into any materially significant transaction with related parties that may have any potential conflict with the interest of the Company at large.

Apart from payment of sitting fees, there is no pecuniary transaction with the Independent / Non-Executive Directors except with two Non-Executive Directors, details of which are provided in Clause 5.5 (ii) above.

During the year 2022-23, the Company has renewed the agreement with Mr. Jignesh Shah, the Promoter, for a period of three years on professional basis to mentor the senior technology team and for rendering services in advising strategy for the IT initiatives of the Company besides litigation matters of the Company and its affiliate.

A statement showing the disclosure of transactions with related parties as required under Indian Accounting Standard 24 is set out separately in this Annual Report (Note No. 38 to Standalone Financial Statements).

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transaction intended to ensure due and timely identification, approval, disclosure and reporting of transactions between the Company and any of its Related Parties in compliance with the applicable laws and regulations as may be amended from time to time. The aforesaid policy can be accessed at the website of the Company (Weblink: www.63moons.com/investors/corporate-governance/policies/related-party-transactions-policy.pdf)

15.3.3 During the financial year 2020-21, Company received a letter dated 7th September, 2020 from SEBI, stating that 63 Moons (the Company) is yet to comply with the directions of SEBI's order dated 19th March, 2014, with respect to divestment of Company's stake in both Metropolitan Stock Exchange of India Limited (MSEI) and Metropolitan Clearing Corporation of India Ltd (MCCIL). The Company has successfully divested its investment in MSEI, but despite significant efforts, shares held by Company in MCCIL could not be divested, for which Company has been requesting MCCIL to provide any prospective buyer and at the time of reduction of share capital, Company has indicated to MCCIL that they are ready to surrender their entire shareholding and offered MCCIL to buy back from them to comply with the SEBI Order. The Company has been penalized by SEBI for not being able to divest its shareholding despite rigorous efforts. MCCIL has implemented Scheme of Capital reduction and in the process has reduced Company's shareholding also. However, the residual shareholding of 24,40,603 shares or 1.95% continues to be held by the Company in MCCIL. As per the Regulator instruction MCCIL has not paid the proceeds of capital reduction to the Company, as implemented by them. Company had vide letter dated 26th June, 2020, requested MCCIL to take up the matter with its Promoter i.e. MSEI to consider acquiring Company's stake also. They had also requested SEBI vide letter dated 17th December, 2019, 23rd June, 2020 and 15th July, 2020 to permit MCCIL to release the money as they were unable to divest the investment in MCCIL. Under such circumstances, the Company has requested MSEI to buy 63 Moons shares in MCCIL for enabling compliance by all. At the meeting of Board of Directors of the company held on February 04, 2023, the proposal for buy-back of shares of MCCIL by MSEI, was approved. MSEI has announced scheme of Amalgamation wherein MSEI will buy-back the shares of MCCIL from the Company and the said scheme is under approval process for implementation.

During the financial year 2019-20, the Company has received an Order from SEBI's Adjudicating Officer dated 28th February, 2020 with regards to failure of the Company in complying with the directions of SEBI vide its Order dated 19th March, 2014 to divest its stake in several "Market Infrastructure Institutions". SEBI had vide its Order dated 19th March, 2014, directed the Company to divest the equity shares in MCX Stock Exchange Ltd., MCX Stock Exchange Clearing Corporation Ltd., Delhi Stock Exchange Ltd., Vadodara Stock Exchange Ltd. and National Stock Exchange of India Ltd., within 90 days from the date of the Order. The period of completion of sale was extended by four weeks by Hon'ble SAT. After hearing the matter the Adjudicating Officer in exercise of the powers conferred under Section 231 of the SCRA

read with Rule 5 of the SCR Rules, imposed a penalty of Rs. 10,00,000/- on the Company under Section 23H of SCRA and the Company paid the penalty under protest in July 2020.

Besides this, there were no instances of any non-compliances by the Company, penalties, strictures imposed on the Company by Stock Exchanges or any statutory authority, on any matter relating to capital markets, during the last three years.

15.3.4 Please refer to the Directors' Report for the Auditors qualification and Management response thereto.

15.3.5 Whistle Blower Policy:

The Company has established a vigil mechanism and also adopted a Whistle Blower Policy in compliance with the Companies Act, 2013 and Listing Regulations under which the directors and employees are free to report genuine concerns, violations of applicable laws and regulations and the Code of Conduct. It provides for adequate safeguards against victimization of director(s) or employee(s) who avails such mechanism and also provides for direct access to the Chairman of the audit committee in appropriate or exceptional cases. During the year under review, no personnel have been denied access to the Audit Committee. The Whistle Blower Policy is uploaded on the Company's website viz www.63moons.com/investors/corporate-governance/policies/whistle-blower-policy.pdf

15.3.6 Details of preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the Listing Regulations

The Company has not raised funds through preferential allotment or qualified institutional placement.

15.3.7 Certificate from Practicing Company Secretary

The Company has obtained a certificate from M/s. BNP & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority and the same forms part of this report.

15.3.8 Recommendations of Committees of the Board

There were no instances during the financial year 2022-23, wherein the Board had not accepted recommendations made by any committee of the Board.

15.3.9 Details of total fees paid to statutory auditors

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to its statutory auditor and all entities in the network form / network entity of which the statutory auditor is a part, are as follows:

(₹ in lakhs)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
For audit	64.89	62.38
For taxation matters*	-	6.75
For limited reviews	16.76	15.50
For other services*	5.42	6.91
Reimbursement of expenses	2.85	1.08
Total	89.92	92.62

*Includes amounts paid to group firm

15.3.10 During the FY 2022-23, the Company has not received any complaints on sexual harassment and hence no complaints remain pending as of March 31, 2023.

15.3.11 None of the Independent Directors of the Company have resigned before the expiry of their tenure during the year under review. Thus, disclosure of detailed reasons of their resignation along with their confirmation that there are no material reasons, other than those provided by them is not applicable.

15.3.12 Disclosure by the Company and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount:

No loans and advances were given to firms / companies in which Directors are interested during the financial year 2022-23.

15.3.13 The Company has fulfilled the mandatory corporate Governance requirements as per the Listing Regulations and discretionary requirements as prescribed in Part E of Schedule II, which are as under:

- a. Separate posts of Chairperson and MD & CEO and reimbursement of expenses in the performance of duties.
- b. Auditor's qualification: The Auditors' qualifications and the management reply to the same have been disclosed in the Directors' Report. Therefore, to avoid the repetition, same are not being reproduced here.
- c. Internal auditor reports directly to the audit committee.

15.3.14 The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

16 SUBSIDIARY COMPANIES

The Audit Committee reviews on quarterly basis the investments made by the Company into the unlisted Subsidiary Companies and reviews on yearly basis the consolidated financial statements of the Company. The minutes of the Board meetings of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The Internal Auditors of the Company, make quarterly presentations to the Audit committee on their reports. The Governance Committee is constituted on May 21, 2018 as per the requirements of SEBI Circular dated May 10, 2018 to monitor the governance of subsidiary companies, the details of the same are stated elsewhere in this Report.

Pursuant to the provisions of Listing Regulations the Company has also formulated a policy for determining material subsidiaries and the same is displayed on the website of the Company (Weblink: www.63moons.com/investors/corporate-governance/policies/material-subsidiary-policy.pdf)

17 MEANS OF COMMUNICATION

- 17.1 The quarterly results are published in newspapers, namely The New Indian Express in English and Dinamani in the regional language.
- 17.2 The quarterly, half-yearly and annual financials appear on our corporate website www.63moons.com under the Investors section.
- 17.3 The Company's audited and un-audited financial results, press releases, other press coverage, press clippings, stock information, Annual Reports, etc, are posted on the Company's Website www.63moons.com
- 17.4 The Company's financial results, shareholding pattern and all other corporate communications to the Stock Exchanges are filed electronically through NSE Electronic Application Processing System (NEAPS) / Digital Exchange and BSE Listing Centre, electronic filing platform developed and provided by NSE and BSE respectively. Various applicable compliances as required under Listing Regulations are filed through these systems. All the Disclosures / Communications to the stock exchanges are also posted on the website of the Company.
- 17.5 Management's Discussion and Analysis Report: This information is covered elsewhere in this Annual Report.
- 17.6 CEO / CFO Certification: In terms of the Listing Regulations, the certification by the Managing Director & CEO and Whole-time Director & CFO on the financial statements and the internal controls relating to financial reporting has been obtained and is provided in this Annual Report.

18 GENERAL SHAREHOLDER INFORMATION

18.1 Annual General Meeting

Date : September 27, 2023

Time : 11.30 am

Venue : Through Video Conferencing / Other Audio Visual Means

18.2 Financial Calendar

Financial Year 1st April 2023 to 31st March 2024

Financial Reporting for the quarter ending as per Listing Regulations (tentative and subject to change):

30th June 2023 On or before 14th August 2023

30th September 2023 On or before 14th November 2023

31st December 2023 On or before 14th February 2024

31st March 2024 On or before 30th May 2024 (audited figures) as per SEBI Listing Regulations

18.3 Book-Closure Date and Dividend Disclosure

- a) The Books shall be closed from September 21, 2023 to September 27, 2023 (**both days inclusive**) for the purpose of the ensuing Annual General Meeting. The Dividend, as recommended by the Board, if approved by the shareholders at the Annual General Meeting, shall be paid to all shareholders, subject to the appropriate judicial orders whose name appear
- as beneficial owners at the end of the business day on September 20, 2023, as per the details available with NSDL & CDSL, and
 - on the Register of Members as on September 20, 2023, of owners holding shares in physical form.

b) Announcement of Dividend

The Board of Directors have recommended a dividend of ₹ 2/- (i.e. 100%) per equity share subject to approval of shareholders at the ensuing Annual General Meeting and appropriate judicial orders.

c) Mode of Payment and Date of Payment

Final Dividend shall be remitted through National Electronic Clearing Service (NECS) / Electronic Clearing Service (ECS) / National Electronic Funds Transfer (NEFT) / Direct Credit (DC) at approved locations, wherever NECS / ECS / NEFT / DC details are available with the Company, and in all other cases, through warrants payable at par. These warrants shall be valid for a period of 3 months from the date of issue.

18.4 Listing

The equity shares of the Company are presently listed on the BSE Limited (formerly Bombay Stock Exchange Ltd.) (BSE), National Stock Exchange of India Ltd. (NSE), Annual Listing fees has been paid to the aforesaid stock exchanges.

As on 31st March 2023, there were 44,952 shareholders in the Company.

18.5 Stock Market Codes

18.5.1 Trading Symbol

Name of the Stock Exchanges	Scrip Code / Symbol	Reuters	Bloomberg
BSE Ltd.	526881	63MO.BO	63MOONS:IN
National Stock Exchange of India Ltd.	63MOONS	63MO.NS	-

18.5.2 Depository for Equity Shares : NSDL and CDSL

18.5.3 Demat ISIN Number

Equity share : INE111B01023

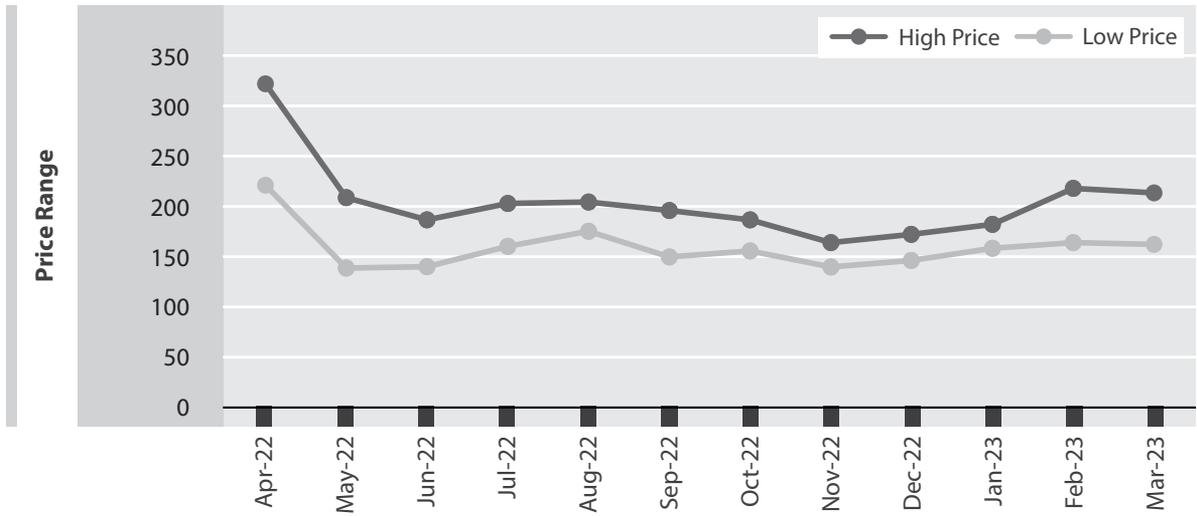
18.6 Stock Market Data

(Amount In ₹)

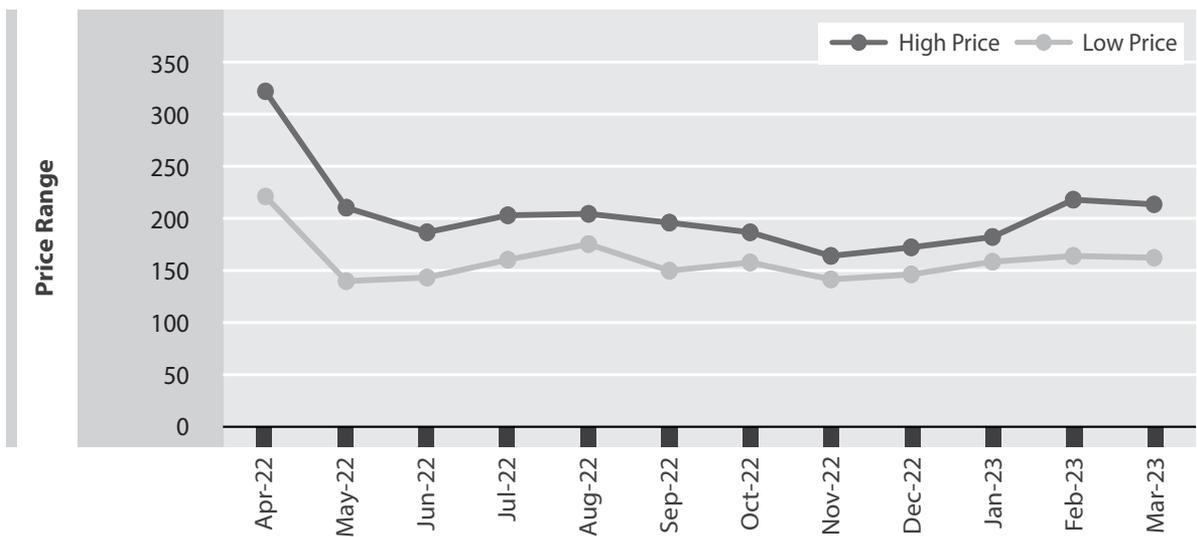
Month & Year	National Stock Exchange			Bombay Stock Exchange		
	High Price	Low Price	Volume Nos.	High Price	Low Price	Volume Nos.
Apr-22	323.85	220.95	11,58,429	323.95	220.90	2,59,839
May-22	209.95	140.65	38,34,566	209.90	140.15	10,11,507
Jun-22	186.90	141.05	13,11,407	186	144	3,08,411
Jul-22	203.70	160.35	14,60,984	203	160.40	2,66,756
Aug-22	205.00	175.20	16,81,658	205.05	174	2,89,820
Sep-22	196.20	149.05	31,56,016	196.65	148.85	4,87,610
Oct-22	186.40	156.60	15,37,441	186.70	157	2,01,194
Nov-22	163.95	140.55	11,42,148	163.95	142.05	1,37,957
Dec-22	173.70	146.50	35,75,011	173.50	146.80	2,54,128
Jan-23	182.20	158.00	31,76,568	182	158.05	3,29,502
Feb-23	219.90	164.10	1,19,17,903	219.70	164.10	13,41,736
Mar-23	213.40	162.00	55,20,137	213.40	162.05	5,55,801

The market price data is given below, covering the period April 2022 to March 2023

NSE Price



BSE Price



18.7 Share Price Performance in broad based indices

Performance of the Company's shares vis-à-vis Sensex and CNX Nifty at a common base of 100 for the year-ended 31st March 2023 is given in the chart below:

Chart showing 63 moons technologies limited price in BSE vs Sensex

(At a common base of 100 from April 2022 to March 2023)

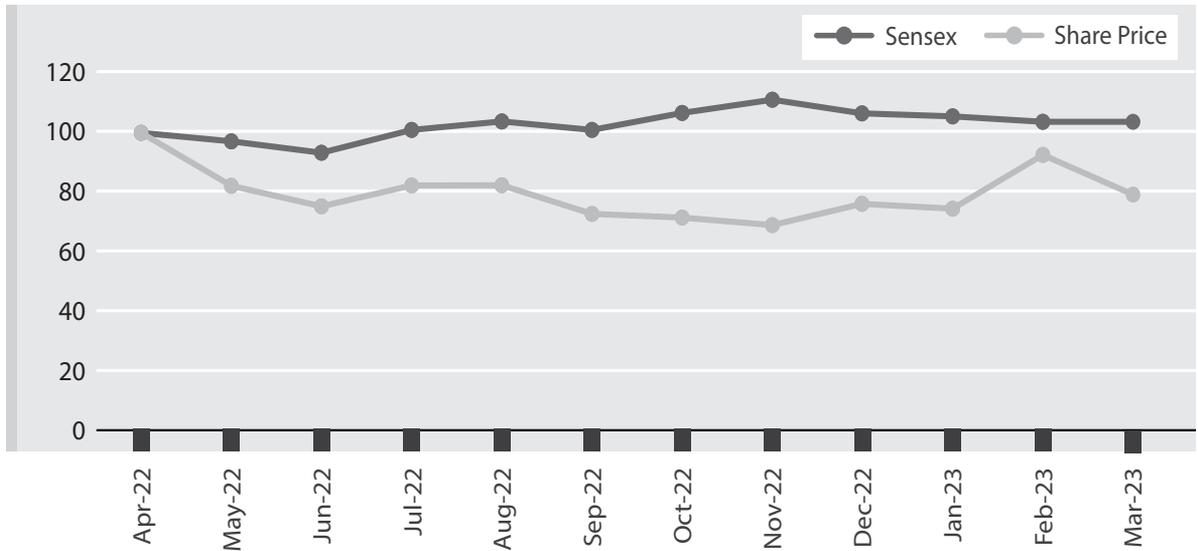
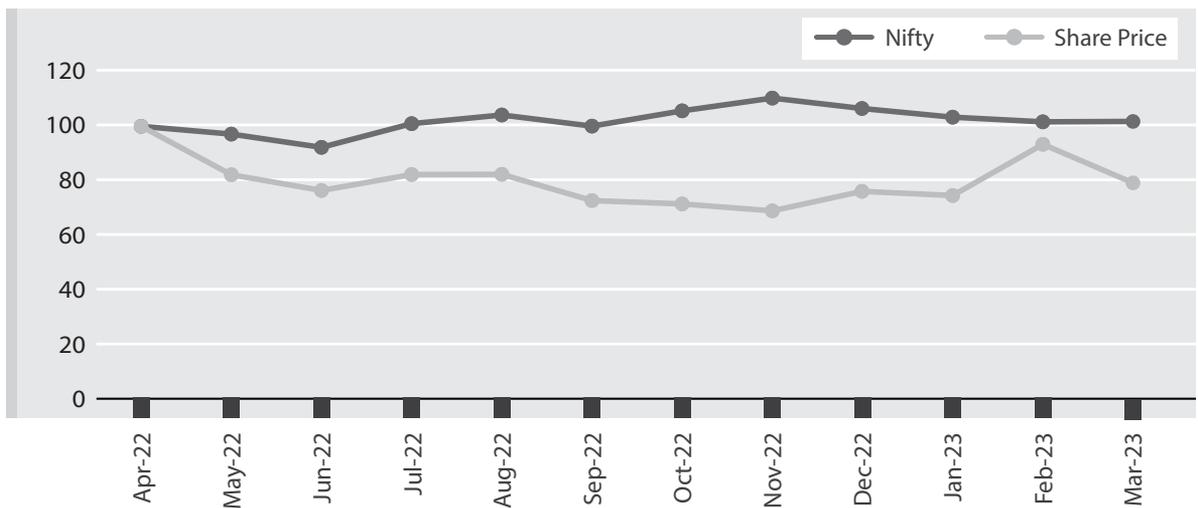


Chart showing 63 moons technologies limited price in NSE vs Nifty

(At a common base of 100 from April 2022 to March 2023)



18.8 Registrar & Share Transfer Agent

KFin Technologies Limited

Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District,
Nanakramguda, Serilingampally, Hyderabad, Telangana – 500032.

Direct line: +91-40-67162222

F: +91-40-23001153 | E: einward.ris@kfintech.com

18.9 Share Transfer System

SEBI, effective April 01, 2019, barred physical transfer of shares of listed companies and mandated transfers only through demat. However, investors are not barred from holding shares in physical form. We request shareholders whose shares are in physical mode to dematerialize their shares. Shareholders holding shares in dematerialized mode have been requested to register their email address, bank account details and mobile number with their depository participants. Those holding shares in physical mode have been requested to furnish PAN, nomination, contact details, bank account details and specimen signature for their corresponding folios in prescribed form ISR 1 alongwith all required documents with the RTA. The folios shall be frozen by RTA, if any of these details are not available on or after October 01, 2023. Shareholders may contact the RTA at, einward.ris@kfintech.com and also refer details at <https://www.63moons.com/investors/shareholders/investor-service-request.html>.

18.10 Dematerialisation of Shares and Liquidity

The shares of the Company are compulsorily traded in dematerialized (electronic) form and available for trading under both the Depositories viz. NSDL and CDSL. As on 31st March 2023, a total of 46,029,115 equity shares of the Company were dematerialised, forming 99.89% of the Company's total Share Capital.

Description	No. of Shareholders	% of Shareholders	No. of Equity Shares	% of Shares
Physical	238	0.53	49,422	0.11
Electronic				
Under NSDL	22,146	49.27	38,150,670	82.79
Under CDSL	22,568	50.20	78,78,445	17.10
TOTAL	44,952	100.00	46,078,537	100.00

18.11 Distribution of Shareholding and Shareholding Pattern as on 31st March 2023

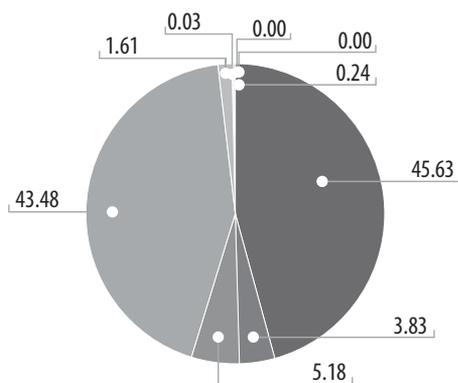
Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Equity
1 – 500	41558	92.45	3153219	6.84
501 – 1000	1690	3.76	1337119	2.90
1001 – 2000	749	1.67	1129102	2.45
2001 – 3000	292	0.65	745390	1.62
3001 – 4000	146	0.32	520179	1.13
4001 – 5000	132	0.29	622294	1.35
5001 - 10000	194	0.43	1381130	3.00
10001 - AND ABOVE	191	0.42	37190104	80.71
TOTAL	44952	100.00	46078537	100.00

Shareholding Pattern

Shareholding Pattern of 63 moons technologies limited (As on 31st March 2023)

Sr. No.	Category	No. of Shares Held	% of Shareholding
A.	Promoter's Holding		
1	Promoters:		
	Indian Promoters: (Promoters, their relatives and companies under their control)	21,025,878	45.63
	Foreign promoters:	-	-
2	Persons acting in concert:	-	-
	Sub Total (A)	21,025,878	45.63
B.	Public Shareholding:		
3	Institutional Investors:		
	a) Financial Institutions	-	-
	b) Bank	55,984	0.12
	c) Foreign Portfolio Investors	1,708,789	3.71
4	Non-Institutional Investors:		
	a) Corporate bodies	2,387,616	5.18
	b) Indian public	20,034,763	43.48
	c) NRIs	739,716	1.61
	d) Clearing Members	14,709	0.03
	e) Directors	200	0.00
	f) NBFCs	848	0.00
	g) Trusts	1,200	0.00
	h) IEPF	108,834	0.24
	Sub Total (B)	25,052,659	54.37
	GRAND TOTAL (A+B)	46,078,537	100.00

Notes: Total foreign shareholding is 2,448,505 shares, i.e. 5.31 % of the total share capital



■ Indian Promoters	45.63
■ Institutional Investors	3.83
■ Corporate Bodies	5.18
■ Indian Public	43.48
■ NRIs	1.61
■ Clearing Members	0.03
■ Directors	0.00
■ NBFC & Trusts	0.00
■ IEPF	0.24

18.12 Statutory Compliance:

During the year under review, your Company has generally complied with the applicable provisions, filed all returns / forms and furnished all relevant particulars as required under the Companies Act, 2013 and allied Acts and Rules, the Securities and Exchange Board of India (SEBI) Regulations and the Listing Agreements with Stock Exchanges under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

18.13 Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and impact on equity**18.13.1 Employee Stock Option Scheme (ESOP)**

The Shareholders of the Company have approved the ESOP Scheme 2020 of the Company / its subsidiaries at the 32nd AGM held on 9th December 2020. The stock options are yet to be granted under the said Scheme. Hence there are no stock options outstanding as on March 31, 2023.

18.13.2 Global Depository Receipts (GDRs): NIL**18.14 Corporate Identity Number of the Company as allotted by Ministry of Corporate Affairs is L29142TN1988PLC015586. Your Company is registered in the State of Tamil Nadu.****18.15 Credit ratings obtained and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad:**

There are no credit ratings obtained by the Company.

19 LOCATION OF OFFICES

- a. Chennai: Shakti Tower - II, 4th Floor, Premises J, 766, Anna Salai, Chennai - 600 002.
- b. Mumbai: FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400093.
- c. The Company has branch offices at Delhi, Kolkata, Ahmedabad and Noida.

20 INVESTOR CORRESPONDENCE

All routine correspondence regarding transfer and transmission of shares, split, consolidation and issue of duplicate / renewed share certificates, etc. should be addressed to the Company's Registrars and Share Transfer Agent – M/s. KFin Technologies Limited

- a. Complaints / grievances, if any, should be addressed to

Hariraj Chouhan

Sr. Vice President & Company Secretary

63 moons technologies limited

FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093.

T: +91 22 6686 8010 | F: +91 22 67250257 | E: info@63moons.com

- b. Financial queries, if any, should be addressed to

Investor Relations Department

63 moons technologies limited

FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093.

T: +91 22 6686 8010 | F: +91 22 67250257 | E: info@63moons.com

21 UNCLAIMED DIVIDEND / SHARES

Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred by a Company to the Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of section 125 of the Companies Act, 2013.

In accordance with Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules), as amended, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall be transferred to the demat account of IEPF Authority. Accordingly, the Company had sent notices to all shareholders whose shares

were due to be transferred to the IEPF Authority and published requisite advertisement in newspaper. However, the unclaimed dividend and shares transferred to IEPF Authority can be claimed by the shareholders from the IEPF Authority after following due procedure as prescribed in the Rules.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company www.63moons.com/investors/shareholders/unclaimed-dividend-equity-shares.aspx

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2022 on the Company's website www.63moons.com/investors/shareholders/unclaimed-dividend-equity-shares.aspx.

In terms of Regulation 34(3) read with Schedule V, there are no equity shares lying in Suspense Account.

During the year under review, your Company transferred amount relating to unpaid and unclaimed dividend and corresponding shares in respect of which Dividend had been declared by the Company but has remained unclaimed or unpaid by the Shareholder for a period of seven consecutive years or more, to Investor Education and Protection Fund (IEPF) as per the table below:

Financial Year	Nature	Amount of unclaimed dividend transferred (in ₹)	Number of Shares transferred
2014-15	3rd Interim (Q3)	893,455 [#]	10,562
2015-16	1st Interim (Q1)	8,59,845	21,202

[#]Transferred in March 2022

The Company has informed IEPF authority vide its letter dated December 07, 2022 that subsequent to a civil suit filed against the Company, the Hon'ble Bombay High Court, vide its order dated September 30, 2015 directed that pending hearing and final disposal of Notice of Motion, the Company shall not distribute any dividend amongst its shareholders and shall also not deposit any amount for the purpose of such distribution, into a specified bank account to be maintained for the purpose in compliance with the provisions of section 123 of the Companies Act, 2013.

The Company has, however, based on profits available for distribution and on recommendation of the Board and approval of shareholders at respective Annual General Meetings, declared dividends (as tabled below) but could not distribute the same to the shareholders till date pursuant to the above High Court order, which is valid and subsisting as on date.

Dividend type	Declared at AGM held on	Percentage
Final Dividend FY 2014-15	30-Sep-2015	250% (5/- per share)
Final Dividend FY 2016-17	27-Sep-2017	100% (2/- per share)
Final Dividend FY 2017-18	27-Sep-2018	100% (2/- per share)
Final Dividend FY 2018-19	18-Sep-2019	100% (2/- per share)
Final Dividend FY 2019-20	09-Dec-2020	100% (2/- per share)
Final Dividend FY 2020-21	18-Sep-2021	100% (2/- per share)

The shareholders of the Company have been regularly informed in all Annual Reports since 2015 that the payment of the above dividends shall be done consequent to receipt of appropriate judicial orders.

The Company further informed that, since the Company was not able to distribute the pending dividends due to the aforesaid intervening order of the Hon'ble Bombay High Court, the same cannot be treated as unpaid/unclaimed under section 124 of the Companies Act, 2013 read with applicable rules framed thereunder and is not liable for transfer to IEPF under section 125 of the Act as on date.

22 SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL

As stipulated by SEBI, a qualified Practising Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges, where the Company's shares are listed. The audit confirmed that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

23 SECRETARIAL AUDIT FOR FY 2022-23

Pursuant to Section 204 of the Companies Act, 2013, your Company has appointed M/s BNP & Associates, Practising Company Secretaries, to conduct Secretarial Audit for the financial year 2022-23. The Secretarial audit includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Regulations and Guidelines prescribed by the Securities and Exchange Board of India and any other applicable laws.

24 ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the financial year 2022-23 for all applicable compliances as per SEBI Regulations and Circulars / Guidelines issued thereunder. The Annual Secretarial Compliance Report has been submitted by your Company to the Stock Exchanges within 60 days from the end of the financial year.

25 INFORMATION ON DIRECTORS APPOINTMENT/RE-APPOINTMENT

Detailed information on Directors appointment / re-appointment as required under Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meetings are mentioned in the AGM Notice.

Place : Mumbai

Date : August 08, 2023

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

To the Members of
63 moons technologies limited

I hereby declare that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2023

Place : Mumbai
Date : August 08, 2023

For 63 moons technologies limited

S. Rajendran
Managing Director & CEO
(DIN: 02686150)

CERTIFICATION OF FINANCIAL STATEMENTS OF THE COMPANY BY THE MANAGING DIRECTOR & CEO AND THE WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER (CFO)

We, Soundaram Rajendran, Managing Director & CEO, and Devendra Agrawal, Whole-time Director & CFO, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2023 and to the best of our knowledge and belief;
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
 - these statements together present a true and fair view of the Company's affairs, and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting. We have also evaluated the effectiveness of the internal control systems of the Company with respect to financial reporting and deficiencies in the design or operation of internal controls, if any, have been disclosed to the Auditors and the Audit Committee. They have been intimated about the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee of;
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in accounting policies during the year; the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee who has a significant role in the Company's internal control system over financial reporting.

S. Rajendran
Managing Director & CEO
(DIN: 02686150)

Devendra Agrawal
Whole-time Director & CFO
(DIN: 03579332)

Place : Mumbai
Date : May 24, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
63 Moons Technologies Limited
Shakti Tower - II , 4th Floor, Premises J
766, Anna Salai
Chennai, 600002

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of 63 Moons Technologies Limited having CIN: L29142TN1988PLC015586 and having Registered Office at Shakti Tower-II ,4th Floor, Premises J, 766, Anna Salai, Chennai, 600002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs (MCA), or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company (*)
1.	Mr. Venkat Chary	00273036	10-10-2013
2.	Mr. Devender Singh Rawat	02587354	12-02-2019
3.	Mr. Sunil Hasmukhlal Shah	02569359	20-11-2014
4.	Mr. Devendra Kumar Agrawal	03579332	27-05-2017
5.	Mr. Rajendran Soundaram	02686150	29-11-2013
6.	Mr. Suresh Bhimrao Salvi	07636298	14-10-2016
7.	Mr. Deepak Verma	07489985	21-12-2016
8.	Mrs. Chitkala Zutshi	07684586	21-12-2016
9.	Mr. Chandrasekhar Kanekal	06861358	27-09-2017
10.	Mrs. Malini Vijay Shankar**	01602529	12-03-2020
11.	Mr. Satyananda Mishra**	01807198	12-03-2020
12.	Mr. Parveen Kumar Gupta**	02895343	12-03-2020

Note:

(*) The date of appointment is as per the date reflected in MCA records.

(**) Based on Hon'ble NCLAT order dated 12th March, 2020, Ministry of Corporate Affairs (MCA) vide its order dated 16th March 2020 had communicated to the Company about appointment of three Nominee Directors on their Board with immediate effect. The Company had filed an appeal challenging the order dated 12th March 2020, passed by Hon'ble NCLAT before Hon'ble Supreme Court along with an application for stay of the Order passed by MCA. Hon'ble Supreme Court has vide its order dated 9th March 2022 stayed the NCLAT Order and consequently MCA order dated 16th March 2020 remain stayed.

Ensuring the eligibility of / for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date : May 25, 2023

Place : Mumbai

**For BNP & Associates
Company Secretaries
[Firm Registration. No. P2014MH037400]
PR No.: -637/2019**

**Avinash Bagul
Partner
FCS No. 5578/COP No. 19862
UDIN: F005578E000378049**

Independent Auditors' certificate on compliance with the Corporate Governance requirements under SEBI [Listing Obligation and Disclosure Requirements] Regulation, 2015

To the members of 63 moons technologies limited

1. This certificate is issued in accordance with engagement letter and as requested by you.
2. We have examined the compliance of conditions of Corporate Governance by **63 moons technologies limited** ("the Company"), for the year ended on 31 March 2023, as stipulated in regulation 17 to 27, clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's responsibility for compliance with the conditions of SEBI Listing Regulations.

3. The compliance of conditions of Corporate Governance as stipulated under the SEBI listing regulations is the responsibility of management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of corporate governance stipulated in the SEBI Listing Regulations, including preparation and maintenance of all relevant supporting records and documents.

Auditors' responsibility

4. Our examination was limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of corporate governance as stipulated in the SEBI Listing Regulations for the year ended 31 March 2023.
6. We conducted our examination of the above corporate governance compliance in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ("the ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned listing regulations as applicable during the year ended 31 March 2023.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirements of aforesaid SEBI Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Sharp & Tannan Associates

Chartered Accountants

Firm's registration no.: 109983W

by the hand of

CA Pramod Bhise

Partner

Membership No. (F) 047751

UDIN: 23047751BG7IAJ1229

Mumbai, 08 August 2023

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FINANCIAL STATEMENTS
STANDALONE



INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the accompanying Standalone Financial Statements of **63 moons technologies limited** (hereinafter referred as "the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes In Equity for the year then ended and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report*, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred as "the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (hereinafter referred as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2023, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

BASIS FOR QUALIFIED OPINION

As stated by the Management of the Company in Note 48 to the Standalone Financial Statements, Civil Suits have been filed against the Company in relation to event occurred on National Spot Exchange Limited trading platform. These matters are pending at various stages of adjudication. As stated in the said note, the management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 48, 49 and 50 to the Standalone Financial Statements, there are First Information Reports ("FIR") / complaints/ charge-sheets / orders / notices registered / received against various parties including the Company from/ with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Home Department - Government of Maharashtra under MPID Act, the Directorate of Enforcement and the Serious Fraud Investigation Office (SFIO). Above matters are pending at various stages of adjudication/ investigation. (Refer Note 48, 49 and 50).

In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said notes to the Standalone Financial Statements, there are no claims, litigations, potential settlements involving the Company directly or indirectly which require adjustments to / disclosures in the Standalone Financial Statements and that the ability of the Company to continue as a going concern entity and to carry out its day-to-day operations / activities is not seriously affected due to any such FIR / complaints / charge-sheets / orders / notices / reports as aforesaid.

Accordingly, in view of above representations regarding legal matters at various stages of adjudication and ongoing investigations / matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the Standalone Financial Statements for the year ended March 31, 2023.

We conducted our audit in accordance with the Standards on Auditing (hereinafter referred as "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 Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our *qualified audit opinion*.

EMPHASIS OF MATTERS

1. We draw attention to Note 42 to the Standalone Financial Statements which describes Company's investment of Rs. 20,000 Lakhs (face value) in secured non-convertible debentures issued by IL&FS Transportation Networks Ltd (ITNL) (subsidiary of Infrastructure Leasing & Finance Ltd – ILFS), whereas, the ITNL has defaulted in repayment of interest and various rating agencies revised their credit ratings to the lowest category 'D' i.e. default. Resolution process has been initiated under Companies Act for ITNL, in addition to various investigations and legal proceedings. During the resolution process, Hon'ble NCLAT has approved the Revised Distribution Framework proposed by the New Board for interim distribution. The Company without prejudice to its rights had impaired the investment for the expected credit loss by ₹ 7,500 lakhs till 31 March 2022. During the year ended March 31, 2023 the Company has further impaired the investment by ₹ 4,136.55 lakhs and has written off above-mentioned amounts in respective years.
2. We draw attention to Note 44 to the Standalone Financial Statements which describes Company's investment of Rs. 30,000 Lakhs (face value) in 9% Yes Bank Perpetual Additional Tier I (AT-1) bonds. The hon'ble Bombay High Court has quashed and set aside the letter dated 14 March 2020 issued by the Administrator, Yes Bank and decision to write off Additional Tier 1 bonds. On the request of the Yes Bank Counsel the hon'ble Bombay High Court has stayed this order for period of six weeks.

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

Yes Bank and RBI challenged the Bombay High Court's order before the Supreme Court and accordingly stay was extended subject to the final order passed by the Supreme Court. It describes the uncertainty related to the current outcome of the above-mentioned order.

Our opinion is not modified in respect these matters of emphasis.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements taken as a whole, in forming our opinion thereon and we do not provide a separate opinion on these matters. Apart from 'Basis for qualified opinion' we have determined the key audit matters as described below:

- A. Determination of fair value of carrying amount of investments
- B. Accounting treatment for contracts with customer
- C. Contingent liabilities

A. Determination of fair value of carrying amount of investments

Description of key audit matter

The Company has investments net of provision of Rs. 76,214.15 Lakhs as at March 31, 2023 consisting of Investments in the equity instruments of subsidiaries, third party bonds, mutual funds, other equity instruments etc. and are valued as per Ind AS 109, "Financial instruments". By their nature, these are subjected to various factors related to respective investee entities including but not limited to, economic factors, business dynamics, financial performance etc. and impact a fair valuation of these investments. Accordingly, this necessitates a close monitoring by the management of these situations and judgement, based on appropriate evaluation criteria to arrive at a fair value of carrying amounts of these assets as at balance sheet date. Against this background, this matter was of significance in the context of our audit.

Description of Auditor response

We have carried out a comparison between carrying value of investment as at balance sheet date and net-worth as reflected by latest audited financials of investee companies. Wherever carrying amount of investment is more than the net-worth of investee Company we have discussed and enquired with the management the process followed by them to identify permanent diminution, if any, in the value of investment and necessary accounting treatment adopted in the books. In addition, management has provided us with the future business plans and how in their business judgement such gap between investment and net-worth of the investee is either compensated with improving business conditions or valuations of such entities. Going forward our regular audit procedures are designed to keep a follow up on outcomes of these management assertions.

B. Accounting treatment for contracts with customer

Description of key audit matter

Revenue amounting to Rs. 27,249.38 Lakhs reported in the Company's financial statements pertains to customer specific contracts and the same are required to satisfy the recognition and measurement criteria as prescribed in IND AS 115, 'Revenue from Contracts with Customers'. Company's revenue is bifurcated into two main parts (a) revenue from software products (IPR based licenses) and (b) revenue from software services. Certain contracts necessarily involve estimations and certain assumptions to be made by the management in determining the quantum of revenue to be recognised in specific period. This inherently creates certain uncertainties and results in complexities in accounting treatment wherein incorrect assumptions and estimates can lead to revenue being recognised in incorrect accounting periods thereby impacting the results. Considering these factors, in the context of our audit this matter was of significance and hence a key audit matter.

Description of Auditor's response

With a view to verify the reasonableness of the revenue accounting we carried out following procedures:

- a) Understanding the internal control environment for revenue recognition and to test check with a view to verify its operating effectiveness;
- b) Major contracts were read and analysed to verify correctness of accounting of revenue as calculated by the Company's Management;
- c) Discussed with the management process of identification of variable consideration and verified the working on test basis;
- d) Verified the working of unbilled revenue and unearned revenue on test basis;
- e) Performed analytical procedures and obtained reasons for major variances;
- f) Ensured that revenue is recognized in accordance with accounting policy of the Company and Ind AS 115;

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

C. Contingent liabilities

Description of key audit matter

Contingent liabilities as at March 31, 2023 amounted to Rs. 18,016.27 Lakhs, which mainly include pending income-tax matters and certain legal cases other than those forming basis for our qualified opinion. Contentious income tax matters relate to interpretational differences between the Company and various tax authorities, certain matters subjected to internal circulars and guidelines within tax authorities irrespective of stated legal provisions sometimes requiring decision making only by higher tax authorities through appellate procedures resulting in delays in outcome. Given the current legal and operational embargo that the Company is facing, it is subjected the multiple litigations by and on the Company sub-judice at various courts and levels requiring the Company's Management to exercise significant judgement on these outcomes to determine the liabilities that are contingent in nature. Considering these factors, in the context of our audit, this matter was of significance and hence a key audit matter.

Description of Auditor's response

With a view to ensure that disclosures made by the Company in Note 32 to the Standalone Financial Statements, are determined appropriately and prudently, we obtained information of pending income-tax matters from the Company and have obtained/verified the documents including the communication with the departments provided by the Company. In addition, we have carried out comparison with respect to previous year and obtained/reviewed documentation for additional tax matters arisen during the year. Our tax team has carried out discussions with the Company's internal tax team on these cases mainly with respect to issues raised by various tax authorities in their communication to the Company to substantiate Company's assessment that there are no present obligations perceived.

With respect to legal cases disclosed to us, we have obtained updates on pending cases from the management and discussed it with the Company's internal legal department, wherever necessary. We carried out a comparison between the latest status and immediate previous status. While comparing, we have tried to ascertain the appropriateness, without being judgemental, of the management judgement exercised in updating to the latest status and have tried to evaluate an impact on such ascertainment of whether the Company liabilities to which it is contingently liable are appropriately ascertained with prudence principle.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON (HEREINAFTER REFERRED AS "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 Directors' Report including any annexures thereto, Corporate Governance Report and Management Discussion and Analysis, but does not include the Standalone Financial Statements and our auditor's report thereon.

These reports are expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read these reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable as per applicable laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, Company's 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 management and 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 are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

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

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by 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. As required by section 143 (3) of the Act and based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), 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 Standalone Financial Statements comply with the Ind AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014, *except for the effects, if any, of the matters described in the basis for qualified opinion paragraph*;
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164 (2) of the Act;

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”; our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- g) With respect to the other matters to be included in the auditor’s report in accordance with the requirements of section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- h) 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:
- i. The Company has disclosed the impact of pending litigations as at March 31, 2023 on its Standalone Financial Statements, *to the extent it is ascertainable* [Refer Note 32 to the Standalone Financial Statements and ‘Basis for Qualified Opinion’].
 - ii. The Company does not have any outstanding long-term contracts including derivative contracts as on March 31, 2023.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. Reporting on rule 11(e):
 - (a) The Management has represented that, to the best of its knowledge and belief, as stated in Note no. 53, no funds (which are material either individually or in the aggregate) 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.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as stated in Note no. 53, no funds (which are material either individually or in the aggregate) 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 Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that has 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 (a) and (b) above, contain any material misstatement.
 - v. The dividend for the previous years, declared but could not be paid due to restrictions imposed pursuant to the directions of the Court is in accordance with section 123 of the Act, as applicable. [Refer Note 46 to the Standalone Financial Statements]
 - vi. Proviso to rule 3(1) of the companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Sharp & Tannan Associates
Chartered Accountants
Firm’s Registration No.: 0109983W
by the hand of

CA Pramod Bhise
Partner
Membership No.: (F) 047751
UDIN: 23047751BGTHXJ3990

Mumbai, May 24, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading, "Report on Other Legal and Regulatory Requirements" of our report on even date:

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment have been physically verified by the management at regular intervals based on the programme of verification in a phased manner which in our opinion is reasonable. No material discrepancies were noticed during such physical verification conducted by the Company during the year.
- (c) According to the information, explanation and representation provided to us and based on verification carried out by us, title deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) The Company has neither revalued its Property, Plant and Equipment (including Right of Use assets) nor intangible assets during the year. Accordingly, reporting under paragraph 3(i)(d) of the Order is not applicable.
- (e) According to the information, explanation and representation provided to us and based on verification carried out by us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under paragraph 3(i)(e) of the Order is not applicable.
- (ii) According to the process explained to us and as followed by the Company, the Company's inventory items are directly delivered to its customers on their procurement. Accordingly, reporting on paragraph 3(ii) of the Order is not applicable.
- (iii) According to the information, explanation and representation provided to us and based on verification carried out by us:
- during the year, the Company has made investments in group companies;
 - in earlier years, the Company had granted loans to group companies out of which certain loans are outstanding as at balance sheet date;
 - during the year, the Company has not provided any guarantee to companies, firms, Limited Liability Partnerships or any other parties.
- (a) Details of loans outstanding (net of provisions, if any) as at balance sheet date are as follows: (also refer Note 39 for details):

PARTICULARS	Loans (Amounts in Rs. Lakhs)	
	Loan given during the year	Balance outstanding as at 31 Mar 2023
- Subsidiaries, joint-ventures and associates	Nil	500
- Other than Subsidiaries, joint-ventures and associates	Nil	Nil

- (b) According to the information, explanation and representation provided to us and based on verification carried out by us, in our opinion investments made and the terms and conditions of all loans given, to the extent stipulated, are not prejudicial to the Company's interest.
- (c) According to the information, explanation and representation provided to us and based on verification carried out by us, schedule of repayment of principal and payment of interest has not been stipulated for loan given to a subsidiary. Accordingly, to these limit extent reporting on repayments or receipts is not applicable.
- (d) According to the information, explanation and representation provided to us and based on verification carried out by us, schedule of repayment of principal and payment of interest has not been stipulated for loan given to a subsidiary. Accordingly, we do not have anything to report on paragraph 3(iii)(d) of the Order.
- (e) According to the information, explanation and representation provided to us and based on verification carried out by us, no loan or advance in the nature of loan granted has fallen due during the year. Accordingly, the reporting under para 3(iii)(e) is not applicable.
- (f) According to the information and explanations provided to us, details with respect to the unsecured loan given to a subsidiary repayable on demand are as follows:

PARTICULARS	Loans (Amounts in Rs. Lakhs)	
	Balance outstanding as at 31 Mar 2023	Percentage
- Subsidiaries, joint-ventures and associates	500	100%
- Related parties other than Subsidiaries, joint-ventures and associates	Nil	Nil
Total loans	500	100%

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading, "Report on Other Legal and Regulatory Requirements" of our report on even date:

- (iv) The Company has complied with provisions of section 185 and section 186 of the Act.
- (v) The Company has not accepted deposits or deemed deposits to which the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the rules framed there under, are applicable. Accordingly, reporting under para 3(v) is not applicable.
- (vi) Maintenance of cost records has not been specified by the Central government under section 148(1) of the Act. Accordingly reporting on paragraph 3 (vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of excise, value added tax, cess and any statutory dues as applicable, to the appropriate authorities. According to the information and explanation given to us and based on verification carried out by us on test basis, there are no arrears of statutory dues outstanding as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) The details of statutory dues referred to in sub- paragraph (a) above which have not been deposited with the concerned authorities as on March 31, 2023, on account of dispute are given below:

Name of the Statute	Name of the disputed dues	Amount involved (Rs. Lakhs)	Period to which the amount relates	Forum where disputes are pending
Income Tax Act, 1961	Income Tax	143.84	2011-12	Commissioner of Income Tax - Appeals
		797.14	2013-14	
		289.86	2016-17	
		210.66	2017-18	
MVAT Act 2002	CST Tax	206.77	2017-18	Deputy Commissioner of Sales Tax

- (viii) According to the information, explanation and representation provided to us and based on verification carried out by us, there are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, reporting under para 3(viii) is not applicable.
- (ix) The Company has neither raised short term funds nor long term funds during the current year as well as in the immediately preceding year. Accordingly, reporting under para 3(ix)(a), 3(ix)(b), 3(ix)(c), 3(ix)(d), 3(ix)(e), 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting on para 3(x)(a) is not applicable.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting on para 3(x)(b) is not applicable.
- (xi) (a) Except for the matters(s) referred in the 'Basis for Qualified Opinion' of our audit report which are sub-judice and hence are inconclusive, to the best of our knowledge and information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) During the year, we have taken into consideration the whistle blower complaints, if any, received by the company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company. Accordingly, reporting on para 3(xii) of the order is not applicable.
- (xiii) According to the information, explanation and representation provided to us and based on verification carried out by us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable, and the details have been disclosed in the financial statements as required by the applicable IND AS.
- (xiv) (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports issued during the year and pertaining to the year under audit.
- (xv) According to the information, explanation and representation provided to us and based on verification carried out by us, the company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, reporting on para 3(xv) of the order is not applicable.
- (xvi) (a) According to the information, explanation and representation provided to us and based on verification carried out by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting on para 3(xvi)(a) is not applicable.

- (b) According to the information, explanation and representation provided to us and based on verification carried out by us, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, reporting on para 3(xvi)(b) is not applicable.
- (c) According to the information, explanation and representation provided to us and based on verification carried out by us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting on para 3(xvi)(c) of the order is not applicable.
- (d) According to the information, explanation and representation provided to us and based on verification carried out by us, the group does not have CIC as part of the group. Accordingly, reporting on para 3(xvi)(d) of the order is not applicable.
- (xvii) According to the information, explanation and representation provided to us and based on verification carried out by us, the company has not incurred cash losses in FY 2022-23 (previous year i.e. FY 2021-22 Rs. 7,585.60 lakhs).
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting on para 3(xviii) of the order is not applicable.
- (xix) Except for the matters(s) referred in the 'Basis for Qualified Opinion' of our audit report which are sub-judice and hence are inconclusive, to the best of our knowledge and on the basis of the financial ratios, ageing and expected dates of realization 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 company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) There is no unspent amount towards Corporate Social Responsibility (CSR) on ongoing as well as other than ongoing projects. Accordingly, reporting on para 3(xx)(a)/ (b) of the order is not applicable.

For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 0109983W
by the hand of

CA Pramod Bhise
Partner
Membership No.: (F) 047751
UDIN: 23047751BGTHXJ3990

Mumbai, May 24, 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 (f) under the heading, "Report on other legal and regulatory requirements" of our report on even date:

REPORT ON THE INTERNAL FINANCIAL CONTROLS

[UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")]

OPINION

We have audited the internal financial controls over financial reporting of **63 moons technologies limited** (hereinafter referred as "the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal financial control over financial reporting 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 (hereinafter referred as "the guidance note") issued by the Institute of Chartered Accountants of India (hereinafter referred as "ICAI").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note and the SAs issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those SAs 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the Standalone 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 system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(f) under the heading, "Report on other legal and regulatory requirements" of our report on even date:

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 0109983W
by the hand of

CA Pramod Bhise
Partner
Membership No.: (F) 047751
UDIN: 23047751BGTHXJ3990

Mumbai, May 24, 2023

BALANCE SHEET

as at March 31, 2023

(₹ in lakhs)

PARTICULARS	NOTE	As at 31.03.2023	As at 31.03.2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	20,469.48	20,923.99
Right of use assets	6	428.01	26.25
Investment property	7	10,238.73	10,448.80
Other intangible assets	8	207.47	319.18
Financial assets			
(i) Investments	9	64,901.21	67,065.82
(ii) Loans	10	10.68	16.86
(iii) Other financial assets	11	26,539.83	11,570.94
Deferred tax assets (net)	20	4,721.93	8,399.73
Other non-current assets	12	7,180.12	9,910.33
TOTAL NON-CURRENT ASSETS		1,34,697.46	1,28,681.90
Current assets			
Financial assets			
(i) Investments	9	11,312.94	23,136.30
(ii) Trade receivables	13	915.31	597.68
(iii) Cash and cash equivalents	14	5,686.54	2,469.43
(iv) Bank Balances other than (iii) above	15	1,19,533.40	1,08,094.74
(v) Loans	10	509.66	514.76
(vi) Other financial assets	11	4,222.70	3,438.88
Current tax assets (net)	20	3,270.51	1,729.60
Other current assets	12	3,066.87	3,021.12
TOTAL CURRENT ASSETS		1,48,517.93	1,43,002.51
TOTAL ASSETS		2,83,215.39	2,71,684.41

BALANCE SHEET (CONTD.)

as at March 31, 2023

(₹ in lakhs)

PARTICULARS	NOTE	As at 31.03.2023	As at 31.03.2022
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	16	921.57	921.57
Other equity		2,60,734.88	2,58,097.98
TOTAL EQUITY		2,61,656.45	2,59,019.55
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Lease Liability		259.17	13.08
(ii) Other financial liabilities	17	484.26	455.28
Provisions	18	1,097.28	658.58
TOTAL NON-CURRENT LIABILITIES		1,840.71	1,126.94
Current liabilities			
Financial liabilities			
(i) Lease Liability		161.02	14.87
(ii) Trade payables	21		
Due to micro and small enterprises		92.08	35.29
Due to others		220.39	195.04
(iii) Other financial liabilities	17	8,034.22	8,084.10
Other current liabilities	19	10,751.36	2,525.57
Provisions	18	459.16	683.05
TOTAL CURRENT LIABILITIES		19,718.23	11,537.92
TOTAL LIABILITIES		21,558.94	12,664.86
TOTAL EQUITY AND LIABILITIES		2,83,215.39	2,71,684.41
See accompanying notes forming part of the financial statements 1 to 54			

In terms of our report attached
For Sharp & Tannan Associates
Chartered Accountants
(Firm's Registration No.109983W)
by the hand of

For and on behalf of the Board

Pramod Bhise
Partner
Membership No:(F) 047751

Chitkala Zutshi
Director
DIN- 07684586

Hariraj Chouhan
Company Secretary

S. Rajendran
Managing Director & CEO
DIN - 02686150

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 24, 2023

Place : Mumbai
Date : May 24, 2023

STATEMENT OF PROFIT AND LOSS

for the Year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	NOTE	Year Ended 31.03.2023	Year Ended 31.03.2022
Continuing Operations			
Revenue from operations	22	27,249.38	14,438.82
Other income (net)	23	10,241.36	6,669.89
TOTAL INCOME		37,490.74	21,108.71
Expenses			
Employee benefits expense	24	12,304.16	10,573.27
Finance costs	25	54.47	39.31
Depreciation and amortisation expenses	26	1,187.26	1,207.37
Other expenses	27	9,672.21	10,374.36
TOTAL EXPENSES		23,218.10	22,194.31
Profit/ (Loss) before exceptional item and tax		14,272.64	(1,085.60)
Exceptional items	28	(7,386.55)	(5,208.28)
Profit / (Loss) before tax		6,886.09	(6,293.88)
Tax expense / (credit):			
Current tax	20	3,743.31	-
Deferred tax	20	367.37	(159.57)
TOTAL TAX EXPENSE		4,110.68	(159.57)
Profit / (Loss) for the year		2,775.41	(6,134.31)
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset		(195.41)	132.07
Income tax relating to above mentioned items		56.90	(38.46)
Total Other Comprehensive Income (net of tax)		(138.51)	93.61
Total comprehensive income for the year		2,636.90	(6,040.70)
Earnings per share:	36		
Basic and Diluted per share (in ₹)		6.02	(13.31)
Face Value Per Share (in ₹)		2.00	2.00
See accompanying notes forming part of the financial statements 1 to 54			

In terms of our report attached
For Sharp & Tannan Associates
Chartered Accountants
(Firm's Registration No.109983W)
by the hand of

For and on behalf of the Board

Pramod Bhise
Partner
Membership No:(F) 047751

Chitkala Zutshi
Director
DIN- 07684586

Hariraj Chouhan
Company Secretary

S. Rajendran
Managing Director & CEO
DIN - 02686150

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 24, 2023

Place : Mumbai
Date : May 24, 2023

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	Equity Share Capital	Reserves and surplus				Other Comprehensive Income	Total other equity	Total equity attributable to equity holders of the Company
		Capital reserve	Securities premium reserve	General reserve	Retained earnings			
Balance at 01.04.2021	921.57	147.59	41,746.62	32,579.86	1,90,714.07	(127.89)	2,65,060.26	2,65,981.83
Changes in equity for the year ended 31.03.2022								
Dividends (Refer Note 47)	-	-	-	-	(921.57)	-	(921.57)	(921.57)
Remeasurement of The Net Defined Benefit Liability/Asset	-	-	-	-	-	93.60	93.60	93.60
Loss for the year	-	-	-	-	(6,134.31)	-	(6,134.31)	(6,134.31)
Balance at 31.03.2022	921.57	147.59	41,746.62	32,579.86	1,83,658.19	(34.29)	2,58,097.98	2,59,019.55
Balance at 01.04.2022	921.57	147.59	41,746.62	32,579.86	1,83,658.19	(34.29)	2,58,097.98	2,59,019.55
Changes in equity for the year ended 31.03.2023								
Remeasurement of The Net Defined Benefit Liability/Asset	-	-	-	-	-	(138.51)	(138.51)	(138.51)
Profit for the year	-	-	-	-	2,775.41	-	2,775.41	2,775.41
Balance at 31.03.2023	921.57	147.59	41,746.62	32,579.86	1,86,433.60	(172.80)	2,60,734.88	2,61,656.45

(₹ in lakhs)

NATURE AND PURPOSE OF RESERVES:**Capital reserve:**

During amalgamation, the excess of net assets taken over the cost of consideration paid is treated as capital reserve.

Securities Premium Reserve:

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

General Reserve:

General Reserve was created by transferring a portion of the net profit of the Company as per the requirements of the Companies Act, 1956.

Retained earnings:

Remaining portion of profits earned by the Company till date after appropriations.

In terms of our report attached
For Sharp & Tannan Associates
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 (Firm's Registration No.109983W)
 by the hand of

For and on behalf of the Board

Chitkala Zutshi
 Director
 DIN- 07684586

S. Rajendran
 Managing Director & CEO
 DIN - 02686150

Pramod Bhise
 Partner
 Membership No:(F) 047751

Hariraj Chouhan
 Company Secretary

Devendra Agrawal
 Whole-time Director & CFO
 DIN - 03579332

Place : Mumbai
 Date : May 24, 2023

Place : Mumbai
 Date : May 24, 2023

CASH FLOW STATEMENT

for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	Year ended 31.03.2023		Year ended 31.03.2022	
A. Cash flow from operating activities				
Profit / (Loss) before tax		6,886.09		(6,293.88)
Adjustments for:				
Depreciation and amortisation expense	1,187.26		1,207.37	
Gain on fair valuation of financial assets at fair value through profit or loss	(536.81)		(456.73)	
Impairment / allowance for expected credit loss on debentures	14,344.83		2,708.28	
Less: Reversal of allowance for expected credit loss - debentures	(10,208.28)		-	
Provisions / liabilities no longer required written back	-		(70.32)	
Allowance for expected credit loss on investment in subsidiaries	3,500.00		2,500.00	
Allowance for credit loss on loans to subsidiaries made earlier written back	(250.00)		-	
Bad debts / advances written off (net of provision held)	36.22		21.09	
Provision for doubtful trade receivables / advances	99.22		73.85	
Finance costs	54.47		39.31	
Interest income	(8,671.01)	(444.10)	(5,407.32)	615.53
Operating profit / (loss) before working capital changes		6,441.99		(5,678.35)
Changes in working capital:				
Adjustments for:				
Trade receivables, loans, other financial assets and other assets	(198.98)		1,063.05	
Trade payables, other financial liabilities, other liabilities and provision	8,290.96	8,091.98	(894.15)	168.90
Cash used in operations		14,533.97		(5,509.45)
Net Income Tax paid		-		-
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		14,533.97		(5,509.45)
B. Cash flow from investing activities				
Capital expenditure on Property, plant and equipment and other Intangible assets including capital advances		(455.69)		(979.53)
Purchase of stake in subsidiaries		(3,507.50)		(4,602.85)
Proceeds from subsidiaries under liquidation		-		814.32
Purchase of Financial assets - others		-		(5,287.82)
Proceeds from sale of Financial assets - others		10,270.61		11,323.55
Loan repaid by subsidiary company		250.00		-
Bank deposits not considered as Cash and cash equivalents				
- Placed		(2,43,624.44)		(1,19,392.49)
- Matured		2,17,208.20		1,18,781.33
Interest income		7,748.53		5,742.85
Cash flow from investing activities		(12,110.29)		6,399.36
Income tax paid (net of refund)		917.87		465.38
NET CASH FLOW FROM INVESTING ACTIVITIES (B)		(11,192.42)		6,864.74

CASH FLOW STATEMENT (CONTD.)

for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	Year ended 31.03.2023	Year ended 31.03.2022
C. Cash flow from financing activities		
Repayment of lease liabilities - Principal	(98.36)	(19.64)
- Interest	(26.07)	(4.90)
NET CASH USED IN FINANCING ACTIVITIES (C)	(124.43)	(24.54)
Net increase in cash and cash equivalents (A + B + C)	3,217.12	1,330.75
Cash and cash equivalents (opening balance)	5,496.60	4,165.85
Cash and cash equivalents (closing balance)	8,713.72	5,496.60

Notes to cash flow statement:

- Cash and cash equivalents include cash and bank balances in current and deposit accounts, with original maturities not exceeding three months. Reconciliation of bank balances with cash and cash equivalents is as follows

(₹ in lakhs)

PARTICULARS	Year ended 31.03.2023	Year Ended 31.03.2022
Cash and cash equivalents	5,686.54	2,469.43
Other Bank balance in current account (Refer Note 15)	3,027.17	3,027.17
Cash and cash equivalents	8,713.71	5,496.60

- Fixed deposits with banks with maturity period of more than three months are classified and grouped in investing activities and not included in cash and cash equivalents.
- The cash flow statement has been prepared under the indirect method, as per IND AS 7.
- Refer Note 41 for Corporate social responsibility (CSR) related disclosure.
- Previous year's figures have been regrouped / reclassified wherever applicable.

In terms of our report attached
For Sharp & Tannan Associates
Chartered Accountants
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For and on behalf of the Board

Pramod Bhise
Partner
Membership No:(F) 047751

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Whole-time Director & CFO
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Place : Mumbai
Date : May 24, 2023

Place : Mumbai
Date : May 24, 2023

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

1 COMPANY OVERVIEW

63 moons technologies limited (the 'Company') is a public limited company incorporated and domiciled in India. The Company's registered office is at Shakti Tower – II, 4th floor, Premises – J, 766, Anna Salai, Chennai – 600 002, Tamilnadu, India and Corporate office at FT Tower, CTS No.256 & 257, Suren Road, Chakala, Andheri(East), Mumbai – 400 093, Maharashtra, India.

The principal activity of the company is that of Computer Programming, Consultancy and related services. The Company, is among the global leaders in offering technology IP (Intellectual Property) and domain expertise to create and trade on next-generation financial markets, that are transparent, efficient and liquid, across all asset classes including equities, commodities, currencies and bonds among others. The Company is pioneer in end to end Straight Through Processing (STP) solution that support high density transactions. It has developed proprietary technology platform benchmarked against global standard which give it a decisive edge in driving mass disruptive innovation at the speed and cost of execution unmatched in the financial market industry.

2 BASIS OF PREPARATION

2.1 Statement of compliance and Basis of Preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") read with the Companies (Indian Accounting Standards) Rules, 2015, subsequent amendments thereto and the relevant provisions of the 2013 Act.

The financial statements have been prepared on accrual basis using the historical cost measurement except for the following material items that have been measured at fair value as required by relevant Ind AS:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Share based payment transactions
- Defined benefit and other long-term employee benefits

The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These Ind-AS compliant financial statements were approved by the Board of Directors on May 24, 2023.

2.2 Functional and presentation currency

These Separate financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

2.3 Use of judgements and estimates

The preparation of the financial statements in conformity with Ind AS which requires management to make certain estimates, judgements and assumptions. These affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the reporting date of the financial statements and reported amounts of income and expenses during the period. Accounting estimates could change from period to period and the actual results could differ from those estimates. These are reviewed by the management on an on-going basis and appropriate changes in estimates are made prospectively as management becomes aware of changes in circumstances surrounding the estimates. The management believes that the estimates used in preparation of these financial statements are just, prudent and reasonable.

The areas involving critical estimates & judgements are :

Note Reference	Critical Estimates & Judgements
Note 3.14,12 and 20	Estimation of income taxes, Recognition and utilisation of deferred tax assets and MAT credit entitlement and utilisation.
Note 3.17 and 32	Measurement of contingencies key assumptions about the likelihood and magnitude of an outflow of resources.
Note 3.8, 3.9, 3.10 and 29	Assessment of carrying value / fair value of financial instruments.
Note 3.12 and 37	Measurement of defined benefit obligations: key actuarial assumptions.
Note 3.5, 3.6,3.7, 5, 7 and 8	Estimation of useful life of tangible, intangible assets and investment property.

3 SIGNIFICANT ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

3.1 Revenue

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to receive in exchange for those products or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

account of various discounts and schemes offered by the Company as part of the contract. Revenue also excludes taxes collected from customers.

The revenue from the sale of software products (IPR based licenses) is recognised on delivery/granting of right to use. In respect of service contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized over time. Revenue from fixed price service contracts is recognised based on acts performed as specified in the contracts over the contract period where performance of several acts is required over that period. In the case of time and material contracts, revenue is recognised on the basis of hours completed and material used. Revenue from annual maintenance contracts, lease of licenses, IT infrastructure sharing income and Shared Business Support Services is recognised proportionately over the period in which the services are rendered/licenses is leased. Revenue from sale of goods is recognised on transfer of control over the goods to the customer. Sales are recorded net of returns (if any), trade discounts, rebates, and goods and service tax. Projected losses, if any, are provided in entirety as per Ind AS based on management's current estimates of cost to completion arrived at on the basis of technical assessment of time and effort required and estimates of future expenditure.

Revenues in excess of invoicing are classified as contract assets (which are referred to as unbilled revenue). Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Invoicing in excess of revenues are classified as contract liabilities (which are referred to as unearned revenues)

3.2 Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

3.3 Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established.

3.4 Investment Property Rental Income

Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease and presented as other income. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

3.5 Property, Plant and Equipment

i. Recognition and Measurement

Property, Plant and Equipment (PPE) are carried at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of PPE comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs directly attributable to bring in the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

PPE which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of the asset. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is recognised in Statement of Profit & Loss.

ii. Subsequent Expenditure

Subsequent expenditure relating to PPE is capitalised only when it is probable that future economic benefits with these will flow to the company and cost of the item can be measured reliably. Repairs & maintenance costs are recognised in Statement of Profit and Loss as and when incurred.

iii. Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives. Leased assets and leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Depreciation methods, useful lives and residual values are reviewed annually and the effects of any changes in estimates are accounted for on a prospective basis.

Freehold Land is not depreciated. For others, depreciation has been provided on the basis of estimated useful life as follows.

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

Assets	Useful Life
Office Equipment	2 to 5 Years
Electrical Installations	10 Years
Computer Hardware	3 to 6 Years
Furniture and Fixtures	5 to 10 Years
Vehicles	5 Years
Building	58 Years
Leasehold improvements	Over lease period (2 to 5 years)

Assets costing up to ₹ 5,000/- are fully depreciated in the year of acquisition

iv. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified accordingly.

3.6 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. The cost of intangible assets comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs directly attributable to bring in use. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. Research costs are expensed as incurred. Amortization methods and useful lives are reviewed annually and the effects of any changes in estimates are accounted for on a prospective basis.

The Company amortises intangible assets using the straight-line method over the estimated useful life as follows:

- Patents, copyright and other rights - 8 years
- Computer software - 4 to 6 years

3.7 Investment property

Investment property is measured at cost less impairment, if any. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in Statement of Profit and Loss. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated using the straight-line method over their estimated useful lives. Fair value is calculated using discounted cash flow method and other relevant factors, if any. Useful life of the investment property is considered as 58 year or lease period whichever is lower.

3.8 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at recognition.

Classification	Initial Recognition	Subsequent Recognition
Non-derivative financial instruments		
a) Financial assets at amortised cost: if it is held within business model where purpose is to hold asset for contractual cash flows that are solely payments of principal and interest on principal outstanding	At fair value including directly attributable transaction costs	Subsequently carried at amortised cost using effective interest rate method less any impairment loss
b) Financial assets at fair value through other comprehensive income: if it is held within business model where purpose is to hold asset for contractual cash flows that are solely payments of principal and interest on principal outstanding and also selling financial assets	At fair value including directly attributable transaction costs	All changes in value excluding interest are recognised in OCI. Interest is recognised on effective interest rate method in Statement of Profit & Loss
c) Financial assets at fair value through statement of profit and loss: if financial asset is not classified in any of the above categories	At fair value excluding directly attributable transaction costs. Transaction costs are recognised in Statement of Profit and Loss	Fair valued at each subsequent reporting date
d) i) Trade receivable (Those do not contain significant financing component.) ii) Loans	At transaction price At fair value	Subsequently held at amortised cost, using the effective interest rate method, net of any expected credit loss

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

Classification	Initial Recognition	Subsequent Recognition
e) Investment in subsidiaries and associate	At cost	At cost net of expected credit Loss
f) Other Equity investments	At fair value	And changes through Statement of Profit and Loss
g) Financial liabilities	At fair value including directly attributable transaction costs	At amortised cost: using effective interest method except certain items
Derivative financial instruments		
Financial assets or financial liabilities	At fair value	At fair value through statement of profit and loss: if financial assets or financial liabilities are not designated as hedges
Share capital		
	Ordinary shares classified as equity	Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects

Financial assets are reclassified subsequent to their recognition if and in the period the Company changes its business model for managing financial assets.

Derecognition of financial instruments:

A financial asset is derecognised by the Company only when:

- Contractual right to receive cash flows from the assets expires; or
- The Company has transferred the rights to receive cash flows from the financial asset; or
- If the Company has not retained control of the financial asset; or
- The Company has transferred substantially all risks and rewards of ownership of the financial asset.

Any gain or loss on derecognition is recognised in statement of profit and loss including cumulative gain or loss in case of financial assets subsequently valued at fair value through other comprehensive income. In case of financial assets subsequently fair valued through profit or loss, gain or loss is presented on a net basis.

A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or expires. Any gain or loss on derecognition is recognised in statement of profit and loss.

3.9 Measurement of Fair Value

Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The Company regularly reviews significant unobservable inputs and valuation adjustments. In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

3.10 Impairment**i. Financial Assets:**

For the financial assets which are not fair valued through profit or loss, the Company tests loss allowances using the expected credit loss (ECL) model and recognises, if any.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. 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 those 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 to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

ii. Non-financial Assets:

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then asset's / cash generating unit (CGU)'s recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is estimated. An

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

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

3.11 Foreign Currency Transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or at rates that closely approximate the rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction and are not retranslated. Foreign currency differences are generally recognised in profit or loss.

3.12 Employee Benefits

i. Short-term Obligations

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period when the employee renders those services.

ii. Other long-term employee benefit obligations

Compensated Absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each reporting date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the reporting date and recognised in Statement of Profit and Loss. Expense on non-accumulating compensated absences is recognized in the year in which the absences occur.

Defined Benefit Plan

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated at each reporting date by actuaries using the projected unit credit method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised, net of tax impact, in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. The amount of net interest expense calculated by applying the liability discount rate to the net defined liability or asset is charged or credited to 'Finance Cost' in Statement of Profit and Loss.

Defined Contribution Plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

iii. Share-based Payment Arrangements

The Company recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share-based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account. For employees, in respect of Employee Stock Option Scheme, remuneration is considered at the time of exercise of option at a requisite value as defined under Income Tax Act, 1961.

3.13 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

3.14 Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

i. Current Tax

Current tax comprises the expected tax payable or recoverable on the taxable income or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. The amount of current tax payable or recoverable is the best estimate of the tax amount expected to be paid or received. It is measured using tax rates enacted or substantively enacted at the reporting date. Interest income in respect of income tax is shown under Other Income and accounted on receipt basis. Interest expenses and penalties, if any, are included in Current Tax Expense. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the assets and liabilities on net basis.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

ii. Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, Associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans of the Company and the reversal of temporary differences. 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 realised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

3.15 Operating Cycle

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

3.16 Provisions

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.17 Contingent liabilities and contingent assets (Refer Note 32)

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also 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. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

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

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

3.18 Leases

Effective April 01, 2019, the Company had adopted Ind AS 116 "Leases" by applying the modified retrospective approach. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease.

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the Company's incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value and are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

3.19 Earning Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholder of the company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholder of the company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

4. RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective 1st April, 2023:

- Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
- Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.
- Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

5 PROPERTY, PLANT AND EQUIPMENT*

(₹ in lakhs)

PARTICULARS	Freehold Land	Buildings	Improvement to Leasehold Premises	Computer Hardware	Office Equipment**	Furniture and Fixtures	Vehicles	Total
Year ended March 31, 2023								
Gross carrying Value as at April 01, 2022	4,836.18	18,081.66	95.24	6,475.09	6,566.79	4,921.19	1,078.69	42,054.84
Additions	-	-	-	191.84	122.30	2.27	-	316.41
Disposals	-	-	-	-	-	-	-	-
Gross carrying Value as at March 31, 2023	4,836.18	18,081.66	95.24	6,666.93	6,689.09	4,923.46	1,078.69	42,371.25
Accumulated depreciation and impairment as at April 01, 2022	-	3,218.19	95.24	5,981.57	6,242.74	4,861.85	731.26	21,130.85
Charged during the year	-	300.21	-	224.71	130.71	12.99	102.30	770.92
Disposals	-	-	-	-	-	-	-	-
Upto March 31, 2023	-	3,518.40	95.24	6,206.28	6,373.45	4,874.84	833.56	21,901.77
Net carrying amount as at March 31, 2023	4,836.18	14,563.26	-	460.65	315.64	48.62	245.13	20,469.48
Year ended March 31, 2022								
Gross carrying Value as at April 01, 2021	4,666.60	17,770.82	95.24	6,405.97	6,504.78	4,919.24	733.17	41,095.82
Additions	169.58	310.84	-	69.12	62.01	1.95	345.52	959.02
Disposals	-	-	-	-	-	-	-	-
Gross carrying Value as at March 31, 2022	4,836.18	18,081.66	95.24	6,475.09	6,566.79	4,921.19	1,078.69	42,054.84
Accumulated depreciation and impairment as at April 01, 2021	-	2,924.45	95.24	5,742.86	6,063.19	4,762.86	684.62	20,273.22
Charged during the year	-	293.74	-	238.71	179.55	98.99	46.64	857.63
Disposals	-	-	-	-	-	-	-	-
Upto March 31, 2022	-	3,218.19	95.24	5,981.57	6,242.74	4,861.85	731.26	21,130.85
Net carrying amount as at March 31, 2022	4,836.18	14,863.47	-	493.52	324.05	59.34	347.43	20,923.99

* Refer Note 49

** Includes electrical installations

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

6 RIGHT OF USE ASSETS

(₹ in lakhs)

PARTICULARS	Buildings	Computer Hardware	Total
Year ended March 31, 2023			
Gross carrying Value as at April 01, 2022	57.75	-	57.75
Additions	85.66	407.49	493.15
Deletions on de-hiring premises / Changes in lease terms	(34.90)	-	(34.90)
Gross carrying Value as at March 31, 2023	108.51	407.49	516.00
Accumulated depreciation and impairment as at April 01, 2022	31.50	-	31.50
Charged during the year	22.39	66.45	88.84
Deletions on de-hiring premises	(32.35)	-	(32.35)
Upto March 31, 2023	21.54	66.45	87.99
Net carrying amount as at March 31, 2023	86.97	341.04	428.01
Year ended March 31, 2022			
Gross carrying Value as at April 01, 2021	-	-	-
Additions on adoption of Ind-AS 116 on April 01, 2021	59.75	-	59.75
Additions	22.76	-	22.76
Deletions on de-hiring premises	(24.76)	-	(24.76)
Gross carrying Value as at March 31, 2022	57.75	-	57.75
Accumulated depreciation and impairment as at April 01, 2021	14.28	-	14.28
Charged during the year	17.22	-	17.22
Deletions on de-hiring premises	-	-	-
Upto March 31, 2022	31.50	-	31.50
Net carrying amount as at March 31, 2022	26.25	-	26.25

Notes:

A The Company as a Lessee:

The Company incurred ₹ 201.05 lakhs (Previous Year ₹ 207.25 lakhs) for the year ended 31st March, 2023 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹ 303.28 lakhs (Previous Year ₹ 220.15 lakhs) for the year ended 31st March, 2023, including cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities is ₹ 26.07 lakhs (Previous Year ₹ 4.90 lakhs) for the year.

B The Company as a Lessor:

The Company has entered into various cancellable and non-cancellable operating lease agreements as a lessor for various premises ranging from 2 months to 60 months and may be renewed for further period based on mutual agreement of the parties.

The lease rentals recognised as income in the statement of profit and loss during the year are included in Note 23 under the head 'Rental income from properties sublease'.

Disclosure for non-cancellable operating lease is as follows:

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Lease Income		
Lease rentals	1,028.10	735.09
Future minimum lease receivable		
Not later than one year	489.28	420.32
Later than one year and not later than five years	1,114.09	643.37
Later than five years	-	-

C The Commitment related to lease payments are shown in Note 32.

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

7 INVESTMENT PROPERTIES

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Gross carrying amount		
Opening gross carrying amount	12,752.22	12,752.22
Additions	-	-
Closing gross carrying amount	12,752.22	12,752.22
Accumulated depreciation		
Opening accumulated depreciation	2,303.42	2,093.36
Depreciation charge	210.07	210.06
Closing accumulated depreciation	2,513.49	2,303.42
Net carrying amount	10,238.73	10,448.80

Notes:

i. Amounts recognised in profit or loss for investment properties

(₹ in lakhs)

PARTICULARS	Year ended 31.03.2023	Year ended 31.03.2022
Rental income	859.76	670.59
Direct operating expenses from property that generated rental income	(90.59)	(83.16)
Direct operating expenses from property that did not generate rental income	-	(14.56)
Profit from investment property before depreciation	769.17	572.87
Depreciation	(210.07)	(210.06)
Profit from investment property	559.10	362.81

ii. Contractual obligations

There is no contractual obligations towards investment property.

iii. Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Within one year	489.28	420.32
Later than one year but not later than 5 years	1,114.09	643.37
Later than 5 years	-	-

iv. Fair value

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Investment properties	10,317.51	12,350.96

8 OTHER INTANGIBLE ASSETS

(₹ in lakhs)

PARTICULARS	Trade Mark	Technical Knowhow	Computer Software	Total
Year ended March 31, 2023				
Gross carrying Value as at April 01, 2022	12.55	-	4,354.98	4,367.53
Additions	2.52	-	3.20	5.72
Write off	(5.01)	-	(131.63)	(136.64)
Gross carrying Value as at March 31, 2023	10.06	-	4,226.55	4,236.61

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	Trade Mark	Technical Knowhow	Computer Software	Total
Accumulated amortisation and impairment as at April 01, 2022	7.80	-	4,040.55	4,048.35
Charged during the year	0.98	-	116.45	117.43
Write off	(5.01)	-	(131.63)	(136.64)
Upto March 31, 2023	3.77	-	4,025.37	4,029.14
Net carrying amount as at March 31, 2023	6.29	-	201.18	207.47
Year ended March 31, 2022				
Gross carrying Value as at April 01, 2021	7.78	6.33	4,331.34	4,345.45
Additions	4.77	-	23.64	28.41
Disposals	-	(6.33)	-	(6.33)
Gross carrying Value as at March 31, 2022	12.55	-	4,354.98	4,367.53
Accumulated amortisation and impairment as at April 01, 2021				
as at April 01, 2021	7.18	6.33	3,918.71	3,932.22
Charged during the year	0.62	-	121.84	122.46
Disposals	-	(6.33)	-	(6.33)
Upto March 31, 2022	7.80	-	4,040.55	4,048.35
Net carrying amount as at March 31, 2022	4.75	-	314.43	319.18

9 INVESTMENTS*

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Non-current investment		
In equity instruments of subsidiaries	15,159.34	15,151.84
In equity instruments of associate	2,100.87	2,100.87
In optionally fully convertible debentures of subsidiary	3,000.00	500.00
In optionally fully convertible preference shares of subsidiary	-	-
In government and trust securities	-	6.78
In bonds / debentures carrying at amortised cost	44,641.00	49,306.33
In equity Instruments of others	-	-
TOTAL	64,901.21	67,065.82
Current investment		
In equity instruments of others	946.08	940.76
In optionally fully convertible debentures of subsidiary	-	2,500.00
In bonds / debentures carrying at amortised cost	264.39	10,125.77
In Mutual funds	10,102.47	9,569.77
TOTAL	11,312.94	23,136.30
TOTAL INVESTMENTS	76,214.15	90,202.12
* Refer Note 49 and 50		
Details of investments		
Non-current investments		
Unquoted		
Investments carried at cost		

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Investment in equity instrument of subsidiaries:		
1 930,536,440 (Previous Year 930,536,440) Equity shares of ₹ 1/- (Previous Year ₹ 1/-) each fully paid up in Ticker Limited (earlier Tickerplant Limited) [at cost less expected credit loss in value ₹ 6,285.39 lakhs (Previous Year ₹ 6,285.39 lakhs)]	3,019.98	3,019.98
2 279,478,954 (Previous Year 239,478,952) Equity shares of ₹ 10/- each fully paid up, Nil (Previous Year 20,000,002) Equity Share of ₹ 10/- each (₹ 7.50/- paid up) and 20,000,000 (Previous Year Nil) Equity Share of ₹ 10/- each (₹ 5/- paid up) in National Spot Exchange Limited [at cost less expected credit loss in value ₹ 28,947.90 lakhs (Previous Year ₹ 25,447.90 lakhs)]	-	-
3 50,000 (Previous Year 50,000) Equity shares of ₹ 10/- each in Financial Technologies Communications Limited	5.00	5.00
4 109,060,002 (Previous Year 109,060,002) Ordinary shares of USD 1/- each in FT Group Investments Pvt Limited [at cost less expected credit loss in value ₹ 65,433.03 lakhs (Previous Year ₹ 65,433.03 lakhs)]	-	-
5 10,002 (Previous Year 10,002) Ordinary shares of USD 1/- each in Knowledge Assets Private Limited	3.98	3.98
6 3,750,000 (Previous Year 3,750,000) Equity shares of ₹ 10/- each in FT Knowledge Management Company Limited [at cost less expected credit loss in value ₹ 328.00 lakhs (Previous Year ₹ 328.00 lakhs)]	47.00	47.00
7 111,600,001 (Previous Year 111,600,001) Ordinary shares of SGD 1/- each in Financial Technologies Singapore PTE Limited [at cost less expected credit loss in value ₹ 25,464.26 lakhs (Previous Year ₹ 25,464.26 lakhs)]	11,410.10	11,410.10
8 4,314,395 (Previous Year 4,314,395) Equity shares of ₹ 10/- each in Apian Finance & Investment Limited	550.78	550.78
9 224,979 (Previous Year 149,988) Ordinary shares of ₹ 10/- each in FT Projects Limited	22.50	15.00
10 1,000,000 (Previous Year 1,000,000) Equity shares of ₹ 10/- each in Global Payment Networks Limited	100.00	100.00
11 100 (Previous Year 100) Equity Shares of Rand 1/- each in ICX Platform (Pty) Limited [at cost expected credit loss in value ₹ 499.13 lakhs (Previous Year ₹ 499.13 lakhs)]	-	-
TOTAL	15,159.34	15,151.84
Investment in equity instrument of associate:		
210,086,610 (Previous Year 210,086,610) Equity shares of ₹ 1/- each in NTT Data Payment Services India Limited (formerly known as atom technologies limited (atom))	2,100.87	2,100.87
TOTAL	2,100.87	2,100.87
In debentures of a subsidiary (unquoted):		
30 (Previous Year 5) Unsecured, optionally fully convertible debentures of ₹ 10,000,000/- each in FT Projects Limited	3,000.00	500.00
TOTAL	3,000.00	500.00
In Optionally convertible preference shares of a subsidiary (unquoted):		
15,000,000 (Previous Year 15,000,000) 5% Optionally Convertible Preference shares of USD 1/- each in FT Group Investments Pvt. Limited [at cost less expected credit loss in value ₹ 6,904.50 lakhs (Previous Year ₹ 6,904.50 lakhs)]	-	-
TOTAL	-	-

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS		As at 31.03.2023	As at 31.03.2022
In Government and trust securities (Unquoted):			
Nil (Previous Year 31.89) Class A units of ₹ 100,000/- each towards capital contribution of India Venture Trust- Fund I [at amortised cost less expected credit loss in value ₹ Nil (Previous Year ₹ 25.31 lakhs)]		-	6.58
National Savings Certificate- VIII Issue (deposited with sales tax authorities)		-	0.20
TOTAL		-	6.78
Investment carried at amortised cost			
In Bonds / debentures:			
1. 1,000.00 (Previous Year 1,000.00) Non Convertible 11.50% IL&FS Transportation Networks Ltd. NCD 21/06/2024 of ₹ 1,000,000/- each.	10,826.62		10,826.62
Less: impairment of bonds	(4,136.55)		-
		6,690.07	10,826.62
2. 1,000.00 (Previous Year 1,000.00) Non Convertible 11.80% IL&FS Transportation Networks Ltd. NCD 20/12/2024 of ₹ 1,000,000/- each.			10,829.04
Less: impairment of bonds			(7,500.00)
		3,329.04	3,329.04
3. 3,000.00 (Previous Year 3,000.00) Non Convertible 9.00% Yes Bank Ltd Perpetual Bonds (Base III Tier I) of ₹ 1,000,000/- each		29,995.05	29,995.05
4. 528,782(Previous Year 528,782) Non concertible 6.75% Piramal Capital & Housing Finance Limited Debentures of ₹ 875/- each		4,626.84	5,155.62
TOTAL		44,641.00	49,306.33
In Equity Instruments of Others (unquoted) carried through FVTPL:			
1. 2,338.00 (Previous Year 2,338.00) Equity shares of ₹ 10/- each in Eco-Connect Ventures Pvt. Ltd.		-	-
TOTAL NON-CURRENT INVESTMENTS		64,901.21	67,065.82
Current Investment			
In Equity Instruments of Others carried at fair value through Profit and loss account :			
1. 1,496,500 (Previous Year 1,496,500) Equity shares of ₹ 1/- each in Delhi Stock Exchange Limited		439.36	413.35
2. 2,440,602 (Previous Year 2,440,602) Equity shares of ₹ 10/- each in Metropolitan Clearing Corporation of India Ltd. (MCCIL),		243.57	273.19
3. 290,000 (Previous Year 290,000) Equity shares of ₹ 10/- each in Norflok Technology Services Limited (formerly Vadodara Stock Exchange Limited).		263.15	254.22
TOTAL		946.08	940.76
In debentures of a subsidiary (unquoted):			
Nil (Previous Year 25) Unsecured, optionally fully convertible debentures of ₹ 10,000,000/- each in FT Projects Limited		-	2,500.00
TOTAL		-	2,500.00
Investment carried at amortised cost			
In Bonds / debentures:			
1. 528,782 (Previous Year 528,782) Non convertible 6.75% Piramal Capital & Housing Finance Limited Debentures of ₹ 50/- each		264.39	-
2. Nil (Previous Year 1,000.00) Non Convertible 9.45% Gujarat State Investment Ltd NCD 28/09/2022 of ₹ 1,000,000/- each		-	10,125.77
TOTAL		264.39	10,125.77

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Investment carried at fair value through Profit and Loss		
1. 8,070,191.30 (Previous Year 8,070,191.30) units of ₹ 10/- each of Nippon India Corporate Bond Fund - Direct Plan -Growth.	4,205.59	3,998.64
2. 899,473.49 (Previous Year 899,473.49) units of ₹ 10/- each of ICICI Prudential Floating Interest Fund - Direct Plan - Growth.	3,447.95	3,244.05
3. 55,061.37 (Previous Year 55,061.37) units of ₹ 1,000/- each of Kotak Low Duration Fund - Direct Growth	1,685.24	1,597.67
4. 17,346.52 (Previous Year 17,346.52) units of ₹ 1,000/- each of Baroda BNP Paribas Liquid Fund Direct Plan - Growth (formerly BNP Paribas Liquid Fund - Direct Growth).	450.22	425.50
5. 1,340,928.35 (Previous Year 1,340,928.35) units of ₹ 10/- each of HSBC Corporate Bond Fund - Bonus - Original (formerly L&T Triple Ace Bond Fund - Bonus - Original).	313.47	303.91
TOTAL	10,102.47	9,569.77
TOTAL CURRENT INVESTMENT	11,312.94	23,136.30
Aggregate Value of listed but not quoted investment	44,905.39	59,432.10
Aggregate Value of unquoted investment	1,65,170.96	1,61,132.22
Aggregate amount of expected credit loss	1,33,862.20	1,30,362.20

10 LOANS

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Non-Current		
Unsecured, loans to related parties (Refer Note 38)		
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables - credit impaired	162.10	162.10
	162.10	162.10
Less: Allowance for Loans credit impaired	(162.10)	(162.10)
	-	-
Unsecured, Considered Good		
Loans to employees	10.68	16.86
TOTAL	10.68	16.86
Current		
Unsecured, loans to related parties (Refer Note 38)		
Considered good	500.00	500.00
Loan Receivables which have significant increase in Credit Risk	-	-
Loan Receivables - credit impaired	-	-
	500.00	500.00
Less: Allowance for Loans credit impaired	-	-
	500.00	500.00
Unsecured, Considered Good		
Loans to employees	9.66	14.76
TOTAL	509.66	514.76
TOTAL LOANS	520.34	531.62

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

11 OTHER FINANCIAL ASSETS

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Non-Current		
Security Deposits	100.30	100.02
Deposit with Hon'ble Bombay High Court	8,400.00	8,400.00
Other Bank Balances		
In current accounts (Refer Note 49 and 50)	3,027.17	3,027.17
In deposit accounts [under lien ₹ 12.36 lakhs (Previous year ₹ 43.75 lakhs)]	15,012.36	43.75
TOTAL	26,539.83	11,570.94
Current		
Interest accrued on bank fixed deposits / Others	2,305.79	1,027.09
Receivable on sale / redemptions of investments	1,540.94	11,750.09
Less: Expected credit loss	-	10,208.28
	1,540.94	1,541.81
Interest accrued on Bonds	3.62	239.42
Advances and other receivables		
Considered good	13.52	4.41
Considered doubtful	2,947.98	2,929.72
	2,961.50	2,934.13
Less: Allowance for doubtful advances	(2,947.98)	(2,929.72)
	13.52	4.41
Security deposits		
Considered good	5.68	0.36
Considered doubtful	13.12	13.12
	18.80	13.48
Less: Allowance For Doubtful Security deposit	(13.12)	(13.12)
	5.68	0.36
Unbilled receivable	74.75	476.25
Contractually reimbursable expenses		
Considered good	86.09	64.72
Considered doubtful	245.21	183.48
	331.30	248.20
Less: Allowance For Doubtful Contractually reimburseble expenses	(245.21)	(183.48)
	86.09	64.72
Rent receivables		
Considered good	192.31	84.82
Considered doubtful	106.76	159.65
	299.07	244.47
Less: Allowance For Doubtful rent receivable	(106.76)	(159.65)
	192.31	84.82
TOTAL	4,222.70	3,438.88
TOTAL OTHER FINANCIAL ASSETS	30,762.53	15,009.82

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

12 OTHER ASSETS

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Other Non-Current assets		
Advance Income Tax (net of provisions)	6,361.62	9,196.37
Advance Lease rental	631.85	644.25
Balances with government authorities	-	0.10
Capital advances	129.55	-
Prepaid Expenses	57.10	69.61
TOTAL	7,180.12	9,910.33
Other current assets		
Prepaid expenses	1,007.63	996.29
Balances With Government Authorities	179.24	117.56
Advance for Lease	12.41	12.37
Advances for supply of goods and services		
Considered good	1,867.59	1,894.90
Considered doubtful	200.00	200.00
	2,067.59	2,094.90
Less: Allowance for doubtful advances	(200.00)	(200.00)
	1,867.59	1,894.90
TOTAL	3,066.87	3,021.12
TOTAL OTHER ASSETS	10,246.99	12,931.45

13 TRADE RECEIVABLES

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Current Unsecured		
Undisputed Trade receivables – considered good	915.31	597.68
Undisputed Trade Receivables – which have significant increase in credit risk	-	-
Undisputed Trade Receivables – credit impaired	242.03	198.92
	1,157.34	796.60
Less: Allowance for expected credit loss on undisputed trade receivable	(242.03)	(198.92)
TOTAL TRADE RECEIVABLES	915.31	597.68

Trade receivables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022:

(₹ in lakhs)

PARTICULARS	Not Due/ Less than 6 Months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	870.87	44.44	-	-	-	915.31
	(565.49)	(32.19)	(-)	(-)	(-)	(597.68)
Undisputed Trade receivables – credit impaired	14.51	30.47	76.08	26.19	20.35	167.61
	(8.13)	(70.84)	(36.16)	(46.68)	(37.11)	(198.92)
Disputed Trade receivables – considered good	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	Not Due/ Less than 6 Months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
Disputed Trade receivables – credit impaired	-	-	59.27	0.36	14.79	74.42
	(-)	(-)	(-)	(-)	(-)	(-)
TOTAL	885.39	74.91	135.35	26.55	35.14	1,157.34
	(573.63)	(103.03)	(36.16)	(46.68)	(37.11)	(790.60)
Less: Allowance for credit loss	14.51	30.47	135.35	26.55	35.14	242.03
	(8.13)	(70.84)	(36.16)	(46.68)	(37.11)	(198.92)
TOTAL TRADE RECEIVABLES	870.87	44.44	-	-	-	915.31
	(565.49)	(32.19)	(-)	(-)	(-)	(597.68)

Previous year amounts are given in bracket.

14 CASH AND CASH EQUIVALENTS

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Cash And Bank Balances		
Cash on hand	1.44	6.14
Balances with banks		
In current accounts (Refer Note 49)	2,035.10	710.68
In deposit accounts with original maturity of less than 3 months	3,650.00	1,732.02
In earmarked accounts		
In current accounts	-	20.59
	5,685.10	2,463.29
TOTAL CASH AND CASH EQUIVALENTS	5,686.54	2,469.43

15 BANK BALANCES OTHER THAN (14) ABOVE

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Other bank balances *		
In deposit accounts with original maturity of more than 12 months [Includes ₹ 239.59 lakhs (Previous Year: Nil) under lien with banks]	37,976.96	3,266.89
In deposit accounts with original maturity of more than 3 months but less than 12 months [Includes Nil (Previous Year: ₹ 133.46 lakhs) under lien with banks]	81,556.44	1,04,818.88
* Refer Note 49 & 50		
In earmarked accounts		
Unclaimed dividend accounts	-	8.97
TOTAL BANK BALANCES OTHER THAN (14) ABOVE	1,19,533.40	1,08,094.74

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

16 EQUITY SHARE CAPITAL

PARTICULARS	As at 31.03.2023		As at 31.03.2022	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Authorised:				
Equity shares of ₹ 2/- each	15,00,00,000	3,000.00	15,00,00,000	3,000.00
Issued, subscribed and fully paid up:				
Equity shares of ₹ 2/- each	4,60,78,537	921.57	4,60,78,537	921.57

a. Reconciliation of number of shares

PARTICULARS	As at 31.03.2023		As at 31.03.2022	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Equity Shares				
Opening Balance	4,60,78,537	921.57	4,60,78,537	921.57
Changes during the period	-	-	-	-
Closing Balance	4,60,78,537	921.57	4,60,78,537	921.57

b. Rights, preferences and restrictions attached to equity shares:

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing annual general meeting, except in the case of interim dividend and appropriate judicial orders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in the proportion of equity shares held.

c. Details of equity shares held by each shareholder holding more than 5% equity shares in the Company:

PARTICULARS	As at 31.03.2023		As at 31.03.2022	
	Number of Equity Shares held	% Holding	Number of Equity Shares held	% Holding
La-fin Financial Services Private Limited	1,23,29,968	26.76	1,23,29,968	26.76
Jignesh P. Shah	65,36,728	14.19	65,36,728	14.19
Ravi Kanaiyalal Sheth	32,94,370	7.15	32,62,370	7.08

d. Details of equity shares held by promoters in the Company:

PARTICULARS	Number of Equity Shares held	% of total shares	% of Change during the year
La-Fin Financial Services Pvt Ltd	1,23,29,968	26.76	-
Jignesh P Shah *	65,36,728	14.19	-
Dewang Sunderraj Neralla	60,374	0.13	-
Rupal J Shah *	19,83,175	4.30	-
Mandar Neralla	1,364	0.00	-
Prakash B Shah	37,351	0.08	-
Manjay Prakash Shah	76,918	0.17	-
TOTAL	2,10,25,878	45.63	

* includes shares held under multiple folios

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

17 OTHER FINANCIAL LIABILITIES

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Non-Current		
Security Deposit	484.26	455.28
TOTAL	484.26	455.28
Current		
Unclaimed dividend*	-	8.97
Unpaid dividend	6,911.78	6,911.78
Payables on purchase of fixed assets	3.92	7.91
Payable to employees and other contractual obligations	1,046.10	966.81
Provision for CSR related expense	-	20.59
Security deposits	-	51.16
Advances from customers	72.42	116.88
TOTAL	8,034.22	8,084.10
TOTAL OTHER FINANCIAL LIABILITIES	8,518.48	8,539.38

*No amount due and outstanding to be credited to investor Education and Protection Fund

18 PROVISIONS

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Non-Current		
Compensated absences	697.24	603.86
Gratuity	400.04	54.72
TOTAL	1,097.28	658.58
Current		
Compensated absences	373.21	345.13
Gratuity	85.95	337.92
TOTAL	459.16	683.05
TOTAL PROVISIONS	1,556.44	1,341.63

19 OTHER LIABILITIES

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Current		
Statutory remittances	432.46	408.44
Income received in advance / unearned revenue	10,318.90	2,114.35
Other advances	-	2.78
TOTAL	10,751.36	2,525.57
TOTAL OTHER LIABILITIES	10,751.36	2,525.57

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

20 INCOME TAX & DEFERRED TAX**INCOME TAX RECOGNISED IN PROFIT OR LOSS:**

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Current Tax		
In respect of the current year	3,595.19	-
In respect of earlier years	148.12	-
	3,743.31	-
Deferred Tax		
In respect of the current year	367.37	(159.57)
	367.37	(159.57)
TOTAL TAX EXPENSE RECOGNISED IN THE CURRENT YEAR RELATING TO CONTINUING OPERATIONS	4,110.68	(159.57)

20.1 RECONCILIATION OF TAX EXPENSE WITH THE EFFECTIVE TAX

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Profit before tax from continuing operations (a)	6,886.09	(6,293.88)
Income tax rate as applicable (b)	29.12%	29.12%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	2,005.23	(1,832.78)
Permanent tax differences due to:		
Effect of expenses that are not deductible in determining taxable profit	2,068.83	1,617.53
Adjustments for income chargeable to tax at different rates	36.62	55.68
INCOME TAX EXPENSE RECOGNISED IN PROFIT OR LOSS RELATING TO CONTINUING OPERATIONS	4,110.68	(159.57)

20.2 TAX LOSSES & TAX CREDITS

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
(a) Tax losses		
Deferred tax asset not recognised:		
Unused tax losses (including capital gain losses)	7,289.46	6,436.97
Impairment / Provision for diminution in investments in subsidiaries & others	32,945.45	33,630.22
(b) Tax credits:		
Opening balance of MAT entitlement	8,585.02	8,585.02
Add: Claimed / (Utilised) during the year	(3,367.33)	-
Closing balance of MAT entitlement	5,217.69	8,585.02

20.3 DEFERRED TAX LIABILITIES / (ASSETS)

(a) The balance comprises temporary differences attributable to :

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Deferred income tax liabilities		
Property, plant and equipment	1,948.04	1,910.14
TOTAL DEFERRED INCOME TAX LIABILITIES	1,948.04	1,910.14

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Deferred income tax assets		
Trade receivables	70.48	57.93
Loans & other receivables	920.51	915.20
Provision for employees benefits	463.30	400.74
Right to use assets	(2.01)	0.50
Tax losses	-	350.49
MAT Credit entitlement	5,217.69	8,585.02
TOTAL DEFERRED INCOME TAX ASSETS	6,669.97	10,309.87
DEFERRED INCOME TAX (ASSETS) / LIABILITIES AFTER SET OFF	(4,721.93)	(8,399.73)

(b) Movement in deferred tax liabilities / (assets):

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Net deferred tax (assets) / liabilities at the beginning	(8,399.73)	(8,278.62)
Charged to profit or loss on account of:		
Property, plant and equipment	37.90	231.88
Trade receivables	(12.55)	1.77
Loans & other receivables	(5.31)	(6.49)
Provision for employees benefits	(5.66)	(36.95)
Right to use assets	2.50	0.70
Tax losses	350.49	(350.49)
MAT credit utilised	3,367.33	-
	3,734.70	(159.57)
Recognised in Other Comprehensive Income:		
Employee benefit expenses	(56.90)	38.46
NET DEFERRED TAX (ASSETS) / LIABILITIES AT THE CLOSING	(4,721.93)	(8,399.73)

20.4 CURRENT TAX LIABILITIES / (ASSETS)

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Current tax	3,270.51	1,729.60
TOTAL CURRENT TAX ASSET	3,270.51	1,729.60

21 TRADE PAYABLE

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Undisputed Dues To Micro And Small Enterprises	92.08	35.29
Total Outstanding Dues Of Creditors Other Than Micro And Small Enterprises	220.39	195.04
Payable to related parties	-	-
TOTAL TRADE PAYABLE	312.47	230.33

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

Trade Payable ageing schedule for the year ended as on March 31, 2023 and March 31, 2022:

(₹ in lakhs)

PARTICULARS	Not Due Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade payables - Others	220.39	-	-	-	220.39
	(195.04)	(-)	(-)	(-)	(195.04)
Undisputed Trade payables - MSME	92.08	-	-	-	92.08
	(35.29)	(-)	(-)	(-)	(35.29)
Disputed Trade payables - Others	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Disputed Trade payables - MSME	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Total Trade Payables	312.47	-	-	-	312.47
	(230.33)	(-)	(-)	(-)	(230.33)

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

(a) An amount of ₹ 92.08 lakhs (Previous Year ₹ 35.29 lakhs) and ₹ Nil (Previous Year ₹ Nil) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.

(b) No interest paid during the year.

(c) No interest is due and payable at the end of the year.

(d) No amount of interest accrued and unpaid at the end of the accounting year.

(e) No amount of further interest remaining due and payable even in the succeeding years.

The above information regarding Micro and Small Enterprises has been determined to the extent replies to the Company's communication have been received from vendors/suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. This has been relied upon by the auditors.

22 REVENUE FROM OPERATIONS

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Income from software products (IPR based license)	7,513.71	7,192.67
Income from software services (Project based)	19,620.14	7,130.83
IT infrastructure income	114.33	111.71
Other operating revenues		
Business support services	1.20	3.61
TOTAL REVENUE FROM OPERATIONS	27,249.38	14,438.82
Revenue disaggregation by geography is as follows:		
Geography		
India	26,905.17	14,325.86
Others	55.27	112.96
	26,960.43	14,438.82
Geographical revenue is allocated based on the location of the customers		
Changes in contract assets are as follows:		
Balance at the beginning of the year	476.27	308.10
Revenue recognised during the year	1,136.12	1,364.69
Invoices raised during the year	(1,537.62)	(1,196.53)
Balance at the end of the year	74.76	476.27

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Changes in unearned and deferred revenue are as follows:		
Balance at the beginning of the year	2,114.35	2,770.24
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	(1,984.32)	(2,479.26)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	10,188.87	1,823.36
Balance at the end of the year	10,318.90	2,114.35

23 OTHER INCOME

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Interest received on financial assets-Carried at amortised cost		
On Bank deposits*	6,034.71	4,178.52
On Investments*	683.64	983.16
On Loans to subsidiaries	38.04	37.61
On Income tax refunds	1,828.79	163.00
On Others	83.39	40.91
On Loans to employees*	2.45	4.11
	8,671.02	5,407.31
*Interest under effective Interest method		
Gain on Fair Valuation of Financial Assets at fair value through profit or loss (net)	536.81	456.73
Liabilities no longer required written back	-	70.32
Other Non-Operating Income		
Rental income from properties (Refer Note 6b)	1,028.10	735.09
Miscellaneous income	5.43	0.44
TOTAL OTHER INCOME	10,241.36	6,669.89

24 EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Salaries and emoluments	11,315.66	9,664.35
Contribution to provident fund and other funds (Refer Note 37)	475.39	417.48
Gratuity	178.74	171.68
Staff welfare expenses	334.37	319.76
TOTAL EMPLOYEE BENEFITS EXPENSE	12,304.16	10,573.27

25 FINANCE COSTS

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Interest expense		
Interest on lease liabilities	26.07	4.90
Others	28.40	34.41
TOTAL FINANCE COSTS	54.47	39.31

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

26 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Depreciation of tangible assets	770.92	857.63
Depreciation of Investment Properties	210.07	210.06
Depreciation on lease property	88.84	17.22
Amortisation of intangible assets	117.43	122.46
TOTAL DEPRECIATION AND AMORTISATION EXPENSES	1,187.26	1,207.37

27 OTHER EXPENSES

(₹ in lakhs)

PARTICULARS		Year Ended 31.03.2023	Year Ended 31.03.2022
Electricity		376.98	341.30
Rent		28.65	54.78
Repairs and maintenance		677.18	578.53
Security service charges		153.44	128.50
Office Expenses		545.24	445.54
Advertisement, branding & event expenses		110.76	163.39
Sales promotion expenses		155.05	176.83
Travelling and conveyance		172.01	101.85
Software license fees		1,090.69	924.20
Communication expenses		421.73	303.95
Legal and professional charges (Refer Note 34)		4,497.58	5,870.64
Outsourcing charges		268.12	207.89
Bad trade receivables / advances written off	65.22		115.06
Less: Allowance for credit loss made earlier	29.00		93.96
		36.22	21.10
Expected credit loss on trade receivables and advances		99.22	73.85
CSR related Expenses		-	9.17
Provision for commission to non-executive directors		125.00	-
Miscellaneous expenses		914.34	972.84
TOTAL OTHER EXPENSES		9,672.21	10,374.36

28 EXCEPTIONAL ITEMS

(₹ in lakhs)

PARTICULARS		Year Ended 31.03.2023	Year Ended 31.03.2022
Write off / impairment of receivable in respect of debentures (Refer Note 42 & 43)	(14,344.83)		
Less: Reversal of allowance for expected loss made earlier year's	10,208.28		
		(4,136.55)	-
Allowance for expected credit loss of investments in Debentures (Refer Note 43)		-	(2,708.28)
Allowance for credit loss on loans to subsidiaries made earlier written back		250.00	-
Allowance for expected credit loss on investments in subsidiaries (Refer Note 40)		(3,500.00)	(2,500.00)
TOTAL EXCEPTIONAL ITEMS		(7,386.55)	(5,208.28)

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

29 FINANCIAL INSTRUMENTS

Financial instruments by category

The carrying amounts and fair values of financial instruments by categories as at March 31, 2023 and March 31, 2022 are as follows:

(₹ in lakhs)

PARTICULARS	Amortised Cost / Cost	FVTPL	FVTOCI	Fair Value / Carrying Value
As at 31.03.2023				
Assets:				
Investments:				
In equity Instruments of Subsidiaries	15,159.34	-	-	15,159.34
In equity instruments of associate	2,100.87	-	-	2,100.87
In optionally fully convertible debentures of subsidiary	3,000.00	-	-	3,000.00
In bonds carrying at amortised cost	44,905.39	-	-	44,502.14
In mutual funds	-	10,102.47	-	10,102.47
In equity instruments of others	-	946.08	-	946.08
Cash and cash equivalents	5,686.54	-	-	5,686.54
Bank balances other than above	1,19,533.40	-	-	1,19,533.40
Trade receivables	915.31	-	-	915.31
Loans	520.34	-	-	520.34
Other financial assets	30,762.53	-	-	30,762.53
TOTAL ASSETS	2,22,583.72	11,048.55	-	2,33,229.02
Liabilities:				
Trade payables	312.47	-	-	312.47
Other financial liabilities	8,518.48	-	-	8,518.48
Lease liability	420.19	-	-	420.19
TOTAL LIABILITIES	9,251.14	-	-	9,251.14

(₹ in lakhs)

PARTICULARS	Amortised Cost / Cost	FVTPL	FVTOCI	Fair Value / Carrying Value
As at 31.03.2022				
Assets :				
Investments:				
In equity Instruments of Subsidiaries	15,151.84	-	-	15,151.84
In equity instruments of associate	2,100.87	-	-	2,100.87
In optionally fully convertible debentures of subsidiary	3,000.00	-	-	3,000.00
In government and trust securities	-	6.78	-	6.78
In bonds carrying at amortised cost	59,432.10	-	-	58,649.27
In mutual funds	-	9,569.77	-	9,569.77
In equity instruments of others	-	940.76	-	940.76
Cash and cash equivalents	2,469.43	-	-	2,469.43
Bank balances other than above	1,08,094.74	-	-	1,08,094.74
Trade receivables	597.68	-	-	597.68
Loans	531.62	-	-	531.62
Other financial assets	15,009.82	-	-	15,009.82
TOTAL ASSETS	2,06,388.10	10,517.31	-	2,16,122.58
Liabilities:				
Trade payables	230.33	-	-	230.33
Other financial liabilities	8,539.38	-	-	8,539.38
TOTAL LIABILITIES	8,769.71	-	-	8,769.71

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as under:

- Level 1 hierarchy includes methods and input that use active quoted prices depending upon type of instrument. Management has used closing prices and values of closing NAV's as applicable in case of financial instruments covered under this level.
- Under level 2 the fair value of the financial instruments that are not traded in any active market are determined using appropriate valuation techniques with the use of observable market data without relying much on the estimates that are entity specific. The inputs under this level are always observable.
- In case of level 3 if one or more of the significant inputs are not derived on the basis of observable market data then fair value estimations derived with such inputs are included in level 3.
- The Company follows a policy to recognise transfers between the levels only at the end of reporting period and accordingly there are no transfers between levels during the year.

The information based on the above levels is tabulated here below:

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹ in lakhs)

PARTICULARS	Fair value measurement at end of the reporting period/year using		
	Level 1	Level 2	Level 3
As at 31.03.2023			
Assets at Fair Value :			
In mutual funds	10,102.47	-	-
In equity instruments of others	-	-	946.08
In government and trust securities	-	-	-
Liabilities at Fair Value :	-	-	-
As at 31.03.2022			
Assets at Fair Value :			
In mutual funds	9,569.77	-	-
In equity instruments of others	-	-	940.76
In government and trust securities	-	-	6.78
Liabilities at Fair Value :	-	-	-

Fair value hierarchy of assets and liabilities measured at amortised cost for which fair values are disclosed:

(₹ in lakhs)

PARTICULARS	Fair value amount as at 31.03.2023	Fair Value		
		Level 1	Level 2	Level 3
In bonds carrying at amortised cost	44,502.14	-	-	44,502.14

(₹ in lakhs)

PARTICULARS	Fair value amount as at 31.03.2022	Fair Value		
		Level 1	Level 2	Level 3
In bonds carrying at amortised cost	58,649.27	-	-	58,649.27

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

Reconciliation of Level 3 fair value measurement is as follows:

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
In equity instruments of others:		
Balance at the beginning of the year	940.76	956.06
Gain / (loss) on fair valuation of financial assets	5.32	(15.30)
Balance at the end of the year	946.08	940.76
In government and trust securities:		
Balance at the beginning of the year	6.78	7.09
Sale/ Settlement during the year	(6.78)	(0.31)
Balance at the end of the year	-	6.78

Calculation of fair values:

The fair values of Investments in mutual funds are based on Net Asset Values (NAV) published by fund houses and uploaded on Association of Mutual Funds of India (AMFI)'s website. The unlisted equity shares are fair valued on the basis of latest available financial statements of the companies. The securities which are listed but not frequently traded are fair valued based on the estimated rate as per prevailing market condition as on reporting date as received from market intermediary. Where such estimated rates are not available, carrying value as per the books is considered. Trust securities are fair valued based on latest available Net Asset Value report from the trustee company.

Income, expenses, gains or losses on financial instruments:

(₹ in lakhs)

PARTICULARS	Year ended 31.03.2023	Year ended 31.03.2022
Financial assets carried at amortised cost		
Interest income	6,842.23	5,244.31
Advance / Liabilities no longer required written back	-	70.32
Bad trade receivable / advances written off	(36.22)	(21.10)
Expected credit loss on Investments in bonds / debentures	-	(2,708.28)
Impairment of investments in debentures / bonds	(4,136.55)	-
Financial assets carried at fair value through profit or loss		
Gain / (loss) on fair valuation	536.81	456.73
Impairment of Bonds	-	-
Financial liabilities carried at amortised cost		
Interest on lease liabilities	26.07	4.90
Depreciation on lease property	88.84	17.22
Net (gain) / loss on foreign currency translations	1.45	(0.69)

30 RISK MANAGEMENT

Credit Risk Management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investment securities.

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals of customers to which the Company grants credit terms in the normal course of business and their past transactions. Impairment losses in respect of trade receivables is assessed at party level on each reporting date. The Company establishes an expected credit loss allowance for trade receivables based on historical trends. The ageing analysis of trade receivable (gross of provision) has been considered from the date invoice falls due. Following table depicts expected credit loss on age wise trade receivables.

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

Period (in days)		As at	As at
		31.03.2023	31.03.2022
Upto 180 days	Amount	885.39	573.63
	Expected credit loss	14.51	8.13
181 - 270 days	Amount	54.00	35.07
	Expected credit loss	9.57	2.88
More than 270 days	Amount	217.95	187.91
	Expected credit loss	217.95	187.91
TOTAL	Amount	1,157.34	796.60
	Expected credit loss	242.03	198.92

Following table summarises the change in loss allowances measured using Life time Expected Credit Loss model:

(₹ in lakhs)

PARTICULARS	Year ending	Year ending
	31.03.2023	31.03.2022
Balance at the beginning of the year	198.92	205.02
Add: additional provision during the year	72.11	87.86
Less: reversal of provision	29.00	93.96
Balance at the end of the year	242.03	198.92

Financial instruments & bank balances:

The Company limits its exposure to credit risk by generally investing in securities with a good credit rating. The credit rating is being reviewed by the Company periodically. Please refer to Note 42, 43 and 44 regarding the Company's investment in (a) Non-Convertible Debentures of IL&FS Transport Networks Ltd (b) Non-Convertible Debentures of Dewan Housing Finance Corporation Limited and (c) Perpetual Bonds of Yes Bank Limited. Balances with banks are subject to low credit risks due to good credit ratings assigned to these banks.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2023 and March 31, 2022.

(₹ in lakhs)

Period (in days)	Trade Payable	Period (in days)	Trade Payable
As at 31.03.2023		As at 31.03.2022	
Up to 180 days	312.47	Up to 180 days	230.33
181 – 365 days	-	181 – 365 days	-
More than 365 days	-	More than 365 days	-

Foreign Currency risk

The Company's exchange risk arises primarily from its trade receivable. The advance in foreign currency are provided for. The exchange rate between the Indian rupee and US dollars has changed substantially in recent periods and may continue to fluctuate in the future. However since, outstanding amount is not material, foreign currency exposures have not been hedged by a derivative instrument or otherwise. The Company's foreign currency exposures as on year end are as under:

(₹ in lakhs)

PARTICULARS	Currency	As at 31.03.2023		As at 31.03.2022	
		Foreign Currency	₹	Foreign Currency	₹
Receivables in foreign currency					
Trade receivables	USD	0.14	11.10	0.14	10.23

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

For the year ended March 31, 2023 every 1% increase/decrease of the respective foreign currencies compared to functional currency of the Company would result in loss / gain of ₹ (0.08) lakhs.

For the year ended March 31, 2022 every 1% increase/decrease of the respective foreign currencies compared to functional currency of the Company would result in loss / gain of ₹ (0.07) lakhs.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's investment are primarily in fixed rate interest bearing securities and hence do not carry substantial interest rate risk. Company investments in bank deposits are normally for one year fixed rate interest and hence subject to repricing risk on maturity. See Note 49 and 50 for attachment of investments.

Capital Management

The primary objective of Company's capital management is to maximize shareholders value and safeguard its ability to continue as a going concern. The Company is predominantly equity financed and has no borrowings.

Price Risk

The Company is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments. The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in debt mutual funds.

31 ACCOUNTING RATIOS

Sr	Ratio	Numerator	Denominator	Year ended March 31, 2023	Year ended March 31, 2022	% Variation	Reason for Variation
a	Current ratio	Total Current Assets	Total Current Liabilities	7.53	12.39	(39.23%)	Ratio is lower due to some fixed deposits placed for longer tenure
b	Return on equity ratio	Net Profit as per P&L	Average Total Equity	1.07%	(2.34%)	145.62%	Profit for the year is higher due to higher turnover and increase in bank deposit rates during the year
c	Net profit ratio	Net Profit as per P&L	Total Income as per P&L	7.40%	(29.06%)	125.47%	Profit for the year is higher due to higher turnover and increase in bank deposit rates during the year
d	Return on capital employed	Earning before interest and taxes	Capital Employed	2.65%	(2.42%)	209.96%	Profit for the year is higher due to higher turnover and increase in bank deposit rates during the year
e	Return on investment	Net Profit as per P&L	Total Assets	5.30%	4.23%	25.31%	Return on investment is higher in current year mainly due to increase in bank deposit rates.
f	Net capital turnover ratio	Revenue	Working Capital	0.21	0.11	92.63%	Reduction in working capital due to higher income earned in advance has resulted in improvement of ratio
g	Trade receivables turnover ratio	Revenue	Average Trade Receivable	25.48	17.22	48.84%	Ratio has improved due to increase in turnover during the year
h	Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	9.28	11.15	5.27%	Not applicable
i	Debt-equity ratio	Total Debt (represents lease liabilities)	Shareholder's Equity	0.00	0.00	NA	Ratio is less than 0.00
j	Debt service coverage ratio	Earnings available for debt services	Debt services (lease related payments)	32.28	NA	NA	Due to loss in last year, DSCR was not calculated last year
k	Inventory turnover ratio	Not applicable as the Company has no inventory.					

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

32 CONTINGENT LIABILITIES & ASSETS AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
1. CONTINGENT LIABILITIES:		
(a) Claims against the Company not acknowledged as debt		
(i) Income tax demands which are in appeal [including adjustable against Securities Premium account ₹ 1,941.03 lakhs (Previous Year ₹ 1,941.03 lakhs)].	17,809.50	18,499.03
(ii) MVAT dues contested by the Company.	206.77	206.77
(iii) Refer Note 48, 49 and 50 for pending civil suits and First Information Report, impact of which is not ascertainable. (Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.)		
2. CAPITAL AND OTHER COMMITMENTS		
(i) Estimated amount of contracts to be executed on capital account and not provided for (net of advances).	45.10	68.59
(ii) Commitments relating to lease The Company has entered into various cancellable and non-cancellable operating lease agreements as a lessee for various premises ranging from 6 months to 60 months and may be renewed for further period based on mutual agreement of the parties.		

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Future minimum lease payments		
Not later than one year	26.31	33.01
Later than one year and not later than five years	28.26	8.13
Later than five years	-	-
(iii) The Company has provided letters committing continuing financial support subject to regulatory approval as may be required, to its subsidiaries viz. FT Group Investment Pvt. Ltd, ICX Platform (Pty) Ltd. and Knowledge Assets Private Limited to meet their day to day obligations / loan obligations / commitments, to the extent these entities may be unable to meet their obligations.		

33 a) EXPENDITURE IN FOREIGN CURRENCY

(₹ in lakhs)

NATURE OF EXPENSES	Year Ended 31.03.2023	Year Ended 31.03.2022
Travelling expenses	5.91	4.52
Legal and professional charges	-	9.36
IT Support Charges	25.12	19.00
Data Center & Hosting Charges	3.49	19.71
Software license fees	173.85	146.70
Miscellaneous expenses	3.03	3.44
TOTAL	211.39	202.73

b) EARNINGS IN FOREIGN EXCHANGE

(₹ in lakhs)

NATURE OF INCOME	Year Ended 31.03.2023	Year Ended 31.03.2022
Income from software services (Project based)	55.27	112.96
Interest on loans to subsidiaries	5.79	5.36
TOTAL	61.05	118.32

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

34 LEGAL AND PROFESSIONAL CHARGES INCLUDES PAYMENTS TO STATUTORY AUDITORS (EXCLUDING GST)

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
For audit	35.00	35.00
For taxation matters*	-	6.00
For limited reviews	15.00	15.00
For other services*	4.55	7.00
Reimbursement of expenses	1.95	1.77
TOTAL	56.50	64.77

*includes amounts paid to group firm

35 REVENUE EXPENDITURE INCURRED DURING THE YEAR ON RESEARCH AND DEVELOPMENT

The aggregate amount of revenue expenditure incurred during the year on Research and Development as per allocation made by the management and shown in the respective heads of the account is ₹ 1,521.40 lakhs (Previous Year ₹ 1,294.77 lakhs). This has been relied upon by the auditors.

36 EARNINGS PER SHARE IS CALCULATED AS FOLLOWS :

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Net profit / (Loss) attributable to the equity shareholders (for basic/diluted EPS) (₹ in lakhs)	2,775.41	(6,134.31)
Weighted average number of equity shares		
For Basic EPS	4,60,78,537	4,60,78,537
Add: Effect of dilutive stock options	-	-
For Diluted EPS	4,60,78,537	4,60,78,537
Basic earnings per share (in ₹)	6.02	(13.31)
Diluted earnings per share (in ₹)	6.02	(13.31)
Face value ₹ per share	2/-	2/-

37 EMPLOYEE BENEFIT PLANS

Defined contribution plans: The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contributions plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company has recognised following amounts as contributions in the statement of profit and loss as part of contribution to provident fund and other funds in Note 24 Employee benefits expenses.

Contribution to PF : ₹ 385.90 lakhs (Previous Year ₹ 340.48 lakhs)

Contribution to ESIC : ₹ 1.43 lakhs (Previous Year ₹ 1.08 lakhs)

Post employment defined benefit plans:

Gratuity Plan : The Company makes annual contributions to the Employee's Group Gratuity Assurance Scheme administered by the Life Insurance Corporation of India ('LIC'), a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

The following table sets out the funded status of the gratuity plan and amount recognised in the financial statements.

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
I Change in defined benefit obligation during the year:		
Present Value of defined benefit obligation at the beginning of the year	2,126.54	2,197.82
Interest Cost	153.75	150.55
Current Service Cost	181.49	184.21
Benefits Paid	(112.97)	(187.08)
Actuarial (gain) / loss on obligations	184.42	(116.81)
Obligation transferred	(94.87)	(102.15)
Present Value of defined benefit obligation at the end of the year	2,438.35	2,126.54
II Change in fair value of plan assets during the year:		
Fair Value of the plan asset at the beginning of the year	1,733.90	1,695.49
Expected return on plan assets	125.36	116.14
Contributions	311.95	196.23
Benefits paid	(112.97)	(187.08)
Obligation transferred	(94.87)	(102.15)
Actuarial gain / (loss) on plan assets	(10.99)	15.26
Fair value of plan assets at the end of the year	1,952.38	1,733.90
Excess of obligation over plan assets	(485.98)	(392.64)
III Components of employer's expense		
Current service cost	181.49	184.21
Interest cost	153.75	150.55
Expected return on plan assets	(125.36)	(116.14)
Net actuarial (gain) / loss recognized	195.41	(132.07)
Total expense / (credit) recognised in the Statement of Profit and Loss	405.29	86.54
IV Actual return on plan assets	114.37	131.40
V Composition of Plan Assets as at the end of the year		
Insurer Managed Funds	1,952.37	1,733.90
Fund is managed by LIC of India as per IRDA guidelines, category wise composition of planned asset is not available		
TOTAL	1,952.37	1,733.90
VI Actuarial assumptions		
Discount rate	7.50%	7.23%
Salary escalation rate	7.50%	7.50%
Expected rate of return on plan assets	7.50%	7.23%
Attrition rate	For service 4 yrs. & Below 10.00% p.a. & 5.00% p.a. thereafter	
Mortality rates	Indian Assured Lives Mortality (2012-14) URBAN	

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

VII Experience adjustments	2023	2022	2021	2020	2019
Defined benefit obligation	2,438.35	2,126.54	2,197.82	2,101.32	1,720.15
Fair value of planned assets	1,952.38	1,733.90	1,695.49	1,595.51	1,388.83
Funded Status - Deficit	485.98	392.64	502.33	505.81	331.32
Experience adjustment on plan liabilities [(Gain)/Loss]	9.58	9.58	9.58	9.58	9.58
Experience adjustment on plan assets [Gain/(Loss)]	(10.99)	15.26	(16.99)	(17.39)	(11.08)

VIII Sensitivity Analysis

(Amount in ₹)

DESCRIPTION	Year Ended 31.03.2023	Year Ended 31.03.2022
Projected Benefit Obligation on Current Assumptions	24,38,35,880	21,26,54,493
Delta Effect of +1% Change in Rate of Discounting	(2,02,05,694)	(1,83,20,329)
Delta Effect of -1% Change in Rate of Discounting	2,32,85,973	2,11,99,373
Delta Effect of +1% Change in Rate of Salary Increase	2,30,55,565	2,09,32,481
Delta Effect of -1% Change in Rate of Salary Increase	(2,03,82,464)	(1,84,37,107)
Delta Effect of +1% Change in Rate of Employee Turnover	(3,21,729)	(6,25,779)
Delta Effect of -1% Change in Rate of Employee Turnover	3,26,654	6,77,952

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

IX Maturity Analysis of Projected Benefit Obligation: From the Fund

(Amount in ₹)

Projected Benefits Payable in Future Years From the Date of Reporting	Year Ended 31.03.2023	Year Ended 31.03.2022
1st Following Year	1,65,52,617	1,23,81,362
2nd Following Year	1,45,61,833	1,35,51,618
3rd Following Year	1,41,92,108	1,33,09,384
4th Following Year	1,49,47,132	1,13,26,294
5th Following Year	1,36,93,035	1,35,53,267
Sum of Years 6 To 10	11,04,02,039	8,23,17,115
Sum of Years 11 and above	36,80,04,802	33,39,47,883

The expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by LIC, since the fund is managed by LIC.

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

The Company expects to contribute ₹ 400.04 lakhs (Previous Year ₹ 337.92 lakhs) to the plan assets in the immediate next year.

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

38 RELATED PARTY DISCLOSURE**I Names of related parties and nature of relationship:****(i) Entities where control exists (Subsidiaries, including step down subsidiaries)**

- 1 Ticker Limited (formerly known as Tickerplant Limited) (Ticker)
- 2 National Spot Exchange Ltd. (NSEL)
- 3 Western Ghats Agro Growers Company Limited (WGAGL) (Subsidiary of NSEL)
- 4 Farmer Agricultural Integrated Development Alliance Ltd. (FAIDA) (Subsidiary of NSEL)
- 5 FT Group Investments Pvt. Ltd. (FTGIPL)
- 6 Knowledge Assets Pvt. Ltd. (KAPL)
- 7 Financial Technologies Communications Ltd. (FTCL)
- 8 Global Payment Networks Ltd. (GPNL)
- 9 FT Knowledge Management Company Ltd. (FTKMCL)
- 10 Indian Bullion Market Association Ltd. (IBMA) (Subsidiary of NSEL)
- 11 ICX Platform (Pty) Ltd. (ICX)
- 12 Apian Finance and Investments Ltd. (APIAN)
- 13 Financial Technologies Singapore Pte Ltd. (FTSPL)
- 14 FT Projects Ltd. (FTPL)
- 15 3.0 verse Limited (Subsidiary of Ticker) (w.e.f. 21st June, 2022)

(ii) Subsidiaries, including step down subsidiaries which are under liquidation / Liquidated

- 1 Riskraft Consulting Ltd. (Riskraft) (Under Liquidation)
- 2 IBS Forex Ltd. (IBS) (Under Liquidation)
- 3 Financial Technologies Middle East- DMCC (FTME) (Subsidiary of FTGIPL) (Under Liquidation)
- 4 Bourse Africa Limited (BAL) (subsidiary of FTGIPL) (Liquidated w.e.f. 3rd December, 2022)
- 5 Credit Market Services Ltd. (CMSL) (Liquidated w.e.f. 22nd June, 2022)

(iii) Associate

NTT Data Payment Services India Limited (formerly known as atom technologies limited (atom))

(iv) Key Management Personnel (KMP) as per Ind AS 24**(a) Executive Directors:**

- 1 Mr. S. Rajendran : Managing Director & CEO
- 2 Mr. Devendra Agrawal : Whole-time Director & Chief Financial Officer

(b) Company Secretary :

- 1 Mr. Hariraj Chouhan

(c) Non-executive Directors:

- 1 Mr. Venkat Chary (Retd. IAS)
- 2 Mr. A. Nagarajan (Retd. IAS) (upto September 22, 2021)
- 3 Justice Rajan Kochar (Retd.) (upto September 22, 2021)
- 4 Mr. Sunil Shah
- 5 Justice Deepak Verma (Retd.)
- 6 Ms. Chitkala Zutshi (Retd. IAS)
- 7 Mr. Suresh Salvi (Retd. IAS)
- 8 Mr. Kanekal Chandrasekhar
- 9 Mr. Devender Singh Rawat

(d) Nominee Directors:**

- 1 Mrs. Malini Vijay Shankar
- 2 Mr. Satyananda Mishra
- 3 Mr. Parveen Kumar Gupta

** Nominee Directors appointed by Ministry of Corporate Affairs vide its order dated 16th March 2020, based on NCLAT order dated 12th March 2020. The Company has challenged the order dated 12th March 2020, before the Hon'ble Supreme Court for stay of the order passed by MCA. The Hon'ble Supreme Court vide its order dated 9th March 2022, has stayed NCLAT order and consequently MCA order dated 16th March 2020, remain stayed.

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

(v) Individuals / Entity owning, directly or indirectly, an interest in the voting power that gives control or significant influence.

- 1 La-fin Financial Services Pvt. Ltd. (La-fin)
- 2 Mr. Jignesh Shah

(vi) Relatives of Key Management Personnel

- 1 Ms. Shyamala S R
- 2 Ms. Maheshwari Rajendran

II Details of transactions with subsidiaries during the year ended 31st March, 2023 and balances outstanding as at 31st March, 2023**(a) Party-wise details of transactions with subsidiaries including step-down subsidiaries:**

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
1. Income from software services (Sales service project based)		
Ticker	21.00	21.00
FTCL	9.50	10.63
	30.50	31.63
2. Other Operating revenue		
Business Support Services		
Ticker	-	1.16
APIAN	1.20	1.20
FTCL	5.50	12.00
	6.70	14.36
3. Interest Income		
ICX	5.79	5.36
APIAN	32.25	32.25
	38.04	37.61
4. Rental income from operating leases		
NSEL	18.14	19.50
Ticker	150.00	45.00
	168.14	64.50
5. Allowance for credit loss on loans to subsidiary made earlier written back		
APIAN	250.00	-
	250.00	-
6. Bad debts and advances written off		
NSEL	19.59	21.06
	19.59	21.06
7. Allowance for expected credit loss on Trade receivables from subsidiary		
Ticker	16.60	7.57
	16.60	7.57
8. Allowance for expected credit loss on Other receivable from subsidiary		
Ticker	8.84	(21.23)
	8.84	(21.23)
9. Recoveries charged by the company towards expenses		
Ticker	125.83	72.12
FTCL	0.90	0.67
	126.73	72.79

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
10. Expenses charged to the Company		
FTCL	73.15	80.40
Ticker	32.36	-
	105.51	80.40
11. Allowance for expected credit loss on advances		
Ticker	10.03	14.69
ICX	8.24	5.47
	18.27	20.16
12. Investment made		
Ticker	-	2,102.86
FTPL	7.50	-
NSEL	3,500.00	2,500.00
	3,507.50	4,602.86

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
13. Allowance for / (reversal of) expected credit loss in investments in subsidiaries		
NSEL	3,500.00	2,500.00
	3,500.00	2,500.00
14. Loan Given		
Opening Balance		
ICX	162.10	162.10
APIAN	500.00	500.00
Less:- Cumulative allowance for expected credit loss on loans	(162.10)	(162.10)
	500.00	500.00
Balance as at end of year		
ICX	162.10	162.10
APIAN	500.00	500.00
Less:- Cumulative allowance for expected credit loss on loans	(162.10)	(162.10)
	500.00	500.00
15. Trade Receivables as at end of year		
Ticker	98.25	96.63
Less:- Expected credit loss on trade receivables	(77.07)	(60.47)
	21.18	36.16
16. Rent receivable as at end of the year		
Ticker	282.70	202.45
Less:- Expected credit loss on rent receivables	(106.19)	(159.08)
	176.51	43.37
17. Other receivables as at end of year		
Ticker	310.78	233.50
Less:- Expected credit loss on other receivables	(245.21)	(183.48)
	65.57	50.02

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

PARTICULARS	(₹ in lakhs)	
	As at 31.03.2023	As at 31.03.2022
18. Advances as at end of year		
Ticker	37.81	19.10
3.0 verse Limited	0.42	-
ICX	44.99	36.74
FTGIPL	2,878.28	2,878.28
Less:- Expected credit loss on advances	(2,947.98)	(2,929.71)
	13.52	4.41
19. Guarantees given by the Company on behalf of subsidiaries		
Opening Balance	-	225.45
Decrease in guarantee given	-	(225.45)
Closing Balance	-	-
20. Cumulative allowance for expected credit loss in the value of Investments		
Ticker	6,285.39	6,285.39
FTKMCL	328.00	328.00
NSEL	28,947.90	25,447.90
FTGIPL	72,337.53	72,337.53
FTSPL	25,464.26	25,464.26
ICX	499.13	499.13
	1,33,862.21	1,30,362.21

III Transactions with Key Managerial Personnel (KMP), relatives of KMP and Entity over which KMP and relative of KMP can exercise significant influence:

PARTICULARS	(₹ in lakhs)	
	Year Ended 31.03.2023	Year Ended 31.03.2022
a) Key Managerial Personnel (Executive Directors & Company Secretary)		
Remuneration		
Short-term employee benefits	288.65	290.13
Post-employment benefits*	-	-
Other long-term benefits	-	-
* Post-employment benefits which are actuarially determined on overall basis are not included.		
b) Key Management Personnel (Non-executive directors)		
Director Sitting Fees	68.50	63.75
Provision for commission	125.00	-
Consultancy Fees - Devender Singh Rawat	21.60	21.60
Consultancy Fees - Sunil Shah	21.60	21.60
c) Rent to Relatives of KMP		
Ms. Shyamala S R	5.46	-
Ms. Maheshwari Rajendran	5.46	-

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

IV Transactions with Individuals owning, directly or indirectly, an interest in the voting power that gives control or significant influence:

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Consultancy Fees*	327.50	297.50

* Amount paid to Mr. Jignesh Shah for providing strategic input in relation to ongoing legal matters and mentoring Company's future vision.

39 LOANS AND ADVANCES IN THE NATURE OF LOANS (AS REQUIRED BY REGULATION 34 (3) AND 53(f) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURES REQUIREMENTS) REGULATION, 2015.

(₹ in lakhs)

NAME OF THE COMPANY	Relationship with Company	Purpose of loan	As at 31.03.2023	As at 31.03.2022
1. Apian Finance & Investment Ltd	Subsidiary	Business	500.00	500.00
2. ICX Platform (PTY) Ltd.	Subsidiary	Business	162.10	162.10
Less:- Cumulative allowance for expected credit loss on loans			(162.10)	(162.10)
TOTAL			500.00	500.00

Notes:

- i) Loans to employees as per the Company's policy are not considered.
- ii) None of the loanees have made investments in the shares of the Company.
- iii) Figures disclosed above are without reducing amount of expected credit loss on loans.

40 During the year, In order to meet the working capital requirements of NSEL, the Company has subscribed to the right issues made by NSEL to the extent of ₹ 3,500 lakhs (Previous Year ₹ 2,500 lakhs). On conservative basis, the Company has made allowance for expected credit loss in value of long term investments in its subsidiaries including NSEL to the extent of ₹ 3,500 lakhs (Previous Year ₹ 2,500 lakhs) which is included under exceptional items. (Refer Note 28).

41 The Details of corporate social responsibility as prescribed under section 135 of Companies Act 2013 are as follows:

(₹ in lakhs)

Sr. No.	PARTICULARS	Year ended March 31, 2023	Year ended March 31, 2022
I	Amount required to be spent by the Company during the year	-	4.73
	Amount spent during the year (Refer Note VII)		
II	i) Construction / acquisition of any assets	-	-
	ii) For the purpose of the other than (i) above	21.49	9.17
III	Shortfall at the end of the year	Nil	Nil
IV	Total previous year shortfall	Nil	Nil
V	Reason for shortfall	Not Applicable	Not Applicable

VI Nature of CSR activities includes promoting education, including special education and employment enhancing vocation skills, rural development.

42 The Company has investments of ₹ 20,000 Lakhs (face value) in Secured Non-Convertible Debentures issued by IL&FS Transportation Networks Ltd (ITNL) (subsidiary of Infrastructure Leasing & Finance Ltd – IL&FS) which were rated "A" by the rating agencies at the time of purchase and was also secured by way of charge on certain assets of ITNL. In earlier years, ITNL has defaulted in payment of interest and rating agencies have revised the credit ratings to the lowest category 'D' i.e. default. National Company Law Tribunal (NCLT) has superseded the then existing Board of Directors of the IL&FS and the new board was appointed on the recommendation application of the Union of India. Resolution process has been initiated under Companies Act by the New Board under the supervision of National Company Law Appellate Tribunal (NCLAT), in

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

addition to various investigations and legal proceedings. The Company has filed its claim for the bonds held and also taken various measures including filing legal Civil Suit, cases against specified parties at appropriate forum. The outcomes of legal matters are pending. The new Board of IL&FS from time to time submitted various progress reports including the resolution framework for the IL&FS Group to Hon'ble NCLAT. During the resolution process, Hon'ble NCLAT has approved the Revised Distribution Framework proposed by the New Board for distribution of cash received in financial bid amount / termination amount / settlement amount or by way of units created by InvIT. According to the estimated distribution to the secured creditors of ITNL provided by the New Board of IL&FS based on the estimated realization value and various progress of the resolution process time to time, without prejudice to its rights, the Company has impaired the investment for the expected credit loss by ₹ 7,500 lakhs till March 31, 2022 and further impaired / written off the investment by ₹ 4,136.55 lakhs during the current year.

- 43 The Company had investments of ₹ 20,000 Lakhs (face value) Secured Redeemable, Non-Convertible Debentures of Dewan Housing Finance Corporation Ltd (DHFL) which were rated AAA by the rating agencies and secured by way of floating charge on receivables. In earlier year, after default by DHFL, RBI filed corporate insolvency resolution process (CIRP) against DHFL in NCLT, Mumbai. As a result of CIRP process, the Company has received payout of ₹ 4,395.28 lakhs and 6.75% Non-convertible Debentures of Piramal Capital & Housing Finance Ltd (PCHFL) amounting to ₹ 5,287.82 lakhs during the previous year. Without prejudice to its rights, the Company has made necessary provisions in the books of accounts during the previous year and earlier years and continue to pursue legal remedies available to recover its dues. The Company is also pursuing its application filed for the recoveries of avoidance applications filed by DHFL Administrator which should be for the sole benefit of the creditors of DHFL. The application was rejected by National Company Law Tribunal (NCLT) but was allowed by National Company Law Appellate Tribunal (NCLAT) and directed that the Resolution Plan be sent back to Committee of Creditors for reconsideration. The application is pending at Hon'ble Supreme Court which has granted stay on the order of NCLAT. Subsequent to the approval to resolution plan, shares of DHFL have been delisted, the issued equity share capital of DHFL existing at that time and held by shareholders of DHFL has been entirely cancelled and extinguished; and upon completion of capital reduction, PCHFL / Successful Resolution Applicant has merged into DHFL by way of reverse merger. Considering the integration of erstwhile DHFL business with PCHFL is completed and seems irreversible, without prejudice to its rights, the balance amount receivable towards NCDs of DHFL ₹ 10,208.28 lakhs have been impaired / written off during the year, for which provision had already been made in earlier years.
- 44 The Company had invested in 9 % Yes Bank Perpetual Additional Tier 1 (AT-1) Bonds, amounting to ₹ 30,000 Lakhs (Face Value) which were rated AA by rating agencies. The Central Government announced a draft scheme for the reconstruction of Yes Bank Ltd in March 06, 2020, which included the proposal to write off the AT-1 bonds permanently. The Final Reconstruction Scheme excluded the writing off AT-1 bonds, and all contracts were to be effective in the same manner as before. Despite this, Administrator of Yes Bank vide letter dated March 14, 2020, informed the stock exchanges that the all AT-1 bonds having total value of ₹ 8,415 crores needed to be fully written off, which led to legal action by the trustees of the issue and the company. The Bombay High Court quashed and set aside the decision by Administrator of Yes Bank to write off the bonds further on the request of Yes Bank counsel stayed this order for period of six weeks. Yes Bank and RBI challenged the Bombay High Court's order before the Supreme Court and accordingly stay was extended subject to the final order passed by the Supreme Court.
- 45 The writ petition filed by the Company challenging the legality and propriety of the Forward Markets Commission's ('FMC') order on the Company inter alia declaring "not a fit & proper person" is pending for hearing before the Hon'ble Bombay High Court. Solely based on FMC order, SEBI and CERC declared the Company as not a fit and proper person to hold shares in recognized stock exchanges and power exchange respectively. The Company has filed civil appeal before Hon'ble Supreme Court challenging the CERC order, same is pending for hearing before the Hon'ble Supreme Court.
- 46 Hon'ble Bombay High Court passed an ad interim order inter alia restraining the Company from distributing any dividend or depositing the same in the dividend distribution account in accordance with the provisions of the Companies Act, 1956 (to be read as Companies Act, 2013) pending the final hearing and disposal of the Notice of Motion. This Notice of Motion was filed in one of the suits relating to NSEL counterparty default. In compliance to the said order, the Company has not distributed the final dividend approved by the shareholders for the financial year 2014-15, 2016-17, 2017-18 2018-19, 2019-20 and 2020-21 aggregating to ₹ 6,911.78 lakhs. All the Notice of Motions and the Contempt Petitions filed against the Company have been tagged together and pending for hearing.

On May 24, 2023, the Board of Directors of the Company have proposed a final dividend of ₹ 2/-per share in respect of the year ended March 31, 2023 subject to the approval of shareholders at the Annual General Meeting and appropriate judicial order. If approved, it would result in a cash outflow of ₹ 921.57 lakhs. The distribution of dividend is subject to appropriate Judicial order.

NOTES

forming part of the Financial Statements for the year ended March 31, 2023

- 47 The Union of India, through the Ministry of Corporate Affairs ("MCA"), has filed a Company Petition before the Company Law Board, inter-alia seeking removal and supersession of the Board of Directors of the Company. The NCLT has, as interim arrangement with consent formed a committee for certain matters. In the Appeal, NCLT dismissed the prayer of MCA for removal and supersession of the entire Board of the Company and ordered MCA to nominate three directors on the board of the Company. The NCLAT was pleased to uphold the NCLT Order. The Company has filed civil appeal before Hon'ble Supreme Court challenging the orders passed by NCLAT & NCLT. In the interim, Hon'ble Supreme Court granted stay on appointment of director on the Company, the matter is pending for hearing.
- 48 a) Post July-2013, civil suits have been filed against the Company in relation to the counter party payment default occurred on the exchange platform of NSEL, wherein the Company has been made a party. In these proceedings certain reliefs have been claimed against the Company, inter-alia, on the ground that the Company is the holding company of NSEL. These matters are pending before the Hon'ble Bombay High Court for adjudication. The Company has denied all the claims and contentions in its reply. There is no privity of contract between the Company and the Plaintiffs therein. The management is of the view that the parties who have filed the Civil Suits would not be able to sustain any claim against the Company. These matters are pending for hearing before the Hon'ble Bombay High Court.
- b) First Information Reports (FIRs) have been registered against various parties, including the Company, with the Economic Offences Wing, Mumbai (EOW) and Central Bureau of Investigation (CBI) in connection with the counter party payment default on NSEL trading platform. After investigation, EOW, Mumbai has presently filed various charge-sheets in the matter. The Company has been named in the charge sheet filed in December 2018. CBI has filed charge-sheets including against the Company for alleged loss caused to PEC Ltd. & MMTC Ltd on NSEL platform and aforesaid cases are pending for trial before Court.
- c) CBI - EOW, has registered an FIR alleging conspiracy between the private persons and SEBI official for granting renewal of stock exchange license to MCX Stock Exchange Ltd. by SEBI. Also, CBI-EOW, has registered FIR alleging that certain official of FMC, SEBI and other for giving illegal benefits to Multi Commodity Exchange of India Ltd. (MCX) and allowing MCX trading as commodity exchange. The investigation in both cases is pending.
- d) The SFIO has filed complaint with the Hon'ble Sessions Court under various sections of IPC and Companies Act against several persons/entities including the Company. The Company has challenged the issuance of process order before the Hon'ble Bombay High Court and the proceedings in the matter has been stayed by the Hon'ble High Court. The matter is pending for hearing before Hon'ble Bombay High Court.
- 49 The Company had filed the Writ Petitions before the Bombay High Court challenging inter alia, the provisions of the MPID Act are violative of the Constitution and the validity of various Notifications and corrigendum attaching the assets of the Company issued under the provisions of the MPID Act. The Hon'ble Bombay High Court pleased to quash and set aside the said impugned Notifications. In appeal, Hon'ble Supreme Court has set aside the High Court order and held that all the Notifications issued under MPID Act are valid. The Company is in process of pursuing its remedy before MPID Court against said Notifications.
- 50 The Enforcement Directorate('ED') has attached certain assets of the Company under the provisions of the Prevention of Money Laundering Act, 2002(PMLA). The three Provisional Attachments Orders had been confirmed by the Adjudicating Authority. The Hon'ble Appellate Tribunal quashed the provisional attachment orders and imposed conditions with regard to the Company. The Company has filed the appeal before the Hon'ble Bombay High Court for the limited purpose for challenging the conditions put by the Hon'ble Appellate Tribunal. The Hon'ble Court was pleased to admit the appeal and clarified that the later part of the impugned order shall not govern the Company. ED has also filed cross appeal, which is tagged with the Company's appeal. The matters are pending for hearing. Meanwhile, ED filed a prosecution complaint before the Spl. PMLA Court, Mumbai against the Company and the same is pending for trial.
- 51 The Company has presented segment information in the consolidated financial statements which are presented in the same annual report. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these standalone financial statements.
- 52 The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

- 53 No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:
- (a) Crypto Currency or Virtual Currency
 - (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
 - (c) Registration of charges or satisfaction with Registrar of Companies
 - (d) Relating to borrowed funds:
 - i. Willful defaulter
 - ii. Utilisation of borrowed funds & share premium
 - iii. Borrowings obtained on the basis of security of current assets
 - iv. Discrepancy in utilisation of borrowings
 - v. Current maturity of long term borrowings
- 54 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board

Chitkala Zutshi

Director
DIN- 07684586

S. Rajendran

Managing Director & CEO
DIN: 02686150

Hariraj Chouhan

Company Secretary

Devendra Agrawal

Whole-time Director and CFO
DIN: 03579332

Place : Mumbai

Date : May 24, 2023

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS ON ANNUAL STANDALONE AUDITED FINANCIAL RESULTS FOR YEAR ENDED MARCH 31, 2023

I.	Sr. No.	Particulars	Audited Figures	Adjusted Figures
			(As reported before adjusting for qualifications)	(Audited figures after adjusting for qualifications)
	1.	Total income	37,490.74	37,490.74
	2.	Total Expenses	23,218.10	23,218.10
	3.	Exceptional items	(7,386.55)	(7,386.55)
	4.	Net Profit/(Loss)	2,775.41	2,775.41
	5.	Earnings Per Share	6.02	6.02
	6.	Total Assets	283,215.39	283,215.39
	7.	Total Liabilities	21,558.94	21,558.94
	8.	Net Worth	261,508.86	261,508.86

II. Audit Qualification:**A. Qualification**

Basis for Qualifications pertaining to the Company and management response thereto :

- 1 (a) As stated by the Management of the Company in Note 7 to the Statement, Civil Suits have been filed against the Company in relation to event occurred on National Spot Exchange Limited trading platform. These matters are pending at various stages of adjudication. As stated in the said note, the management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 7, 8 & 9 to the Statement, there are First Information Reports ("FIR")/ complaints/ charge-sheets/ orders/ notices registered/ received against various parties including the Company from/ with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Home Department - Government of Maharashtra under MPID Act, the Directorate of Enforcement and the Serious Fraud Investigation Office (SFIO). Above matters are pending at various stages of adjudication/ investigation.

In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said notes to the Statement, there are no claims, litigations, potential settlements involving the Company directly or indirectly which require adjustments to/disclosures in the Statement and that the ability of the Company to continue as a going concern entity and to carry out its day-to-day operations/activities is not seriously affected due to any such FIR/ complaints/ charge-sheets/ orders/ notices/ reports as aforesaid.

Accordingly, in view of above representations regarding legal matters at various stages of adjudication and ongoing investigations/ matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the quarter and year ended 31 March 2023.

B. Type of Audit Qualification:

Qualified Opinion

C. Frequency of observation

Qualification stated in paragraphs A 1 - since year 2012-13.

D. For Audit Qualification(s) where the impact is not quantified by the auditor:**(i) Management's reason for unable to estimation on the impact of audit qualification**

1. (1) For qualification referred in Sr. No. A 1 above,
 - i. a) Post July-2013, civil suits have been filed against the Company in relation to the counter party payment default occurred on the exchange platform of NSEL, wherein the Company has been made a party. In these proceedings certain reliefs have been claimed against the Company, inter-alia, on the ground that the Company is the holding company of NSEL. These matters are pending before the Hon'ble Bombay High Court for adjudication. The Company has denied all the claims and contentions in its reply. There is no privity of contract between the Company and the Plaintiffs therein. The management is of the view that the parties who have filed the Civil Suits would not be able to sustain any claim against the Company. These matters are pending for hearing before the Hon'ble Bombay High Court.
 - b) First Information Reports (FIRs) have been registered against various parties, including the Company, with the Economic Offences Wing, Mumbai (EOW) and Central Bureau of Investigation (CBI) in connection with the counter party payment default on NSEL trading platform. After investigation, EOW, Mumbai has presently filed various charge-sheets in the matter. The Company has been named in the charge sheet filed in December 2018. CBI has filed charge-sheets including against the Company for alleged loss caused to PEC Ltd. & MMTC Ltd on NSEL platform and aforesaid cases are pending for trial before Court.
 - c) CBI - EOW, has registered an FIR alleging conspiracy between the private persons and SEBI official for granting renewal of stock exchange license to MCX Stock Exchange Ltd. by SEBI. Also, CBI-EOW, has registered FIR alleging that certain official of FMC, SEBI and other for giving illegal benefits to Multi Commodity Exchange of India Ltd. (MCX) and allowing MCX trading as commodity exchange. The investigation in both cases is pending.
 - d) The SFIO has filed complaint with the Hon'ble Sessions Court under various sections of IPC and Companies Act against several persons/entities including the Company. The Company has challenged the issuance of process order before the Hon'ble Bombay High Court and the proceedings in the matter has been stayed by the Hon'ble High Court. The matter is pending for hearing before Hon'ble Bombay High Court.
- ii. The Company had filed the Writ Petitions before the Bombay High Court challenging inter alia, the provisions of the MPID Act are violative of the Constitution and the validity of various Notifications and corrigendum attaching the assets of the Company issued under the provisions of the MPID Act. The Hon'ble Bombay High Court pleased to quash and set aside the said impugned Notifications. In appeal, Hon'ble Supreme Court has set aside the High Court order and held that all the Notifications issued under MPID Act are valid. The Company is in process of pursuing its remedy before MPID Court against said Notifications.
- iii. The Enforcement Directorate('ED') has attached certain assets of the Company under the provisions of the Prevention of Money Laundering Act, 2002(PMLA). The three Provisional Attachments Orders had been confirmed by the Adjudicating Authority. The Hon'ble Appellate Tribunal quashed the provisional attachment orders and imposed conditions with regard to the Company. The Company has filed the appeal before the Hon'ble Bombay High Court for the limited purpose for challenging the conditions put by the Hon'ble Appellate Tribunal. The Hon'ble Court was pleased to admit the appeal and clarified that the later part of the impugned order shall not govern the Company. ED has also filed cross appeal, which is tagged with the Company's appeal. The matters are pending for hearing. Meanwhile, ED filed a prosecution complaint before the Spl. PMLA Court, Mumbai against the Company and the same is pending for trial.

In the light of the above ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to quantify the impact.

(ii) Auditors' Comments:

Quantification is not possible.

For 63 moons technologies limited

Chitkala Zutshi

Chairperson Audit Committee

S Rajendran

Managing Director & CEO

Devendra Agrawal

Whole Time Director & CFO

Place: Mumbai

Date: May 24, 2023

In terms of our Report issued under Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.

For Sharp & Tannan Associates

Chartered Accountants

(Firm Registration No. 109983W)

Pramod Bhise

Partner

(Membership No. (F) 047751)



FINANCIAL STATEMENTS
CONSOLIDATED



INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of **63 moons technologies limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which includes its share of profit/(loss) in its associate, which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on financial statements (separate / consolidated) of subsidiaries as was audited by the other auditors, *except for the possible effects of the matter specified under Basis for Qualified Opinion section of our report*, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including and Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, of consolidated state of affairs (financial position) of the Group and its associate as at March 31, 2023, the consolidated loss (financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

BASIS FOR QUALIFIED OPINION

1. *As stated by the Management of the Holding Company in Note 50 to the Consolidated Financial Statements, Civil Suits have been filed against the Holding Company in relation to event occurred on National Spot Exchange Limited trading platform. These matters are pending at various stages of adjudication. As stated in the said note, the management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Holding Company. In addition, as stated by the management in note 50, 51 & 52 to the Consolidated Financial Statements, First Information Reports ("FIR")/ complaints/ charge-sheets/ orders/ notices registered/ received against various parties including the Company from/ with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Home Department - Government of Maharashtra under MPID Act, the Directorate of Enforcement, and the Serious Fraud Investigation Office (SFIO). Above matters are pending at various stages of adjudication/investigation.*

In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said notes to the Statement, there are no claims, litigations, potential settlements involving the holding Company directly or indirectly which require adjustments to/disclosures in the Consolidated Financial Statements and that the ability of the Company to continue as a going concern entity and to carry out its day-to-day operations/activities is not seriously affected due to any such FIR/complaints/ letters/ orders/ notices/ reports as aforesaid.

Accordingly, in view of above representations regarding legal matters at various stages of adjudication and ongoing investigations/ matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the year ended 31 March 2023.

2. *We reproduce hereunder the 'Basis for Qualified Opinion' issued by the independent auditor(s) of a subsidiary viz. National Spot Exchange Limited ('NSEL') vide their audit report on the Consolidated Financial Statements of NSEL, to the extent the same are found significant as per the Guidance issued by the Institute of Chartered Accountants of India, from time to time and which also forms the basis for qualified opinion in our audit report on the accompanying Consolidated Financial Statements of the Group:*

(a) "As stated in note nos. 39, 40, 41, 42, 43 and 44 to the Consolidated Financial Statement, the Group has been served with notices/ letters/ summons from various statutory authorities/ regulators/ Government departments and some purported aggrieved parties. The Group is party to many proceedings filed by / or against the Group which are pending before different forum pertaining to the period prior to suspension of the exchange related operations from 31 July 2013. The management of the Group does not foresee that the parties who have filed Civil Suits against the Group will be able to sustain any claim against the Group.

There are some writ petitions, public interest litigations, civil suits including in representative capacity filed by and against the Group. Such matters against the Group are sub-judice before different forums. The Group may be exposed to civil/ criminal liabilities in case of any adverse outcome of these investigations/enquiries or legal cases or any other investigations as referred above enquires or suits which may arise at a later date.

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

In the light of the above, the outcome of which is not presently known and is uncertain at this stage, hence we are not able to comment on the current or consequential impact if any, in respect of the same on these Consolidated Financial Statements. Also, the matters stated above could also have a consequential impact on the measurement and disclosure of information provided, but not limited to, Balance Sheet, Statement of profit/(loss) account, cash flow statement, statement of change in equity (SOCIE) and earnings per share (EPS) for the year ended and as at 31 March, 2023 in these Consolidated Financial Statements."

- (b) *"The trade receivables, other receivables, loans and advances and deposits are subject to confirmation and reconciliation. The management, however, does not expect any material changes on account of such reconciliation/ confirmation from parties. In many cases legal notices have been sent to the parties in earlier years; however we are unable to form any opinion on the recoverability of the outstanding balances of such parties."*

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us along with the consideration of audit report of other auditors referred to in Other matters below is sufficient and appropriate to provide a basis for our qualified opinion.

EMPHASIS OF MATTERS

- We draw attention to the Note 43 to the Consolidated Financial Statements which describes Company's investment of Rs. 20,000 Lakhs (face value) in secured non-convertible debentures issued by IL&FS Transportation Networks Ltd (ITNL) (subsidiary of Infrastructure Leasing & Finance Ltd – ILFS), whereas, the ITNL has defaulted in repayment of interest and various rating agencies revised their credit ratings to the lowest category 'D' i.e. default. Resolution process has been initiated under Companies Act for ITNL, in addition to various investigations and legal proceedings. During the resolution process, Hon'ble NCLAT has approved the Revised Distribution Framework proposed by the New Board for interim distribution. The Company without prejudice to its rights had impaired the investment for the expected credit loss by ₹ 7,500 lakhs till 31 March 2022. During the year ended 31 March 2023 the Company has further impaired the investment by ₹ 4,136.55 lakhs and has written off above-mentioned amounts in respective years.
- We draw attention to Note 45 to the Consolidated Financial Statements which describes Company's investment of Rs. 30,000 Lakhs (face value) in 9% Yes Bank Perpetual Additional Tier I (AT-1) bonds. The hon'ble Bombay High Court has quashed and set aside the letter dated 14 March 2020 issued by the Administrator, Yes Bank and decision to write off Additional Tier 1 bonds. On the request of the Yes Bank Counsel the hon'ble Bombay High Court has stayed this order for period of six weeks. Yes Bank and RBI challenged the Bombay High Court's order before the Supreme Court and accordingly stay was extended subject to the final order passed by the Supreme Court. It describes the uncertainty related to the current outcome of the above-mentioned order.
- We reproduce hereunder the 'Emphasis of Matters' issued by the independent auditor of an Associate (where holding company owns share of 29.15%) viz. NTT Data Payment Services India Limited (Formerly known as Atom Technologies Limited,) vide their audit report dated 18 May 2023, on the standalone financial statement, to the extent the same are found significant as per the Guidance issued by the Institute of Chartered Accountants of India, from time to time and which also forms the basis for our audit report on the accompanying Consolidated Financial Statements of the Group:

"We draw your attention to Note 34 of the financial statement. During the year, Union Bank of India (UBI) made claims of Rs. 190 Crores vide letter dated 22 November 2022. The same is towards payment of commission due to the application of incorrect Merchant Service Fees (MSF) rate for certain identified transactions. The matter is still under discussion & there has been continuous endeavour from both the side so to reach at the convergence, however, considering the factual situation, the Company has created a provision of Rs. 22 Crores in the Financials as of 31 March 2023. Hence, considering the factual information provided above and independent legal advice obtained by the management, possibility of an outflow of resources, embodying economic benefits due to materialisation of any further balance amount is remote. Therefore accordingly, company has not disclosed the same under contingent liability vide para 28 of Ind AS 37." [Refer Note 70]

Our opinion is not modified in respect of these matters of emphasis.

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements taken as a whole, in forming our opinion thereon and we do not provide a separate opinion on these matters. Apart from 'Basis for Qualified Opinion' We have determined the key audit matters as described below:

Key Audit Matters from Standalone Financial Statements which are also part of the Consolidated Financial Statements:

- A. Determination of fair value of carrying amount of investments
- B. Accounting treatment for contracts with customers
- C. Contingent Liabilities

A. Determination of fair value of carrying amount of investments

Description of key audit matter:

The Holding Company has investments net of provision of Rs. 76,214.15 Lakhs as at March 31, 2023 consisting of Investments in the equity instruments of subsidiaries, third party bonds, mutual funds, other equity instruments etc. and are valued as per Ind AS 109, "Financial instruments". By their nature, these are subjected to various factors related to respective investee entities including but not limited to, economic factors, business dynamics, financial performance etc and impact a fair valuation of these investments. Accordingly, this necessitates a close monitoring by the management of these situations and judgement, based on appropriate evaluation criteria to arrive at a fair value of carrying amounts of these assets as at balance sheet date. Against this background, this matter was of significance in the context of our audit. [Also refer para for basis for qualified opinion in 1A above]

Description of Auditor's response:

We have carried out a comparison between carrying value of investment as at balance sheet date and net-worth as reflected by latest audited financials of investee companies. Wherever carrying amount of investment is more than the net-worth of investee company we have discussed and enquired with the management the process followed by them to identify permanent diminution, if any, in the value of investment and necessary accounting treatment adopted in the books. In addition, management has provided us with the future business plans and how in their business judgement such gap between investment and net-worth of the investee is either compensated with improving business conditions or valuations of such entities. Going forward our regular audit procedures are designed to keep a follow up on outcomes of these management assertions.

B. Accounting treatment for contracts with customers

Description of key audit matter:

Revenue amounting to Rs.27,304.64 Lakhs reported in the Holding Company's financial statements pertains to customer specific contracts and the same are required to satisfy the recognition and measurement criteria as prescribed in IND AS 115, 'Revenue from Contracts with Customers'. Company's revenue is bifurcated into two main parts (a) revenue from software products (IPR based licenses) and (b) revenue from software services. Certain contracts necessarily involve estimations and certain assumptions to be made by the management in determining the quantum of revenue to be recognised in specific period. This inherently creates certain uncertainties and results in complexities in accounting treatment wherein incorrect assumptions and estimates can lead to revenue being recognised in incorrect accounting periods thereby impacting the results. Considering these factors, in the context of our audit this matter was of significance and hence a key audit matter.

Description of Auditor's response:

With a view to verify the reasonableness of the revenue accounting we carried out following procedures:

- a) Understanding the internal control environment for revenue recognition and to test check with a view to verify its operating effectiveness;
- b) Major contracts were read and analysed to verify correctness of accounting of revenue as calculated by the Company's Management;
- c) Discussed with the management process of identification of variable consideration and verified the working on test basis;
- d) Verified the working of unbilled revenue and unearned revenue on test basis;
- e) Performed analytical procedures and obtained reasons for major variances;
- f) Ensured that revenue is recognized in accordance with accounting policy of the Company and Ind AS 115;

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

C. Contingent liabilities

Description of Key Audit Matter

Contingent liabilities as at March 31, 2023 amounted to Rs. 18,016.27 Lakhs, which mainly include pending income-tax matters and certain legal cases other than those forming basis for our qualified opinion. Contentious income tax matters relate to interpretational differences between the company and various tax authorities, certain matters subjected to internal circulars and guidelines within tax authorities irrespective of stated legal provisions sometimes requiring decision making only by higher tax authorities through appellate procedures resulting in delays in outcome. Given the current legal and operational embargo that the company is facing, it is subjected the multiple litigations by and on the company sub-judice at various courts and levels requiring the Holding Company's Management to exercise significant judgement on these outcomes to determine the liabilities that are contingent in nature. Considering these factors, in the context of our audit, this matter was of significance and hence a key audit matter.

Description of Auditor response

With a view to ensure that disclosures made by the company in Note No. 31 are determined appropriately and prudently, we obtained information of pending income-tax matters from the Company and have obtained/verified the documents including the communication with the departments provided by the Company. In addition, we have carried out comparison with respect to previous year and obtained/reviewed documentation for additional tax matters arisen during the year. Our tax team has carried out discussions with the Holding Company's internal tax team on these cases mainly with respect to issues raised by various tax authorities in their communication to the company to substantiate Holding Company's assessment that there are no present obligations perceived.

With respect to legal cases disclosed to us, we have obtained updates on pending cases from the management and discussed it with the Holding Company's internal legal department, wherever necessary. We carried out a comparison between the latest status and immediate previous status. While comparing, we have tried to ascertain the appropriateness, without being judgemental, of the management judgement exercised in updating to the latest status and have tried to evaluate an impact on such ascertainment of whether the Company liabilities to which it is contingently liable are appropriately ascertained with prudence principle.

Key Audit Matters from other subsidiaries which are also part of the Consolidated Financial Statements:

We reproduce hereunder the 'Key Audit Matters' issued by the independent auditor(s) of a subsidiary viz. National Spot Exchange Limited ('NSEL') vide their audit report on the consolidated financial statements of NSEL, to the extent the same are found significant as per the Guidance issued by the Institute of Chartered Accountants of India, from time to time and which also forms the basis for key audit matters in our audit report on the accompanying Consolidated Financial Statements of the Group:

- (a) As stated in note no. 2.3 of the Consolidated Financial Statements, the Board of Directors of the Company is of the view that in the short term, its main challenge is to recover the money from defaulting members. As explained by the management, the Group is making all out efforts in recovering the amounts from defaulter members for settlement as well as its trade and other receivables. Order issued by Hon'ble High Court for merger of NSEL with Holding company has been set aside by Hon'ble Supreme court vide order dated 30th April, 2019. Holding company has committed to continue the financial support to NSEL by way of infusion of capital into NSEL and on the basis of such support, these financial statements for the year ended 31 March, 2023 are prepared on going concern basis. We have relied on the above mentioned explanations and information given by the Management.
- (b) The Management has assessed the impact of the outbreak of COVID-19 on the day to day business operations of the Company, based on the assessment management concludes that no adjustments are required in the current financial year.

Our opinion is not qualified in respect of these matters."

Based on the additional procedures performed by us, we have not come across any instance requiring material adjustment to the consolidated financial statement having pervasive impact in the context of an audit opinion on these financial statements.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON (HEREINAFTER REFERRED AS "OTHER INFORMATION")

The Holding Company's Management and Board of Directors are responsible for the preparation of other information. The other information comprises the Director's Report including any annexures thereto, Corporate Governance Report and Management Discussion and Analysis included in the Holding Company's annual report but does not include the Consolidated Financial Statements and our auditor's report thereon.

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

These reports are expected to be made available to us after the date of this auditor's report. Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read these reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable as per applicable laws and regulations.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Ind AS. The respective management and Board of Directors of the companies included in the Consolidated Financial Statements are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the 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/ Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management and Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associate are responsible for overseeing the financial reporting process of each Company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

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

- A. Identify and assess the risks of material misstatement of the Consolidated 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.
- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

To the members of 63 moons technologies limited

- D. Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of Consolidated 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 appropriateness of this assumption. 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 Consolidated 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 Group and its associate to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associate to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

OTHER MATTERS

1. The Consolidated Financial Statements include the Ind AS financial statements of seven domestic subsidiaries, whose Ind AS financial statements reflect total assets of Rs. 57,565.16 lakhs as at March 31, 2023; as well as the total revenue of Rs. 2,746.33 lakhs, total other comprehensive income of Rs. 15.45 lakhs and net cash flow of Rs. (4,479.46) lakhs for the year then ended. The Consolidated Financial Statements also include the Group's share of profit of Rs. (483.01) lakhs for the year ended March 31, 2023, in respect of an associate. These Ind AS financial statements have been audited by their respective independent auditor whose audit reports have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

The Consolidated Financial Statements also include the financial statements (standalone/ consolidated) of four foreign subsidiaries, which reflects total assets of Rs. 19,498.14 lakhs as at March 31, 2023; as well as the total revenue of Rs. 296.10 lakhs, total other comprehensive income of Rs. Nil Lakhs and net cash flow of Rs. (1,707.69) lakhs for the year then ended. These financial statements have been audited by their respective independent auditor whose audit reports have been furnished to us, and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditor and the procedures performed by us as stated in paragraph above.

2. Certain subsidiaries are located outside India and their separate/Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited

by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the separate/Consolidated Financial Statements of these subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of these subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the other matter paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Our opinion on the Consolidated Financial Statements and our report on other legal and regulatory requirements below, is not modified in respect of these above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143 (3) of the Act, based on our audit and on the consideration of report of other auditors on financial statements (separate/consolidated) of such companies as was audited by them and as mentioned in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements *except for the matters described in the basis for qualified opinion paragraph.*
 - B. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of other auditors.
 - C. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - D. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014, *except for the effects, if any, of the matters described in the basis for qualified opinion paragraph;*
 - E. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of subsidiary companies and associate company which are incorporated in India, none of the directors of the Group companies and its associate which are companies incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - F. With respect to the adequacy of internal financial controls over financial reporting of the Group and its associate which are companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting.
 - G. With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group, which are companies incorporated in India, where applicable, to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - H. 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:
 - i. the Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2023 on the consolidated financial position of the Group and its associate, *to the extent it is ascertainable* (Refer Note 31 to the Consolidated Financial Statements and 'Basis for Qualified Opinion');
 - ii. the Group and its associate have made provision in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts including derivative contracts;
 - iii. during the year ended March 31, 2023, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group including its associate, which are companies incorporated in India.

iv. Reporting on rule 11(e):

- (a) The Management has represented that, to the best of its knowledge and belief, as stated in note no. 71, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding 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 Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, as stated in note no. 71, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has 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 (a) and (b) above, contain any material misstatement.
- v. On May 24, 2023, the Board of Directors of the Company have proposed a final dividend of ₹ 2/- per share in respect of the year ended March 31, 2023 subject to the approval of shareholders at the Annual General Meeting and appropriate judicial order. If approved, it would result in a cash outflow of ₹ 921.57 lakhs. The distribution of dividend is subject to appropriate Judicial order. [Refer Note 48 to the Consolidated Financial Statements]
- vi. Proviso to rule 3(1) of the companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from 1 April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.
2. With respect to the matters specified in clause (xxi) of paragraph (3) and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued to us and the statutory auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements.

For Sharp & Tannan Associates

Chartered Accountants

Firm's Registration No.: 0109983W

by the hand of

CA Pramod Bhise

Partner

Membership No.: (F) 047751

UDIN: 23047751BGTHXK6805

Mumbai, May 24, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph (f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

REPORT ON THE INTERNAL FINANCIAL CONTROLS

Under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

OPINION

We have audited the Internal Financial Controls over Financial Reporting of 63 moons technologies limited (hereinafter referred as "the Holding Company") and its subsidiary companies incorporated in India (the Holding Company and its subsidiaries together referred to as "the Group") which includes its share of profit/(loss) in its associate, as of March 31, 2023 in conjunction with our audit of the Consolidated Financial Statements of the Holding Company as of and for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors referred to in other matters paragraph below, the Group and its associate has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Group and its associate, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 internal financial controls with reference to consolidated financial statements.

OTHER MATTERS

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to ten subsidiaries and one associate, which are companies incorporated in India, is solely based on corresponding reports of the auditors of such Companies.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail,

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph (f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

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 consolidated 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 consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Sharp & Tannan Associates

Chartered Accountants

Firm's Registration No.: 0109983W

by the hand of

CA Pramod Bhise

Partner

Membership No.: (F) 047751

UDIN: 23047751BGTHXK6805

Mumbai, May 24, 2023

CONSOLIDATED BALANCE SHEET

as at March 31, 2023

(₹ in lakhs)

PARTICULARS	Note	As at 31.03.2023	As at 31.03.2022
ASSETS			
Non-current assets			
Property, plant and equipment	6	20,702.51	21,170.25
Capital work-in-progress		33.92	-
Right of use assets	7	428.01	26.25
Investment Property	8	10,238.73	10,448.80
Other Intangible assets	9	7,304.51	6,510.30
Financial Assets			
(i) Investments	10	52,079.34	58,026.97
(ii) Loans	11	10.68	16.86
(iii) Other financial assets	12	39,463.08	23,926.01
Deferred tax assets	29	4,752.42	8,431.74
Other non-current assets	13	10,685.88	13,293.60
TOTAL NON-CURRENT ASSETS		1,45,699.07	1,41,850.78
Current assets			
Financial assets			
(i) Investments	10	13,692.00	21,622.43
(ii) Trade receivables	14	4,413.15	4,038.91
(iii) Cash and cash equivalents	15	21,168.91	23,201.47
(iv) Bank balances other than (iii) above	16	1,22,586.80	1,09,360.86
(v) Loans	11	385.18	468.95
(vi) Other financial assets	12	27,814.52	27,278.65
Current tax assets (net)		3,390.10	1,816.39
Other current assets	13	7,435.54	7,194.97
TOTAL CURRENT ASSETS		2,00,886.20	1,94,982.63
TOTAL ASSETS		3,46,585.27	3,36,833.41

CONSOLIDATED BALANCE SHEET (CONTD.)

as at March 31, 2023

(₹ in lakhs)

PARTICULARS	Note	As at 31.03.2023	As at 31.03.2022
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	17	921.57	921.57
Other equity		3,10,579.27	3,08,720.70
Equity attributable to equity holders of the Company		3,11,500.84	3,09,642.27
Non-controlling interests		(2,450.13)	(1,917.97)
TOTAL EQUITY		3,09,050.72	3,07,724.30
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
(i) Lease liability for asset on rent		259.17	13.08
(ii) Other financial liabilities	18	484.26	455.28
Provisions	19	1,276.73	819.14
Other non-current liabilities	21	10.05	20.31
TOTAL NON-CURRENT LIABILITIES		2,030.21	1,307.81
CURRENT LIABILITIES			
Financial liabilities			
(i) Lease liability for asset on rent		161.02	14.87
(ii) Trade payables	20		
Due to micro and small enterprises		122.45	35.86
Due to others		2,254.62	2,890.70
(iii) Other financial liabilities	18	18,701.80	18,611.02
Current tax liabilities	29	0.51	-
Other current liabilities	21	13,648.53	5,357.09
Provisions	19	615.42	891.76
TOTAL CURRENT LIABILITIES		35,504.35	27,801.30
TOTAL LIABILITIES		37,534.55	29,109.11
TOTAL EQUITY AND LIABILITIES		3,46,585.27	3,36,833.41

See accompanying notes forming part of the consolidated financial statements - 1 to 72

In terms of our report attached
For Sharp & Tannan Associates
Chartered Accountants
(Firm's Registration No.109983W)
by the hand of

For and on behalf of the Board

Pramod Bhise
Partner
Membership No:(F) 047751

Chitkala Zutshi
Director
DIN- 07684586

Hariraj Chouhan
Company Secretary

S. Rajendran
Managing Director & CEO
DIN - 02686150

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 24, 2023

Place : Mumbai
Date : May 24, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	Note	Year Ended 31.03.2023	Year Ended 31.03.2022
CONTINUING OPERATIONS			
Revenue from operations	22	29,006.82	16,026.43
Other income (net)	23	11,170.06	6,960.07
TOTAL INCOME		40,176.88	22,986.50
Expenses			
Employee benefits expenses	24	16,493.24	13,014.92
Finance costs	25	63.15	47.30
Depreciation and amortisation expenses	26	2,338.98	1,248.90
Other expenses	27	15,190.16	14,674.86
TOTAL EXPENSES		34,085.53	28,985.98
Profit / (Loss) before exceptional item and tax		6,091.35	(5,999.48)
Exceptional items	28	(4,136.55)	(1,375.41)
Profit / (Loss) before tax		1,954.80	(7,374.89)
Tax expense / (credit)			
	29		
Current tax		3,767.26	243.89
Deferred tax		368.90	(180.93)
TOTAL TAX EXPENSE		4,136.16	62.96
Profit / (Loss) after tax before share of profit of associate and minority interest		(2,181.36)	(7,437.85)
Share of profit / (loss) of associate		(483.01)	1,871.00
Non-Controlling interest		(1,033.49)	(249.51)
Profit / (Loss) for the year		(1,630.88)	(5,317.34)
Other Comprehensive Income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit (liability)/asset		(179.96)	76.12
Income tax relating to above mentioned items		56.90	(38.46)
Total Other Comprehensive Income (net of tax)		(123.06)	37.66
Attributable to Equityholders of the Company		(1,753.94)	(5,279.68)
Attributable to Non Controlling Interest		(1,033.49)	(249.51)
Earning per share			
Basic and Diluted per share (in ₹)		(3.54)	(11.54)
Face Value Per Share (in ₹)		2.00	2.00
See accompanying notes forming part of the 1 to 72			

In terms of our report attached
For Sharp & Tannan Associates
Chartered Accountants
(Firm's Registration No.109983W)
by the hand of

Pramod Bhise
Partner
Membership No:(F) 047751

Place : Mumbai
Date : May 24, 2023

For and on behalf of the Board

Chitkala Zutshi
Director
DIN- 07684586

Hariraj Chouhan
Company Secretary

S. Rajendran
Managing Director & CEO
DIN - 02686150

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 24, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	Reserves and surplus										TOTAL
	Equity Share Capital	Capital reserve	Capital reserve on consolidation	Securities premium reserve	General Reserve	Statutory reserve	Settlement Guarantee Fund	Securities premium of Subsidiary	Share options outstanding account of Subsidiary	Retained earnings	
Balance at 1 April 2021	921.57	147.59	288.45	41,746.61	32,579.86	84.85	164.04	-	-	2,37,246.15	3,12,257.53
Changes in equity for the year ended March 31, 2022											
Share based payment to employees	-	-	-	-	-	-	-	-	-	-	-
Transfer to Statutory reserve	-	-	-	-	-	5.75	-	-	-	(5.75)	-
Interest of earlier years transfer to Settlement Guarantee Fund	-	-	-	-	-	-	11.74	-	-	-	11.74
Dividend (Refer Note 48)	-	-	-	-	-	-	-	-	-	(921.57)	(921.57)
Remeasurement of the net defined benefit liability/asset	-	-	-	-	-	-	-	-	-	-	-
Changes in equity share capital of subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Loss attributed to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-
Security Premium received on issue of share	-	-	-	-	-	-	-	4,185.54	-	2,002.30	2,002.30
Effect of foreign exchange rate variation during the year	-	-	-	-	-	-	-	-	-	-	4,185.54
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	(5,317.34)	(5,317.34)
Balance at 31 March 2022	921.57	147.59	288.45	41,746.61	32,579.86	90.60	175.78	4,185.54	-	2,33,003.78	3,12,218.20
Balance at 1 April 2022	921.57	147.59	288.45	41,746.61	32,579.86	90.60	175.78	4,185.54	-	2,33,003.78	3,12,218.20
Changes in equity for the year ended March 31, 2023											
Transfer to Statutory reserve	-	-	-	-	-	0.23	-	-	-	(0.23)	-
Interest of earlier years transfer to Settlement Guarantee Fund	-	-	-	-	-	-	12.27	-	-	-	12.27
Dividend (Refer Note 48)	-	-	-	-	-	-	-	-	-	-	-
Remeasurement of the net defined benefit liability/asset	-	-	-	-	-	-	-	-	-	-	-
Changes in equity share capital of subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Loss attributed to Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-
Security Premium received on issue of share	-	-	-	-	-	-	-	1,344.25	-	154.41	154.41
Share options outstanding account in Subsidiary	-	-	-	-	-	-	-	-	105.21	-	1,344.25
Effect of foreign exchange rate variation during the year	-	-	-	-	-	-	-	-	-	-	105.21
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	(1,628.04)	(1,628.04)
Balance at 31 March 2023	921.57	147.59	288.45	41,746.61	32,579.86	90.83	188.06	5,529.79	105.21	2,31,529.93	3,12,206.31

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTD.)

for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	Other Comprehensive Income			Total equity attributable to holders of the Company	Non-controlling interests
	Foreign currency translation reserve	Other Comprehensive Income	TOTAL		
Balance at 1 April 2021	(4,543.98)	450.32	(4,093.66)	3,09,163.86	(3,580.63)
Changes in equity for the year ended March 31, 2022					
Share based payment to employees	-	-	-	-	-
Transfer to Statutory reserve	-	-	-	-	-
Interest of earlier years transfer to Settlement Guarantee Fund	-	-	-	11.74	-
Dividend (Refer Note 48)	-	-	-	(921.57)	-
Remeasurement of the net defined benefit liability/asset	-	37.66	37.66	37.66	-
Changes in equity share capital of subsidiaries	-	-	-	-	2,700.00
Loss attributed to Non Controlling Interest	-	(0.01)	(0.01)	2,002.30	(2,002.30)
Security Premium received on issue of share	-	(573.60)	558.51	4,185.54	1,214.46
Effect of foreign exchange rate variation during the year	1,132.11	-	-	558.51	-
Total comprehensive income for the year	(3,411.87)	(85.63)	(3,497.49)	(5,317.34)	(249.51)
Balance at 31 March 2022	(3,411.87)	(85.63)	(3,497.49)	3,08,720.70	(1,917.97)
Balance at 1 April 2022	(3,411.87)	(85.63)	(3,497.49)	3,08,720.70	(1,917.97)
Changes in equity for the year ended March 31, 2023					
Transfer to Statutory reserve	-	-	-	-	-
Interest of earlier years transfer to Settlement Guarantee Fund	-	-	-	12.27	-
Dividend (Refer Note 48)	-	-	-	-	-
Remeasurement of the net defined benefit liability/asset	-	-	-	-	-
Changes in equity share capital of subsidiaries	-	-	-	-	166.67
Loss attributed to Non Controlling Interest	-	-	-	154.41	(154.41)
Security Premium received on issue of share	-	-	-	1,344.25	489.07
Share options outstanding account in Subsidiary	-	-	-	105.21	-
Effect of foreign exchange rate variation during the year	1,993.52	-	1,993.52	1,993.52	-
Total comprehensive income for the year	(1,418.34)	(123.06)	(1,627.03)	(1,751.09)	(1033.49)
Balance at 31 March 2023	(1,418.34)	(208.68)	(1,627.03)	3,10,579.27	(2,450.13)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTD.)

for the year ended March 31, 2023

NATURE AND PURPOSE OF RESERVES:

Capital reserve :

During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve.

Securities premium of Subsidiary :

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve of subsidiaries.

General Reserve :

General Reserve was created by transferring a portion of the net profit of the Company as per the requirements of the Companies Act, 1956.

Statutory Reserve :

Reserves required to be maintained by NBFC subsidiary as per regulations of Reserve Bank of India.

Retained earnings :

Remaining portion of profits earned by the Company till date after appropriations.

Share option outstanding account of Subsidiary :

The fair value of the equity-settled share based payment transactions with Group employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

In terms of our report attached
For Sharp & Tannan Associates
 Chartered Accountants
 (Firm's Registration No.109983W)
 by the hand of

For and on behalf of the Board

Pramod Bhise
 Partner
 Membership No:(F) 047751

Place : Mumbai
 Date : May 24, 2023

Chitkala Zutshi
 Director
 DIN- 07684586

Hariraj Chouhan
 Company Secretary

S. Rajendran
 Managing Director & CEO
 DIN - 02686150

Devendra Agrawal
 Whole-time Director & CFO
 DIN - 03579332

Place : Mumbai
 Date : May 24, 2023

CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023		Year Ended 31.03.2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit / (Loss) before tax		1,954.80		(7,374.89)
Adjustments for:				
Depreciation and amortisation expense	2,338.98		1,248.90	
Gain on Fair Valuation of Financial Assets	(599.25)		(513.82)	
Impairment /allowance for expected credit loss on debentures (net)	4,136.55		2,708.28	
Gain on deemed disposal of Investments in Associates	-		(1,332.87)	
Bad trade receivables / advances written off (net of provision held)	190.55		126.70	
Provision / liabilities no longer required written back	-		(77.56)	
Dividend income	(43.16)		(0.44)	
Finance costs	63.15		47.30	
Exchange rate fluctuations- loss	-		0.45	
Interest income	(9,365.46)	(3,278.64)	(5,670.50)	(3,463.56)
Operating profit before working capital changes		(1,323.84)		(10,838.45)
Changes in working capital:				
Trade receivable, loans , other financial assets and other assets	413.14		1,371.27	
Trade payables, other financial liabilities, other liabilities and provisions	7,995.45	8,408.60	(670.59)	700.67
Cash used in operations		7,084.76		(10,137.78)
Net Income Tax paid		(13.52)		(41.92)
NET CASH FLOW FROM OPERATING ACTIVITIES		7,071.24		(10,179.70)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure on Property, plant and equipment and other Intangible assets including capital advances		(1,965.26)		(2,647.20)
Purchase of Financial assets - others		(38.45)		(6,044.27)
Proceeds from sale of Financial assets - others		10,270.61		12,412.63
Proceeds from subsidiaries under liquidation		-		814.32
Decrease / (Increase) in fixed deposit with banks		(12,288.99)		(3,382.90)
Interest income		8,059.50		5,888.88
Dividend income		43.16		0.44
Cash used in investing activities		4,080.56		7,041.90
Net income tax refund / (paid)		917.87		455.33
NET CASH USED IN INVESTING ACTIVITIES		4,998.43		7,497.23

CASH FLOW STATEMENT (CONTD.)

for the year ended March 31, 2023

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital in Subsidiaries	1,999.86	8,100.00
Lease Payment	(107.88)	(19.64)
Cash generated from / (used in) financing activities	1,891.98	8,080.36
Net Increase / (decrease) in cash and cash equivalents (A+B+C)	13,961.65	5,397.89
Cash and cash equivalents (opening balance)	32,949.58	27,551.69
Cash and cash equivalents (closing balance)	46,911.23	32,949.58

(₹ in lakhs)

	Current Year	Previous Year
Cash and cash equivalents (Refer Note 15)	21,168.91	23,201.47
Effect on exchange differences on restatement of foreign currency cash and cash equivalents	(5,098.03)	(5,581.78)
	16,070.88	17,619.69
Other bank balances (refer note 51, 52 and 55)	30,840.35	15,329.89
Cash and cash equivalents (closing balance)	46,911.23	32,949.58

Notes to cash flow statement:

- Fixed deposits with banks with maturity period of more than three months are classified and grouped in investing activities and not included in cash and cash equivalents.
- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in IND AS 7.
- Previous year's figures have been regrouped / reclassified wherever applicable.

In terms of our report attached
For Sharp & Tannan Associates
Chartered Accountants
(Firm's Registration No.109983W)
by the hand of

For and on behalf of the Board

Pramod Bhise
Partner
Membership No:(F) 047751

Place : Mumbai
Date : May 24, 2023

Chitkala Zutshi
Director
DIN- 07684586

Hariraj Chouhan
Company Secretary

S. Rajendran
Managing Director & CEO
DIN - 02686150

Devendra Agrawal
Whole-time Director & CFO
DIN - 03579332

Place : Mumbai
Date : May 24, 2023

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

1 COMPANY OVERVIEW

63 moons technologies limited (the 'Company') is a public limited company incorporated and domiciled in India. The Company's registered office is at Shakti Tower – II, 4th floor, Premises – J, 766, Anna Salai, Chennai – 600002. Tamilnadu, India and corporate office FT Tower, CTS No, 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai-400069.

The 63 moons group is among the global leaders in offering technology IP (Intellectual Property) and domain expertise to create and trade on next-generation financial markets, that are transparent, efficient and liquid, across all asset classes including equities, commodities, currencies and bonds among others. The group is pioneer in end to end Straight Through Processing (STP) solution that support high density transactions. It has developed proprietary technology platform benchmarked against global standard which give it a decisive edge in driving mass disruptive innovation at the speed and cost of execution unmatched in the financial market industry.

2 BASIS OF PREPARATION

2.1 Statement of compliance and Basis of Preparation

The consolidated financial statements of 63 moons technologies limited ('the Parent Company') its subsidiary companies and its associate company (Refer Note C below for list of entities included in consolidated financial statements) (the Parent Company, its subsidiaries and associate company constitute 'the Group') have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") read with the Companies (Indian Accounting Standards) Rules, 2015, subsequent amendments thereto and the relevant provisions of the 2013 Act.

The financial statements of subsidiaries and associate company used in the consolidation are drawn up to the same reporting dates as that of the Parent Company, viz March 31, 2023.

The financial statements have been prepared on accrual basis using the historical cost measurement except for the following material items that have been measured at fair value as required by relevant Ind AS:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Share based payment transactions
- Defined benefit and other long-term employee benefits

The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

These Ind-AS compliant the consolidated financial statements were approved by the Board of Directors on May 24, 2023.

2.2 Functional and presentation currency

These Consolidated financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

2.3 Use of judgements and estimates

The preparation of the Consolidated financial statements in conformity with Ind AS which requires management to make certain estimates, judgements and assumptions. These affect the application of accounting policies, the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the reporting date of the Consolidated financial statements and reported amounts of income and expenses during the period. Accounting estimates could change from period to period and the actual results could differ from those estimates. These are reviewed by the management on an on-going basis and appropriate changes in estimates are made prospectively as management becomes aware of changes in circumstances surrounding the estimates. The management believes that the estimates used in preparation of the consolidated financial statements are just, prudent and reasonable.

The areas involving critical estimates & judgements are:

Note Reference	Critical Estimates & Judgements
Note 4.14 and 29	Estimation of income taxes, Recognition and utilisation of deferred tax assets and MAT credit entitlement and utilisation.
Note 4.18, 31	Measurement of contingencies key assumptions about the likelihood and magnitude of an outflow of resources;
Note 4.8, 4.9, 4.10 and 39	Assessment of carrying value / fair value of financial instruments.
Note 4.12 and 35	Measurement of defined benefit obligations: key actuarial assumptions.
Note 4.5, 4.6, 4.7, 6, 8 and 9	Estimation of useful life of tangible, intangible assets and investment property

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

3 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS-110) "Consolidated Financial Statements", and Indian Accounting Standards (Ind AS-28) "Investments in Associates and Joint Ventures" as notified under the Companies (Accounts) Rules, 2014 on the following basis:

Group consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and its associate company as disclosed below. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of the Group subsidiary companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the company, are excluded.

Associates are entities over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date. The Group's investment in associates includes goodwill identified on acquisition.

I. The subsidiary and Associate companies considered in the presentation of the consolidated financial statements are:

Sr. No.	Name of Subsidiaries	Country of incorporation	Proportion of Ownership Interest (31.03.2023)	Proportion of Ownership Interest (31.03.2022)
1	Ticker Limited (formerly known as Ticker Plant Limited) (Ticker)	India	76.45%	77.51%
2	3.0 Verse Limited (subsidiary of Ticker) w.e.f. 21 st June, 2022	India	100.00%	100.00%
3	Financial Technologies Communications Limited (FTCL)	India	100.00%	100.00%
4	Apian Finance & Investment Limited (Apian)	India	100.00%	100.00%
5	FT Projects Limited. (FTPL)	India	100.00%	100.00%
6	Global Payment Networks Limited (GPNL)	India	100.00%	100.00%
7	FT Knowledge Management Company Limited (FTKMCL)	India	100.00%	100.00%
8	National Spot Exchange Limited (NSEL)	India	99.99%	99.99%
9	Indian Bullion Market Association Limited (IBMA) (subsidiary of NSEL)	India	60.88%	60.88%
10	Farmer Agricultural Integrated Development Alliance Limited (FAIDA) (subsidiary of NSEL)	India	100.00%	100.00%
11	Westernghats Agro Growers Company Limited (WGAGL) (subsidiary of NSEL)	India	84.00%	84.00%
12	Financial Technologies Singapore Pte Limited (FTSPL)	Singapore	100.00%	100.00%
13	ICX Platform (Pty) Limited (ICX)	South Africa	100.00%	100.00%
14	FT Group Investments Pvt. Limited. (FTGIPL)	Mauritius	100.00%	100.00%
15	Knowledge Assets Pvt. Limited (KAPL)	Mauritius	100.00%	100.00%
16	Financial Technologies Middle East DMCC (FTME) (subsidiary of FTGIPL)**	U.A.E.	-	100.00%
17	Credit Market Services Limited (CMSL) ***	India	-	-
18	Riskraft Consulting Limited (Riskraft) **	India	-	-
19	IBS Forex Limited (IBS) **	India	-	-
	Name of Associate Company			
1	NTT Data Payment Services India Limited (formerly known as atom technologies limited (atom))	India	29.15%	29.15%

** under liquidation,

*** liquidated w.e.f. 22nd June, 2022

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

II Disclosures mandated by schedule III of Companies Act 2013, by way of additional information:

(₹ in lakhs)

Name of the entity	Net Assets i.e total assets minus total liabilities		Share in Profit / Loss	
	As % of consolidated net assets	Amount ₹ in lacs	As % of consolidated Profit / (Loss)	Amount ₹ in lacs
I. Parent Company				
63 moons technologies limited	84.00	2,61,656.37	-	2775.41
II. Subsidiaries				
a. Indian Subsidiaries:				
National Spot Exchange Limited. (NSEL) (on consolidated basis)	2.25	7,017.87	125.15	(2,729.96)
Apian Finance and Investments Limited. (APIAN)	0.28	866.33	(1.05)	22.87
Ticker Limited. (Ticker) (on consolidated basis)	1.58	4,919.64	211.65	(4,616.80)
FT Projects Limited. (FTPL)	-	6.98	0.05	(1.05)
Financial Technologies Communications Limited. (FTCL)	0.18	558.54	(1.72)	37.46
Global Payment Networks Limited. (GPNL)	0.06	184.68	(0.32)	7.04
FT Knowledge Management Company Limited. (FTKMCL)	0.02	54.37	(0.04)	0.86
b. Foreign Subsidiaries:				
FT Group Investments Pvt. Ltd. (FTGIPL)	(24.37)	(75,902.85)	4.56	(99.42)
Financial Technologies Singapore Pte Ltd. (FTSPL)	6.21	19,355.91	53.12	(1,158.80)
Knowledge Assets Pvt. Ltd. (KAPL)	(0.05)	(156.98)	0.48	(10.55)
ICX Platform (Pty) Ltd. (ICX)	(0.09)	(278.16)	2.99	(65.25)
SUBTOTAL		218,282.70		(5,838.20)
Inter-Company Elimination & Consolidation Adjustments	29.93	93,218.13	(167.64)	3,656.84
GRAND TOTAL		3,11,500.84		(2,181.36)
Minority Interest in Subsidiaries		(2450.13)	63.48	(1033.49)
Share of profit in Associates			29.67	(483.01)
TOTAL				(1,630.88)

4 SIGNIFICANT ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these financial statements.

4.1 Revenue

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to receive in exchange for those products or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. Revenue also excludes taxes collected from customers.

The revenue from the sale of software products (IPR based licenses) is recognised on delivery/granting of right to use. In respect of service contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized over time. Revenue from fixed price service contracts is recognised based on acts performed as specified in the contracts over the contract period where performance of several acts is required over that period. In the case of time and material contracts, revenue is recognised on the basis of hours completed and material used. Revenue from annual maintenance contracts, lease of licenses, IT infrastructure sharing income and Shared Business Support Services is recognised proportionately over the period in which the services are rendered/licenses is leased. Revenue from sale of goods is recognised on transfer of control over the goods to the customer. Sales are recorded net of returns (if any), trade discounts, rebates, and goods and service tax. Projected losses, if any, are provided in entirety as per Ind AS based on management's current estimates of cost

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

to completion arrived at on the basis of technical assessment of time and effort required and estimates of future expenditure.

Revenues in excess of invoicing are classified as contract assets (which are referred to as unbilled revenue). Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Invoicing in excess of revenues are classified as contract liabilities (which are referred to as unearned revenues).

Income from Procurement service charges are levied on value of procurement and are recognised on accrual basis on completion of procurement and processing activity. Commitment fees are recognised upfront as per the terms of agreement with clients.

In case of exchange related business, Admission fees (non-refundable) to the exchange collected from new members for joining the exchange are recognised when the membership is approved. Advances against membership application are only recognised as income when the application has been approved. Annual subscription fees (non-refundable) are collected from members and accrued annually. Transaction fees are charged to members based on the volume of transactions entered into by the members through the exchange. These are accrued when orders placed by members on the network are matched and confirmed.

Service charges include income from various services viz data fee and message services, revenue sharing income, coaching and training fees, internet telecommunication charges, which are recognised as and when services are rendered.

Revenue is stated net of returns, goods and service tax (GST), wherever applicable.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

4.2 Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

4.3 Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established.

4.4 Investment property rental income

Rental income from investment property is recognised as revenue on a straight-line basis over the term of the lease and presented as other income. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

4.5 Property, plant and equipment

i. Recognition and measurement

Property, Plant and Equipment (PPE) are carried at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of PPE comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs directly attributable to bring in the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

PPE which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress"

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset form part of the cost of the asset. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is recognised in Statement of Profit & Loss.

ii. Subsequent expenditure

Subsequent expenditure relating to PPE is capitalised only when it is probable that future economic benefits with these will flow to the Group and cost of the item can be measured reliably. Repairs & maintenance costs are recognised in Statement of Profit and Loss as and when incurred.

iii. Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives. Leased assets and leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

Depreciation methods, useful lives and residual values are reviewed annually and the effects of any changes in estimates are accounted for on a prospective basis.

Freehold Land is not depreciated. For others, depreciation has been provided on the basis of estimated useful life as follows.

Assets	Useful life
Office Equipment	2 to 5 Years
Electrical Installations	10 Years
Computer Hardware	3 to 6 Years
Furniture and Fixtures	5 to 10 Years
Vehicles	5 Years
Building	58 years
Leasehold improvements	Over lease period (2 to 5 years)

Assets costing upto ₹ 5,000/- are fully depreciated in the year of acquisition.

vi. Reclassification to investment property

When the uses of a property changes from owner-occupied to investment property, the property is reclassified accordingly.

4.6 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. The cost of intangible assets comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any costs directly attributable to bring in use. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. Research costs are expensed as incurred. Amortization methods and useful lives are reviewed annually and the effects of any changes in estimates are accounted for on a prospective basis.

The Group amortises intangible assets with using the straight-line method over the estimated useful life as follows:

- Patents, copyright and other rights - 8 years
- Computer software - 4 to 6 years

4.7 Investment property

Investment property is measured at cost less impairment, if any. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in statement of Profit or Loss. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated using the straight-line method over their estimated useful lives. Fair value is calculated using discounted cash flow method and other relevant factors, if any. Useful life of the investment property is considered as 58 year or lease period whichever is lower.

4.8 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at recognition.

Classification	Initial recognition	Subsequent recognition
Non-derivative financial instruments		
a) Financial assets at amortised cost: if it is held within business model where purpose is to hold asset for contractual cash flows that are solely payments of principal and interest on principal outstanding	At fair value including directly attributable transaction costs	Subsequently carried at amortised cost using effective interest rate method less any impairment loss.
b) Financial assets at fair value through other comprehensive income: if it is held within business model where purpose is to hold asset for contractual cash flows that are solely payments of principal and interest on principal outstanding and also selling financial assets.	At fair value including directly attributable transaction costs	All changes in value excluding interest are recognised in OCI. Interest is recognised on effective interest rate method in Statement of Profit & Loss.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

Classification	Initial recognition	Subsequent recognition
c) Financial assets at fair value through statement of profit and loss : if financial asset is not classified in any of the above categories	At fair value excluding directly attributable transaction costs. Transaction costs are recognised in Statement of Profit and Loss.	Fair valued at each subsequent reporting date.
d) (i) Trade Receivable (Those do not contain significant financing component.) (ii) Loans	At transaction price. At fair value.	Subsequently held at amortised cost, using the effective interest rate method, net of any expected credit loss.
e) Other Equity investments	At fair value.	Any changes through Statement of Profit and Loss.
f) Financial liabilities	At fair value including directly attributable transaction costs	At amortised cost : using effective interest method except certain items.
Derivative financial instruments		
Financial assets or financial liabilities	At fair value	At fair value through statement of profit and loss : if financial assets or financial liabilities are not designated as hedges.
Share capital		
	Ordinary shares classified as equity.	Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

Financial assets are reclassified subsequent to their recognition if and in the period the Group changes its business model for managing financial assets.

Derecognition of financial instruments:

A financial asset is derecognised by the Company only when:

- Contractual right to receive cash flows from the assets expires; or
- the Company has transferred the rights to receive cash flows from the financial asset; or
- if the Company has not retained control of the financial asset; or
- the Company has transferred substantially all risks and rewards of ownership of the financial asset.

Any gain or loss on derecognition is recognised in statement of profit and loss including cumulative gain or loss in case of financial assets subsequently valued at fair value through other comprehensive income. In case of financial assets subsequently fair valued through profit or loss, gain or loss is presented on a net basis.

A financial liability (or a part of a financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires. Any gain or loss on derecognition is recognised in statement of profit and loss.

4.9 Measurement of Fair Value

The Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The Group regularly reviews significant unobservable inputs and valuation adjustments. In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

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

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

4.10 Impairment

i. Financial assets:

For the financial assets which are not fair valued through profit or loss, the Group tests loss allowances using the expected credit loss (ECL) model and recognises, if any.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. 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 those 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 to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

ii. Non-financial assets:

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then asset's / cash generating unit (CGU)'s recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is estimated. An impairment loss is recognised if the carrying amount of an asset / CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized

4.11 Foreign Currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rates at the dates of the transactions or at rates that closely approximate the rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency is translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction and are not retranslated. Foreign currency differences are generally recognised in profit or loss.

Foreign operations

The translation of the financial statements of non-integral foreign operations (including branches) is accounted for as under:

- i. All revenues and expenses are translated at average rate.
- ii. All monetary and non-monetary assets and liabilities are translated at the rate prevailing on the balance sheet date.
- iii. Resulting exchange difference is accumulated in Foreign Currency Translation Reserve Account until the disposal of the net investment in the said non integral foreign operation.
- iv. Foreign subsidiaries (non-integral foreign operations) financial statements are prepared in the currency of country in which they are domiciled except when another currency is considered appropriate based on revenue and cost stream.

4.12 Employee benefits

i. Short-term obligations

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period when the employee renders those services.

ii. Other long-term employee benefit obligations

Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date and recognised in Statement of Profit and Loss. Expense on non-accumulating compensated absences is recognized in the year in which the absences occur.

Defined Benefit Plan

The Group provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated at each reporting date by actuaries using the projected unit credit method. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

recognised, net of tax impact, in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. The amount of net interest expense calculated by applying the liability discount rate to the net defined liability or asset is charged or credited to 'Finance Cost' in Statement of Profit and Loss.

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

iii. Share-based payment arrangements

The Group recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account. For employees, in respect of Employee Stock Option Scheme, remuneration is considered at the time of exercise of option at a perquisite value as defined under Income Tax Act, 1961.

4.13 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue.

4.14 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

i. Current tax

Current tax comprises the expected tax payable or recoverable on the taxable income or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. The amount of current tax payable or recoverable is the best estimate of the tax amount expected to be paid or received. It is measured using tax rates enacted or substantively enacted at the reporting date. Interest income in respect of income tax is shown under Other Income and accounted on receipt basis, interest expenses and penalties, if any, are included in current tax expense. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amount and there is an intention to settle the assets and liabilities on net basis.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income tax during the specified period.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, Associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans of the Group and the reversal of temporary differences.

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 realised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

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

4.15 Inventories

Inventories are valued at lower of cost on First in First out (FIFO) basis or net realizable value. Cost comprises of cost of purchase and other costs incurred in bringing the inventories to their respective present location and condition. In case of defective and obsolete items, due allowance is estimated and provided for wherever necessary

4.16 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

4.17 Provisions

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

4.18 Contingent liabilities and contingent assets, if any, are disclosed in the notes to accounts. (Refer note 31)

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also 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 Group. Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

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

4.19 Leases

Effective April 01, 2019, the Company had adopted Ind AS 116 "Leases" by applying the modified retrospective approach. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease.

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right -of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight -line method from the commencement date over the shorter of lease term or useful life of right -of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right -of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

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

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value and are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

4.20 Earning Per Share

"Basic earnings per share" is computed by dividing the profit / (loss) after tax attributable to equity shareholder of the company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax attributable to equity shareholder of the company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

5 Recent Indian Accounting standards (Ind AS)

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective 1st April, 2023:

- a) Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
- b) Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.
- c) Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Group does not expect these amendments to have any significant impact on its consolidated financial statements.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

(₹ in lakhs)										
6 PROPERTY, PLANT AND EQUIPMENT*										
Particulars	Freehold Land	Buildings	Plant & Equipment	Improvement to Leasehold Premises	Computer Hardware	Equipments**	Furniture and Fixtures	Vehicles	Total	
Year ended March 31, 2023										
Gross carrying value as at April 01, 2022	4,836.60	18,081.82	7.07	95.77	7,633.37	6,648.12	4,943.45	1,172.88	43,419.09	
Additions	-	-	-	-	276.18	130.20	5.27	-	411.65	
Disposals	-	-	-	-	(63.44)	(0.19)	-	-	(63.63)	
Exchange differences	-	-	-	-	-	(0.04)	-	-	(0.04)	
Gross carrying value as at March 31, 2023	4,836.60	18,081.82	7.07	95.77	7,846.11	6,778.09	4,948.72	1,172.88	43,767.07	
Accumulated depreciation and impairment as at April 01, 2022	-	3,218.19	6.07	95.77	6,973.79	6,309.44	4,866.97	778.61	22,248.85	
Depreciation charge during the year	-	300.21	-	-	303.98	144.32	17.50	112.80	878.81	
Disposals	-	-	-	-	(63.48)	(0.17)	-	-	(63.65)	
Exchange differences	-	-	-	-	-	0.55	-	-	0.55	
Accumulated depreciation and impairment as at March 31, 2023	-	3,518.40	6.07	95.77	7,214.29	6,454.14	4,884.47	891.41	23,064.56	
Net carrying amount as at March 31, 2023	4,836.60	14,563.42	1.00	-	631.82	323.95	64.25	281.47	20,702.51	
Year ended March 31, 2022										
Gross carrying value as at April 01, 2021	4,666.60	17,770.82	7.07	95.77	7,459.60	6,548.08	4,923.17	790.16	42,261.28	
Additions	170.00	311.00	-	-	173.77	99.91	20.28	382.72	1,157.68	
Exchange differences	-	-	-	-	-	0.13	-	-	0.13	
Gross carrying value as at March 31, 2022	4,836.60	18,081.82	7.07	95.77	7,633.37	6,648.12	4,943.45	1,172.88	43,419.09	
Accumulated depreciation and impairment as at April 01, 2021	-	2,924.45	4.28	95.77	6,680.09	6,123.63	4,766.09	726.70	21,321.02	
Depreciation charge during the year	-	293.74	1.79	-	293.70	185.69	100.88	51.91	927.71	
Disposals	-	-	-	-	-	-	-	-	-	
Exchange differences	-	-	-	-	-	0.12	-	-	0.12	
Accumulated depreciation and impairment as at March 31, 2022	-	3,218.19	6.07	95.77	6,973.79	6,309.44	4,866.97	778.61	22,248.85	
Net carrying amount as at March 31, 2022	4,836.60	14,863.63	1.00	-	659.58	338.68	76.48	394.27	21,170.25	

** Equipments includes "office equipments, networking equipments and electrical installations".

* refer note 51 and 52

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

7 RIGHT OF USE ASSETS

(₹ in lakhs)

PARTICULARS	Buildings	Computer Hardware	Total
Year ended March 31, 2023			
Gross carrying Value as at April 01, 2022	57.75	-	57.75
Additions	85.66	407.49	493.15
Deletions on de-hiring premises	(34.90)	-	(34.90)
Gross carrying Value as at March 31, 2023	108.51	407.49	516.00
Accumulated depreciation and impairment as at April 01, 2022	31.50	-	31.50
Charged during the year	22.39	66.45	88.84
Deletions on de-hiring premises	(32.35)	-	(32.35)
Upto March 31, 2023	21.54	66.45	87.99
Net carrying amount as at March 31, 2023	86.97	341.04	428.01
Year ended March 31, 2022			
Gross carrying Value as at April 01, 2021	-	-	-
Additions on adoption of Ind-AS 116 on April 01, 2020	59.75	-	59.75
Additions	22.76	-	22.76
Deletions on de-hiring premises	(24.76)	-	(24.76)
Gross carrying Value as at March 31, 2022	57.75	-	57.75
Accumulated depreciation and impairment as at April 01, 2021	14.28	-	14.28
Charged during the year	17.22	-	17.22
Deletions on de-hiring premises	-	-	-
Upto March 31, 2022	31.50	-	31.50
Net carrying amount as at March 31, 2022	26.25	-	26.25

NOTES:

A As a Lessee:

The Group incurred ₹ 85.44 lakhs (Previous Year ₹ 95.64 lakhs) for the year ended 31st March, 2023 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is ₹102.23 lakhs (Previous Year ₹ 220.15 lakhs) for the year ended 31st March, 2023, including cash outflow of short-term leases and leases of low-value assets. Interest on lease liabilities is ₹ 26.07 lakhs (Previous Year ₹ 4.90 lakhs) for the year.

B The Company as a Lessor:

The Group has entered into various cancellable and non-cancellable operating lease agreements as a lessor for various premises ranging from 2 months to 60 months and may be renewed for further period based on mutual agreement of the parties. The lease rentals recognised as income in the statement of profit and loss during the year are included in Note 27 under the head 'Rental income from properties sublease'.

Disclosure for non-cancellable operating lease is as follows:

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Lease Income		
Lease rentals	859.97	690.09
Future minimum lease receivable		
Not later than one year	489.28	420.32
Later than one year and not later than 5 Year	1,114.09	643.37
Later than five years	-	-

C The Commitment related to lease payments are shown in Note 31.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

8 INVESTMENT PROPERTIES

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Gross carrying amount		
Opening gross carrying amount / Deemed cost	12,752.22	12,752.22
Additions	-	-
Closing gross carrying amount	12,752.22	12,752.22
Accumulated depreciation		
Opening accumulated depreciation	2,303.42	2,093.36
Depreciation charge	210.07	210.06
Closing accumulated depreciation	2,513.49	2,303.42
Net carrying amount	10,238.73	10,448.80

i. Amounts recognised in profit or loss for investment properties

(₹ in lakhs)

PARTICULARS	Year ended 31.03.2023	Year ended 31.03.2022
Rental income	859.76	670.59
Direct operating expenses from property that generated rental income	(90.59)	(83.16)
Direct operating expenses from property that did not generate rental income	-	(14.56)
Profit from investment properties before depreciation	769.17	572.87
Depreciation	210.07	210.06
Profit from investment properties	559.10	362.81

ii. Contractual obligations

There are no contractual obligations towards investment property

iii. Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly.

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Within one year	489.28	420.32
Later than one year but not later than 5 years	1,114.09	643.37
Later than 5 years	-	-

iv. Fair value

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Investment properties	10,317.51	12,350.96

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

9 OTHER INTANGIBLE ASSETS

(₹ in lakhs)

PARTICULARS	Trade Mark	Computer Software	Technical Know-how	Total
Year ended March 31, 2023				
Gross carrying value as at April 01, 2022	66.70	9,013.93	6.33	9,086.96
Additions	2.52	1,416.58	-	1,419.10
Exchange differences	-	560.75	-	560.75
Disposals	-	-	-	-
Gross carrying value as at March 31, 2023	69.22	10,991.26	6.33	11,066.81
Accumulated amortisations and impairment as at April 01, 2022	28.58	2,541.75	6.33	2,576.65
Amortisation charge during the year	6.48	1,154.82	-	1,161.30
Exchange differences	-	24.34	-	24.34
Disposals	-	-	-	-
Accumulated amortisations and impairment as at March 31, 2023	35.05	3,720.91	6.33	3,762.29
Net carrying amount as at March 31, 2023	34.17	7,270.35	-	7,304.51
Year ended March 31, 2022				
Gross carrying value as at April 01, 2021	36.86	7,144.67	6.33	7,187.86
Additions	29.84	1,701.98	-	1,731.82
Exchange differences	-	167.28	-	167.28
Disposals	-	-	-	-
Gross carrying value as at March 31, 2022	66.70	9,013.93	6.33	9,086.96
Accumulated amortisations and impairment as at April 01, 2021	24.48	2,451.93	6.33	2,482.73
Amortisation charge during the year	4.10	89.82	-	93.92
Exchange differences	-	-	-	-
Disposals	-	-	-	-
Accumulated amortisations and impairment March 31, 2022	28.58	2,541.75	6.33	2,576.65
Net carrying amount as at March 31, 2022	38.13	6,472.18	-	6,510.31

10 INVESTMENTS*

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Non Current		
In Equity Instruments (Quoted)	14.37	11.06
In Equity Instruments (Unquoted)	-	0.19
In Government And Trust Securities (Unquoted)	-	7.24
In Bonds (Quoted)	44,641.00	49,306.34
In mutual funds (Unquoted)	-	795.15
In Equity Instruments In Associate (Unquoted)		
Carrying Amount Investment In Associate	7,906.98	4,703.12
Gain on deemed disposal of Investments in Associates (Refer Note No 41 (a))	-	1,332.87
Share Of Profit / (Loss) In Associate	(483.01)	1,871.00
	7,423.97	7,906.99
TOTAL	52,079.34	58,026.97

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Current		
In mutual funds (Unquoted)	11,981.53	10,555.90
In Bonds (Quoted)	264.39	10,125.77
In Deposits	500.00	-
In Equity instruments (Unquoted)	946.08	940.76
TOTAL	13,692.00	21,622.43
TOTAL INVESTMENTS	65,771.34	79,649.40

*Refer Note 41,43,44,45,50,51,and 52.

11 LOANS

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Non - Current		
Unsecured, Considered Good		
Loans To Employees.	10.68	16.86
TOTAL	10.68	16.86
Current		
Unsecured, Considered Good		
Loans To Employees.	9.66	24.38
Loans Related To Nbcf Activities	375.52	444.57
TOTAL	385.18	468.95
TOTAL LOAN	395.86	485.81

12 OTHER FINANCIAL ASSETS*

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Non-Current		
Interest Accrued On Bank Fixed Deposits	113.86	81.52
Other Bank Balances		
In Deposits Accounts	27,270.28	11,239.00
In Current Accounts	3,570.07	4,090.89
Deposit With Hon'ble Bombay High Court	8,400.00	8,400.00
Security Deposits	108.41	114.60
Other Receivables	0.46	-
TOTAL	39,463.08	23,926.01
Current		
Other Receivables	23,577.71	23,897.23
Interest Accrued On Bank Fixed Deposits	2,565.87	1,056.45
Interest Accrued On Investments	3.62	239.42
Unbilled Revenue	74.75	476.25
Rent Receivables	19.40	58.28
Receivable On Sale / Redemption Of Investments	1,540.94	1,541.81
Security Deposits	20.59	9.21

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Contractually Reimbursable Expenses		
Considered Good	11.64	-
Considered Doubtful	173.46	52.61
Less: Allowance Doubtful For Loans And Advances	(173.46)	(52.61)
	11.64	-
	27,814.52	27,278.65
TOTAL OTHER FINANCIAL ASSETS	67,277.60	51,204.66

*Refer Note 50,51,52,58 and 62

13 OTHER ASSETS

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Non-Current Assets		
Capital Advances	129.55	-
Prepaid Expenses	72.90	90.41
Advance Income Tax (Net Of Provision)	7,246.38	10,268.33
Balances With Government Authorities	2,605.20	2,290.61
Advance For Lease	631.85	644.25
TOTAL	10,685.88	13,293.60
Current Assets		
Prepaid Expenses	1,235.20	1,191.17
Balances With Government Authorities	955.48	599.91
Advance Income Tax (Net Of Provision)	294.72	294.72
Capital Advances	3,000.00	3,000.00
Advance For Lease	12.41	12.37
Advance For Supply Of Goods And Services.		
Considered Good	1,937.73	2,096.80
Considered Doubtful	200.00	200.00
Less: Provision For Doubtful Advances	(200.00)	(200.00)
	1,937.73	2,096.80
TOTAL	7,435.54	7,194.97
TOTAL OTHER ASSETS	18,121.42	20,488.57

14 TRADE RECEIVABLES

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Current		
Unsecured		
Trade Receivable Considered Good	4,413.15	4,038.91
Trade Receivables - Credit Impaired	2,083.00	2,116.95
Less: Allowance For Expected Credit Loss	(2,083.00)	(2,116.95)
	4,413.15	4,038.91
TOTAL TRADE RECEIVABLES	4,413.15	4,038.91

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

Trade receivables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022:

PARTICULARS	Not Due Less than 6 Months	6 months to 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	885.42	35.50	0.29	-	3,491.94	4,413.15
	(514.64)	(32.33)	-	-	(3,491.94)	(4,038.91)
Undisputed Trade receivables – credit impaired	14.51	30.47	34.25	2.99	1,926.35	2,008.58
	(8.13)	(70.84)	(36.16)	(46.68)	(37.11)	(198.92)
Disputed Trade receivables – considered good	-	-	-	-	-	-
	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	59.27	0.36	14.79	74.42
	-	-	-	-	(1,918.03)	-
	899.94	65.97	93.81	3.35	5,433.08	6,496.14
	(522.77)	(103.17)	(36.16)	(46.68)	(5,447.08)	(6,155.86)
Less: Allowance for credit loss	14.51	30.47	93.52	3.35	1,941.14	2,083.00
	(8.13)	(70.84)	(36.16)	(46.68)	(1,955.14)	(2,116.95)
Total Trade Receivables	885.42	35.50	0.29	-	3,491.94	4,413.15
	(514.64)	(32.33)	-	-	(3,491.94)	(4,038.91)

15 CASH AND CASH EQUIVALENTS

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Cash on hand	6.57	8.55
Bank Balances:		
In Current Accounts (Refer Note 51)	4,605.77	1,360.76
In Deposit Accounts	16,556.57	21,811.56
In Earmarked Accounts		
In Current Accounts	-	20.59
TOTAL CASH & CASH EQUIVALENTS	21,168.91	23,201.47

16 BANK BALANCES OTHER THAN (III) ABOVE

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
In Earmarked Accounts		
Unpaid Dividend Accounts	-	8.97
Other Bank Balances*		
In Deposit Accounts With Original Maturity Of More Than 3 Months But Less Than 12 Months	83,182.41	1,05,685.13
In Deposit Accounts With Original Maturity Of More Than 12 Months	39,404.39	3,666.78
TOTAL BANK BALANCES OTHER THAN (III) ABOVE	1,22,586.80	1,09,360.86

*Refer Note 51 & 52

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

17 EQUITY SHARE CAPITAL

PARTICULARS	As at 31.03.2023		As at 31.03.2022	
	Number of shares	(₹ in lakhs)	Number of shares	(₹ in lakhs)
Authorised:				
Equity shares of ₹ 2/- each	15,00,00,000	3,000.00	15,00,00,000	3,000.00
Issued, subscribed and fully paid up:				
Equity shares of ₹ 2/- each	4,60,78,537	921.57	4,60,78,537	921.57

a. Reconciliation of Number of shares

PARTICULARS	As at 31.03.2023		As at 31.03.2022	
	Number of shares	(₹ in lakhs)	Number of shares	(₹ in lakhs)
Equity Shares				
Opening Balances	4,60,78,537	921.57	4,60,78,537	921.57
Changes during the period	-	-	-	-
Closing Balance	4,60,78,537	921.57	4,60,78,537	921.57

b. Rights, preferences and restrictions attached to equity shares:

The Parent company has only one class of shares referred to as equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Parent company declares and pays dividend in Indian Rupees. The dividend recommended by the Board of Directors is subject to the approval of the shareholders at the ensuing annual general meeting, except in the case of interim dividend and appropriate judicial orders. In the event of liquidation of the Parent company, the holders of equity shares will be entitled to receive remaining assets of the Parent company, after distribution of all preferential amounts in the proportion of equity shares held.

c. Details of equity shares held by each shareholder holding more than 5% equity shares in the Company:

PARTICULARS	As at 31.03.2023		As at 31.03.2022	
	Number of Equity Shares held	% Holding	Number of Equity Shares held	% Holding
La-fin Financial Services Private Limited	1,23,29,968	26.76	1,23,29,968	26.76
Jignesh P. Shah	65,36,728	14.19	65,36,728	14.19
Ravi Kanaiyalal Sheth	32,94,370	7.15	32,62,370	7.08

d. Details of equity shares held by promoters in the Company:

PARTICULARS	Number of Equity Shares held	% of total shares	% of Change during the year
La-Fin Financial Services Pvt Ltd	1,23,29,968	26.76	-
Jignesh P Shah *	65,36,728	14.19	-
Dewang Sunderraj Neralla	60,374	0.13	-
Rupal J Shah *	19,83,175	4.30	-
Mandar Neralla	1,364	0.00	-
Prakash B Shah	37,351	0.08	-
Manjay Prakash Shah	76,918	0.17	-
TOTAL	2,10,25,878	45.63	-

* includes shares held under multiple folios

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

18 OTHER FINANCIAL LIABILITIES

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Non-Current		
Security Deposit	484.26	455.28
TOTAL	484.26	455.28
Current		
Unclaimed dividend *	-	8.97
Unpaid dividend (Refer Note 48)	6,911.78	6,911.78
Security deposits	-	51.16
Payable to employees and other contractual obligations	1,364.65	1,134.58
Advances from Members / Customer	6,414.34	6,468.92
Payables on purchase of fixed assets	3.92	7.91
Members Liabilities	4,007.11	4,007.11
Provision For CSR Related Expense	-	20.59
TOTAL	18,701.80	18,611.02
TOTAL OTHER FINANCIAL LIABILITIES	19,186.06	19,066.30

* No amount due and outstanding to be credited to investor Education and Protection Fund

19 PROVISIONS

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Non-Current		
Provision for employee benefits		
Compensated absences	835.16	712.01
Gratuity	441.57	107.13
TOTAL	1,276.73	819.14
Current		
Provision for employee benefits		
Compensated absences	418.16	453.17
Others	197.26	438.59
TOTAL	615.42	891.76
TOTAL PROVISION	1,892.15	1,710.90

20 TRADE PAYABLE

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Current		
Dues of micro and small enterprises	122.45	35.86
Dues to others	2,254.62	2,890.70
TOTAL TRADE PAYABLE	2,377.07	2,926.56

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

Trade Payable ageing schedule for the year ended as on March 31, 2023 and March 31, 2022:

PARTICULARS	Not Due Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade payables – considered good	833.73	107.79	75.89	1,359.66	2,377.07
	(1,321.05)	(285.35)	(82.13)	(1,238.02)	(2,926.55)
Undisputed Trade payables – credit impaired	-	-	-	-	-
	-	-	-	-	-
Disputed Trade payables – considered good	-	-	-	-	-
	-	-	-	-	-
Disputed Trade payables – credit impaired	-	-	-	-	-
	-	-	-	-	-
	833.73	107.79	75.89	1,359.66	2,377.07
	(1,321.05)	(285.35)	(82.13)	(1,238.02)	(2,926.55)
Less: Allowance for credit loss	-	-	-	-	-
	-	-	-	-	-
Total Trade Payables	833.73	107.79	75.89	1,359.66	2,377.07
	(1,321.05)	(285.35)	(82.13)	(1,238.02)	(2,926.55)

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

- An amount of ₹ 122.45 lakhs (Previous Year ₹ 35.86 lakhs) and ₹ Nil lakhs (Previous Year ₹ Nil) was due and outstanding to suppliers as at the end of the accounting year on account of Principal and Interest respectively.
- No interest paid during the year.
- No interest is due and payable at the end of the year.
- No amount of interest accrued and unpaid at the end of the accounting year.

The above information regarding Micro and Small Enterprises has been determined to the extent replies to the Company's communication have been received from vendors/suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. This has been relied upon by the auditors.

21 OTHER LIABILITIES

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Non-Current		
Other Payables:		
Income received in advance (Unearned revenue)	10.05	20.31
TOTAL	10.05	20.31
Current		
Other Payables:		
Income received in advance (Unearned revenue)	10,891.51	2,638.53
Statutory remittances	2,757.02	2,715.78
Other Advances	-	2.78
TOTAL	13,648.53	5,357.09
TOTAL OTHER LIABILITIES	13,658.58	5,377.40

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

22 REVENUE FROM OPERATIONS

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Income from software products (IPR based license)	7,556.37	7,350.27
Income from software services (Project based)	21,297.08	8,514.52
IT Infrastructure income	114.33	111.71
Other operating revenues		
Business support services	-	2.41
Income relating to NBFC activities	39.04	47.52
TOTAL REVENUE FROM OPERATIONS	29,006.82	16,026.43

Revenue disaggregation by geography is as follows:

(₹ in lakhs)

GEOGRAPHY	Year Ended 31.03.2023	Year Ended 31.03.2022
India	28,658.25	15,847.45
Others	348.56	178.98
	29,006.82	16,026.43

Geographical revenue is allocated based on the location of the customers

Changes in contract assets are as follows:

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Balance at the beginning of the year	476.25	308.10
Revenue recognised during the year	1,136.12	(12,720.61)
Invoices raised during the year	(1,537.62)	(16,403.58)
Balance at the end of the year	74.75	476.25

Changes in unearned and deferred revenue are as follows:

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Balance at the beginning of the year	2,671.67	3,282.50
Revenue recognised that was included in the unearned and deferred revenue at the beginning of the year	(2,508.23)	(2,984.45)
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year	10,738.12	2,373.61
Balance at the end of the year	10,901.56	2,671.67

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

23 OTHER INCOME

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Interest received on financial assets- Carried at amortised cost		
On bank deposits*	6,728.55	4,459.52
On Investments*	683.64	990.88
On income- tax refund	1,849.76	174.32
On Loans to employees*	2.45	4.11
On Others	101.06	41.67
	9,365.46	5,670.50
* Interest under effective interest method		
Dividend received on financial assets carried at fair value through profit or loss	43.16	0.44
Gain / (Loss) on fair valuation of financial assets at fair value through profit or loss	599.25	513.82
Loss allowances / liabilities no longer required written back	-	77.56
Profit on sale of fixed assets	1.06	-
Write back of bad debts written off earlier	250.00	-
Other non-operating income		
Rental income from properties [(Refer Note 31 (b))]	859.97	690.09
Exchange rate fluctuations (net)	-	4.44
Miscellaneous Income	51.16	3.22
TOTAL OTHER INCOME	11,170.06	6,960.07

24 EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Salaries and emoluments	15,142.60	11,965.34
Contribution to provident fund and other funds (Refer Note 35)	616.80	494.94
Gratuity (Refer Note 35)	225.55	197.41
Employee stock option compensation cost	105.21	-
Staff welfare expenses	403.08	357.23
TOTAL EMPLOYEE BENEFITS EXPENSE	16,493.24	13,014.92

25 FINANCE COSTS

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Interest expense on:		
Delayed payment of tax	37.00	39.94
Interest on lease rental assets	26.07	4.90
Others	0.08	2.46
TOTAL FINANCE COSTS	63.15	47.30

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

26 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Depreciation of tangible assets	878.60	927.73
Depreciation of investment properties	210.06	210.06
Depreciation on lease property	88.84	17.22
Amortisation of intangible assets	1,161.48	93.90
TOTAL DEPRECIATION AND AMORTISATION EXPENSE	2,338.98	1,248.90

27 OTHER EXPENSES

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Electricity	401.77	353.70
Rent including lease rentals	85.44	95.64
Repairs and maintenance- others	718.06	618.87
Security services charges	175.40	150.70
Office expenses	596.70	483.60
Insurance	47.87	19.06
Advertisement, Branding & Event Expenses	553.76	476.19
Travelling and conveyance	297.77	157.55
Communication expenses	474.73	341.53
Legal and professional charges (Refer No 33)	7,102.22	8,037.08
Software development expenses and license fees	1,473.55	1,046.78
Data feed expenses	888.39	822.65
Outsourcing Charges	524.95	207.89
Expected credit loss on trade receivables	73.37	105.60
Bad trade receivables / advances written off	146.18	115.06
Less: Loss allowances made earlier	(29.00)	(93.96)
	117.18	21.10
CSR related Expenses	-	9.17
Provision for commission to non-executive directors	125.00	-
Miscellaneous expenses	1,533.99	1,727.74
TOTAL OTHER EXPENSES	15,190.16	14,674.86

28 EXCEPTIONAL ITEM

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Write off / Impairment of bonds (Refer Note No 43 and 44)	(14,344.83)	-
Less: Reversal of allowance for expected credit loss made earlier year's	10,208.28	-
Allowance for expected credit loss on Bonds / Debentures (Refer Note No 44)	-	(2,708.28)
Gain on deemed disposal of Investments in Associates (Refer Note No 41 (a))	-	1,332.87
TOTAL EXCEPTIONAL ITEM	(4,136.55)	(1,375.41)

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

29 INCOME TAX & DEFERRED TAX

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
29.1 Income Tax recognised in Profit or loss:		
Current Tax		
In respect of the current year	3,619.14	243.89
In respect of earlier years	148.12	-
	3,767.26	243.89
Deferred Tax		
In respect of the current year		
Other items	368.90	(180.93)
TOTAL TAX EXPENSE RECOGNISED IN THE CURRENT YEAR RELATING TO CONTINUING OPERATIONS	4,136.16	62.95
29.2 Reconciliation of tax expense with the effective tax		
Profit before tax from continuing operations (a)	1,954.80	(7,374.89)
Income tax rate as applicable (b)	28.24%	28.24%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	552.08	(2,082.84)
Permanent tax differences due to:		
Effect of income that is exempt from taxation	(0.49)	(26.68)
Adjustments for income chargeable to tax at different rates	36.62	258.28
Effect of income chargeable to tax in different year as per tax provisions	-	55.68
Deferred tax assets not recognised on tax losses carried forward	1,206.40	-
Earlier years tax expense recognised / (reversed)	-	34.77
Effect of expenses that are not deductible in determining taxable profit	2,341.57	1,823.75
INCOME TAX EXPENSE RECOGNISED IN PROFIT OR LOSS (RELATING TO CONTINUING OPERATIONS)	4,136.16	62.95
29.3 Tax Losses & Tax credits		
(a) Tax losses		
Deferred tax asset not recognised :		
Unused tax losses (including capital gain losses)	10,284.00	9,083.61
Provision for subsidiaries	32,945.45	33,630.22
(b) Tax credits:		
Opening balance of MAT entitlement	8,615.99	8,621.15
Less: Utilised during the year	(3,367.33)	-
CLOSING MAT CREDIT BALANCE	5,248.66	8,621.15
29.4 Deferred tax liabilities / (assets)		
(a) The balance comprises temporary differences attributable to :		
Deferred income tax liabilities		
Property, plant and equipment	1,947.17	1,912.56
Gain / Loss on fair valuation of Financial Assets	1.35	0.40
TOTAL DEFERRED INCOME TAX LIABILITIES	1,948.52	1,912.96

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
Deferred income tax assets		
Loans and other receivables	920.51	915.20
Trade receivables	70.48	56.62
Provision for employees benefits	463.30	400.74
Right to use assets	(2.01)	0.50
Mat Credit	5,248.65	8,621.15
Tax losses	-	350.49
TOTAL DEFERRED INCOME TAX ASSETS	6,700.93	10,344.70
Deferred income tax liabilities/(assets) after set off	(4,752.42)	(8,431.74)
(b) Movement in deferred tax liabilities / (assets):		
Net deferred tax liabilities at the beginning	(8,431.74)	(8,294.44)
Charged to profit or loss on account of:		
Property, plant and equipment	37.90	236.72
Fair valuation gain/(loss) on investments	0.95	(22.33)
Tax losses	350.49	(350.49)
Trade receivables	(12.55)	3.08
Right to use assets	2.51	0.70
Provision for employees benefits	(5.66)	(36.95)
Loans & other receivables	(4.74)	(6.49)
MAT Credit utilised	3,367.33	-
Recognised in Other Comprehensive Income:		
Employee benefit expenses	(56.90)	38.46
Net deferred tax liabilities/(assets) at the closing	(4,752.41)	(8,431.74)
29.5 Current tax liabilities / (assets)		
Current tax	(3,390.10)	(1,816.39)
TOTAL CURRENT TAX LIABILITIES / (ASSETS)	(3,390.10)	(1,816.39)

30 RATIO

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

(₹ in lakhs)

PARTICULARS	Numerator	Denominator	Year ended 31.03.2023	Year ended 31.03.2022	Variance	Reason for Variation
Current Ratio	Total Current Assets	Total Current Liabilities	5.66	7.01	(19.29%)	Ratio is lower mainly due to some fixed deposits placed for longer tenure
Return on Equity (ROE)	Net Profit as per P&L	Average Total Shareholder's Equity	(0.53%)	(1.72%)	69.19%	Ratio is improved mainly due to higher turnover and increase in bank deposit rates during the year
Net profit ratio	Net Profit as per P&L	Total Income as per P&L	(4.06%)	(23.13%)	82.45%	Ratio is improved mainly due to higher turnover and increase in bank deposit rates during the year
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	0.65%	(2.37%)	127.43%	The ratio is higher in PY due to increased expenses

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

PARTICULARS	Numerator	Denominator	Year ended 31.03.2023	Year ended 31.03.2022	Variance	Reason for Variation
Return on Investment(ROI)	Income generated from Investment	Time weighted average Investment	5.22%	4.13%	26.47%	Return on investment is higher in current year mainly due to increase in bank deposit rates.
Net capital turnover ratio	Revenue	Working Capital	0.18	0.10	82.96%	Reduction in working capital mainly due to higher income earned in advance has resulted in improvement of ratio
Debt – Equity Ratio	Total Debt (represents lease liabilities)	Shareholder's Equity	0.00	0.00	NA	Ratio is less than 0.00
Trade receivables turnover ratio	Revenue	Average Trade Receivable	6.36	3.69	72.36%	Ratio has improved mainly due to increase in turnover during the year
Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	2.46	1.89	30.16%	Ratio is higher mainly due to increase in expenses
Debt service coverage ratio	Not applicable since Company has incurred losses in current and previous year					
Inventory turnover ratio	Not applicable as the Company has no inventory.					

31 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) :

(₹ in lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
(A) Contingent liabilities:		
1 Claims not acknowledged as debt		
(a) Income tax demands which are in appeal [(including adjustable against Securities Premium account ₹ 1941.03 lakhs (Previous Year ₹ 1,941.03 lakhs)] (refer note 63 (c) and 64 (b))	20,026.18	20,715.72
(b) MVAT, Service tax and excise dues contested by the Group. (refer note 63 (b))	1,758.40	1,758.40
(c) Sales tax demand of subsidiaries (refer note 64)	36,509.21	36,879.98
(d) Claim from buyers of shares in for third party claims (refer note 57 (ii) (d) and 63 (a))	186.12	186.12
(e) Refer Note 50,51 and 52 for the parent company and refer note 59,60,61,62,63 and 64 for NSEL and subsidiaries for pending writ petitions, public interest litigations, civil suits and First Information Report, impact of which is not ascertainable.		
Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.		
2 Corporate guarantees given by subsidiaries	3.90	3.90
(B) Capital and other commitments:		
1 Estimated amount of contracts to be executed on capital account and not provided for (net of advances)	1,406.85	1,390.19
2 Commitments relating to lease		
The Group has entered into various cancellable and non-cancellable operating lease agreements as a lessee for various premises ranging from 6 months to 60 months and may be renewed for further period based on mutual agreement of the parties.		
Future minimum lease payments		
Not later than one year	46.82	33.01
Later than one year and not later than five years	79.24	8.13
Later than five years	-	-

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

32 EARNINGS PER SHARE IS CALCULATED AS FOLLOWS:

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
(a) Net Profit / (Loss) attributable to the equity shareholders (for basic and diluted EPS)	(1,630.88)	(5,317.34)
(b) Weighted average number of equity shares		
For Basic EPS	4,60,78,537	4,60,78,537
For Diluted EPS	4,60,78,537	4,60,78,537
(c) Basic earnings per share ₹	(3.54)	(11.54)
(d) Diluted earnings per share ₹	(3.54)	(11.54)
(e) Face value ₹ per share	2/-	2/-

33 LEGAL AND PROFESSIONAL CHARGES (REFER NOTE 27) INCLUDES PAYMENTS TO AUDITORS (EXCLUDING GST/ SERVICE TAX):

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
As auditors - statutory audit	64.89	62.38
For limited reviews	16.76	15.50
For taxation matters*	-	6.75
For other services*	5.42	6.91
Reimbursement of expenses	2.85	1.08
	89.92	92.62

*includes payment to group firm

34 RELATED PARTY DISCLOSURE**i Names of related parties and nature of relationship: (As per Ind-AS 24)****(a) Key Management Personnel (KMP)****Executive Directors:**

- 1 Mr. S. Rajendran : Managing director & CEO
- 2 Mr. Devendra Agrawal : Whole-time Director and Chief Financial Officer

Company Secretary:

- 1 Mr. Hariraj Chouhan

Non-executive Directors:

- 1 Mr. Venkat Chary (Retd. IAS)
- 2 Mr. A. Nagarajan (Retd. IAS) (upto September 22, 2021)
- 3 Justice Rajan Kochar (Retd.) (upto September 22, 2021)
- 4 Mr. Sunil Shah
- 5 Justice Deepak Verma (Retd.)
- 6 Ms. Chitkala Zutshi (Retd. IAS)
- 7 Mr. Suresh Salvi (Retd. IAS)
- 8 Mr. Kanekal Chandrasekhar
- 9 Mr. Devender Singh Rawat

Nominee Directors :**

- 1 Mrs. Malini Vijay Shankar
- 2 Mr. Satyananda Mishra
- 3 Mr. Parveen Kumar Gupta

** Nominee Directors appointed by Ministry of Corporate Affairs vide its order dated 16th March 2020, based on NCLAT order dated 12th March 2020. The Company has challenged the order dated 12th March 2020, before the Hon'ble Supreme Court for stay of the order passed by MCA.

The Hon'ble Supreme Court vide its order dated 9th March 2022, has stayed NCLAT order and consequently MCA order dated 16th March 2020, remain stayed.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

(b) Individuals / Entity owning, directly or indirectly, an interest in the voting power that gives control or significant influence.

- 1 La-fin Financial Services Pvt. Limited (La-fin)
- 2 Mr. Jignesh Shah

(c) Associate

NTT Data Payment Services India Limited (formerly known as atom technologies limited (atom))

(d) Relatives of Key Management Personnel

- 1 Ms. Shyamala S R
- 2 Ms. Maheshwari Rajendran

II Transactions with related parties

(a) Transactions with Key Managerial Personnel (KMP), relatives of KMP and Entity over which KMP and relative of KMP can exercise significant influence:

(₹ in lakhs)

PARTICULARS	Year ended 31.03.2023	Year ended 31.03.2022
a) Key Managerial Personnel (Executive directors)		
Remuneration		
Short-term employee benefits	288.65	290.13
Post-employment benefits*	-	-
Other long-term benefits*	-	-
* post employment benefits are actuarially determined on overall basis and hence not separately provided		
b) Key Management Personnel (Non-executive directors)		
Director Sitting Fees & commission	68.50	63.75
Provision for commission	125.00	-
Consultancy Fees - Devender Singh Rawat	21.60	21.60
Consultancy Fees - Sunil Shah	21.60	21.60
c) Rent to Relatives of KMP		
Ms Shyamala S R	5.46	-
Ms Maheshwari Rajendran	5.46	-

(b) Transactions with Individuals owning, directly or indirectly, an interest in the voting power that gives control or significant influence, and relatives of any such individuals

(₹ in lakhs)

PARTICULARS	Year ended 31.03.2023	Year ended 31.03.2022
Consultancy Fees*	327.50	297.50

* Amount paid to Mr. Jignesh Shah for providing strategic inputs in relation to ongoing legal matters and mentoring company's future vision.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

35 EMPLOYEE BENEFIT PLANS

Defined contribution plans: Amount recognised as expenses towards contribution to provident fund, employees state insurance corporation and other funds are ₹387.33 lakhs (Previous Year ₹ 341.57 lakhs)

Post employment defined benefit plans:

Gratuity Plan: The Company makes annual contributions to the Employee's Group Gratuity Assurance Scheme administered by the Life Insurance Corporation of India ('LIC'), a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

The following table sets out the status of the gratuity plan as required under Ind AS -19 :

(₹ in lakhs)

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
I. Change in benefit obligation:		
Projected benefit obligation at the beginning of the year	2,653.17	2,544.69
Interest Cost	180.15	164.83
Current Service Cost	221.97	207.73
Benefits Paid	(157.60)	(206.99)
Cost of plan amendment / Liability Transfer In	(117.09)	-
Actuarial loss / (gain) on obligations	295.69	(57.09)
Obligation transferred / settled	(110.76)	-
Projected benefit obligation at the end of the year	2,965.54	2,653.17
II. Change in plan assets		
Fair Value of the plan asset at beginning of the year	2,069.99	1,921.39
Expected return on plan assets	141.41	124.80
Contributions	350.60	211.74
Benefits paid	(157.60)	(206.98)
Cost of plan amendment / Liability Transfer In	(73.29)	-
Actuarial gain on plan assets	(1.38)	19.03
Fair value of plan assets at the end of the year	2,329.73	2,069.99
Excess of obligation over plan assets	635.80	583.18
III. Gratuity expense for the year		
Current service cost	221.97	207.73
Interest cost	180.15	164.83
Expected return on plan assets	(141.41)	(124.80)
Net actuarial (gain) / loss recognized	183.86	(198.63)
TOTAL	444.58	49.13
IV. Actual return on plan assets	140.03	143.83
V. Category of Assets as at end of the year		
Insurer Managed Funds	2,329.73	2,069.99
Fund is managed by LIC of India as per IRDA guidelines, category wise composition of planned asset is not available	-	-
TOTAL	2,329.73	2,069.99

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

PARTICULARS	Year Ended 31.03.2023	Year Ended 31.03.2022
VI. Assumptions		
Discount rate	7.50%	7.76%
Salary escalation rate	7.50%	7.50%
Expected rate of return on plan assets	7.50%	7.76%

VII. Experience adjustments	2023	2022	2021	2020	2019
Defined benefit obligation	2,965.54	2,653.17	2,544.69	2,465.51	2,064.00
Fair value of planned assets	2,329.73	2,069.99	1,921.39	1,799.84	1,582.19
Surplus / deficit	635.80	583.19	623.30	665.67	481.19
Experience adjustment on plan liabilities [(Gain)/Loss]	295.69	(57.09)	(156.45)	201.73	4,504.00
Experience adjustment on plan assets [Gain/(Loss)]	(1.38)	19.03	(19.10)	(18.55)	(13.98)

Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by LIC, since the fund is managed by LIC.

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

Expected contribution of ₹ 400.04 lakhs to the plan assets during financial year 2023-24

36 STOCK BASED COMPENSATION

During the year, the Ticker one of subsidiary, pursuant to approval by the shareholders in the Extra Ordinary Annual General Meeting, has authorized the Board to introduce, offer, issue, and provide share-based incentives to eligible employees of the Ticker, its subsidiary and holding/parent company under the Ticker Limited - Employee Stock Option Scheme (ESOS)-2021 Plan at a price of ₹ 3/- to eligible employees.

Details of the Option granted under stock option schemes are as under:

Schemes	No. of Options Granted	Exercise Price in ₹	Vesting Period
ESOS 2021	4,90,14,750	3.00	18.05.2022 - 17.05.2023
		3.00	18.05.2023 - 17.05.2024
		3.00	18.05.2024 - 17.05.2025
ESOS 2021	9,75,400	3.00	21.09.2022 - 20.09.2023
		3.00	21.09.2023 - 20.09.2024
		3.00	21.09.2024 - 20.09.2025

Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 1/- each. The options shall vest in three instalments of 30%, 30% and 40% at the end of 1st year, 2nd year and 3rd year respectively from the date of the grant and can be exercised within three months from vesting of options or as may be determined by the Remuneration and Compensation Committee.

The particulars of the options granted, lapsed and cancelled under aforementioned schemes are as follows:

PARTICULARS	No of Options
Options outstanding as at the beginning of the year	-
Options granted during the year	4,99,90,150
Options exercised during the year	-
Options lapsed / forfeited / cancelled during the year	(4,68,250)
Options outstanding as at the year-end	4,95,21,900
Options exercisable as at the year-end	-

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model. The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk free rate of interest. The Group recorded an employee compensation cost of ₹ 105.21 Lakhs (Previous Year NIL) in the Statement of Profit and Loss.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

37 SEGMENT REPORTING

The Group has identified Business segments as its primary segment and Geographical segments as its secondary segment taking into account the nature of services, differing risks and returns, the organizational structure and the internal reporting system of the Group. Inter-company transfers are accounted for at market /negotiated prices in case of transactions of special nature for which suitable alternative sources do not exist.

Revenues and direct expenses in relation to segments are categorized based on items that are individually identifiable to that segment or those which can be reasonably allocated to the segment. Depreciation and other expenses which relate to the group as a whole and which cannot be reasonably allocated to any segment have been disclosed as unallocated expenses.

a) Primary segment: Business segments

(₹ in lakhs)

PARTICULARS	STP Technologies / solutions	Others	Elimination	Total
External revenue	28,497.44	509.38	-	29,006.82
	(15,517.79)	(508.63)		(16,026.42)
Inter-segment revenue	148.93	1.20	150.13	-
	(168.60)	(1.20)	(169.80)	-
Net Sales / Income from operations	28,646.37	510.58	150.13	29,006.82
	(15,686.39)	(509.83)	(169.79)	(16,026.42)
Segment result	11,954.98	(4,517.57)	(511.20)	7,948.61
	(4,806.35)	2,650.33	64.50	(2,220.52)
Add: Unallocable income				1,804.59
				(1,289.58)
Less: Unallocable expenses				12,964.16
				(15,132.78)
Less: Finance costs				63.15
				(47.30)
Add: Interest Income				9,365.46
				(5,670.50)
Less: Exceptional Item				(4,136.55)
				1,375.41
Profit / (Loss) before tax				1,954.80
				(7,374.89)
Less : Provision for taxation (including taxes in respect of earlier years and tax effect on exceptional item)				4,136.16
				(62.96)
Profit / (Loss) after tax before share of results of associates and minority interest				(2,181.36)
				7,437.85

Notes:

- Due to diversified nature of business, significant portion of assets are interchangeably used between segments and the management believes that its segregation will not be meaningful.
- The reportable segments are described as follows :
 - STP Technologies/solutions segment represents straight through processing solutions and includes an integrated mix of various products, projects and services incidental thereto. Exchange Based segment represents trading platform for multi asset class like commodity, equity, equity derivatives and forex based derivatives etc.
 - The businesses, which are not reportable segments during the year, have been grouped under the "Others" segment. This mainly comprises of various services towards trading, procurement, process management, risk consultancy activities, Shared Business Support Services, IT Infrastructure Sharing, NBFC related activities, internet telecommunication services and Training, Certification and Franchise Fees.
- Previous year figures are given in brackets and are regrouped to confirm to current year's classification and segment loss is indicated by '-ve sign.
- Revenue of segment STP Technologies / solutions includes revenue from a customer amounting to ₹ 17,112.27 lakhs (previous Year ₹ 5,093.37 Lakhs)

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

b) Secondary Segment: Geographical segments:

The Group has two geographical segments viz, within India and outside India. Significant portion of segment operational assets are in India. Revenue from geographical segments based on domicile of the customers is outlined below:

PARTICULARS	(₹ in lakhs)	
	Year ended 31.03.2023	Year ended 31.03.2022
Net Revenue / Income from Operations		
Within India	28,658.26	15,847.45
Outside India	348.56	178.98
	29,006.82	16,026.43

38 The aggregate amount of revenue expenditure incurred during the year on Research and Development and shown in the respective heads of the account is ₹ 1521.40 lakhs (Previous Year ₹ 1294.77 lakhs).

39 FINANCIAL INSTRUMENTS

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2023 and March 31, 2022 as follows:

Particulars	Amortised Cost / Cost	FVTOCI	FVTPL	(₹ in lakhs)
				Fair Value / Carrying Value
As at 31.03.2023				
Financial Assets :				
Investments				
In Equity Instruments of Others	-	-	8,384.42	8,384.42
In Bonds	44,905.39	-	-	54,586.45
In Deposits	500.00			500.00
In Mutual Funds	-	-	11,981.53	11,981.53
Cash and cash equivalents	21,168.91	-	-	21,168.91
Bank balances other than (iii) above	1,22,586.80	-	-	1,22,586.80
Trade receivables	4,413.15	-	-	4,413.15
Loans	395.86	-	-	395.86
Other financial assets	67,277.60	-	-	67,277.60
TOTAL FINANCIAL ASSETS	2,61,247.71	-	20,365.95	2,91,294.72
Financial liabilities				
Trade payables	2,377.07	-	-	2,377.07
Other financial liabilities	19,186.06	-	-	19,186.06
TOTAL FINANCIAL LIABILITIES	21,563.13	-	-	21,563.13
As at 31.03.2022				
Financial Assets :				
Investments				
In Equity instruments	-		8,858.99	8,858.99
In Government And Trust Securities	-		7.24	7.24
In Bonds	59,432.11		-	58,649.27
In Mutual Funds	-		10,555.90	10,555.90
Cash and cash equivalents	23,201.47		-	23,201.47
Bank balances other than (iii) above	1,09,360.86		-	1,09,360.86

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

(₹ in lakhs)				
Particulars	Amortised Cost / Cost	FVTOCI	FVTPL	Fair Value / Carrying Value
Trade receivables	4,038.91		-	4,038.91
Loans	485.81		-	485.81
Other financial assets	51,204.66		-	51,204.66
TOTAL FINANCIAL ASSETS	2,47,723.82		19,422.13	2,66,363.11
Financial liabilities				
Trade payables	2,926.56		-	2,926.56
Other financial liabilities	19,066.30		-	19,066.30
TOTAL FINANCIAL LIABILITIES	21,992.86		-	21,992.86

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as under:

- Level 1 hierarchy includes methods and input that use active quoted prices depending upon type of instrument. Management has used closing prices and values of closing NAV's as applicable in case of financial instruments covered under this level.
- Under level 2 the fair value of the financial instruments that are not traded in any active market are determined using appropriate valuation techniques with the use of observable market data without relying much on the estimates that are entity specific. The inputs under this level are always observable.
- In case of level 3 if one or more of the significant inputs are not derived on the basis of observable market data then fair value estimations derived with such inputs are included in level 3.
- The Company follows a policy to recognise transfers between the levels only at the end of reporting period and accordingly there are no transfers between levels during the year.

The information based on the above levels is tabulated here below:

Fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

PARTICULARS	(₹ in lakhs)		
	Fair value measurement at end of the reporting period/year using		
	Level 1	Level 2	Level 3
As at 31.03.2023			
Assets at fair Value :			
In mutual funds	11,981.53	-	-
In equity instruments of others	-	-	8,384.42
In government and trust securities	-	-	-
Liabilities at fair Value :	-	-	-
As at 31.03.2022			
Assets at fair Value:			
In mutual funds	10,555.90	-	-
In equity instruments of others	-	-	8,858.99
In government and trust securities	-	-	7.24
Liabilities at fair Value:	-	-	-

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

Fair value hierarchy of assets and liabilities measured at amortised cost for which fair values are disclosed:

(₹ in lakhs)

PARTICULARS	Fair Value amount	Fair Value		
		Level 1	Level 2	Level 3
As at 31.03.2023				
In Bonds	54,586.45	-	-	54,586.45
As at 31.03.2022				
In Bonds	58,649.27	-	-	58,649.27

Reconciliation of Level 3 fair value measurement is as follows:

(₹ in lakhs)

	As at 31.03.2023	As at 31.03.2022
In equity instruments of other than Associate		
Balance at the beginning of the year	1774.04	1774.04
Purchase/ reclassified during the period	-	-
Gain on Fair Valuation of Financial Assets	-	-
Impairment during the year	8.45	(7.72)
Sale/ Settlement during the year	-	(814.32)
Balance at the end of the year	960.45	952.00
In government and trust securities:		
Balance at the beginning of the year	7.55	7.55
Purchase during the period	-	-
Impairment during the year	-	-
Sale/ Settlement during the year	(7.55)	(0.31)
Balance at the end of the year	-	7.24

Calculation of fair values:

The fair values of Investments in mutual funds are based on Net Asset Values (NAV) published by fund houses and uploaded on Association of Mutual Funds of India (AMFI)'s website. The unlisted equity shares are fair valued on the basis of latest available financial statements of the companies. The securities which are listed but not frequently traded are fair valued based on the estimated rate as per prevailing market condition as on reporting date as received from market intermediary. Trust securities are fair valued based on latest available Net Asset Value report from the trustee company.

Income, expenses, gains of losses on financial instruments:

(₹ in lakhs)

PARTICULARS	Year ended 31.03.2023	Year ended 31.03.2022
Financial assets carried at amortised cost		
Interest income	683.64	990.88
Loss allowance on trade receivable no longer required, written back	-	77.56
Impairment of financial assets at amortised cost	(4,136.55)	(2,708.28)
Bad trade receivable / advances written off	117.18	21.10
Loss on reclassification of financial assets from amortised cost to fair value included in Other Comprehensive Income	0.01	0.01
Financial assets carried at fair value through profit or loss		
Dividend	43.16	0.44
Gain / (loss) on fair valuation	599.25	513.82
Financial liabilities carried at amortised cost		
Interest expenses	63.15	47.30
Net loss on foreign currency translations	524.95	4.89

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

40 RISK MANAGEMENT**Credit risk management**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investment securities.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals of customers to which the Group grants credit terms in the normal course of business and their past transactions. Impairment losses in respect of trade receivables are assessed at party level on each reporting date. The Group establishes an expected credit loss allowance for trade receivables based on historical trends.

Financial instruments and bank balances:

The Group limits its exposure to credit risk by generally investing in securities with a good credit rating. The credit rating is being reviewed by the Group periodically. Balances with banks are subject to low credit risks due to good credit ratings assigned to these bank

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2023 and March 31, 2022:

		(₹ in lakhs)	
Period (in days)	Trade Payable	Period (in days)	Trade Payable
As at 31.03.2023		As at 31.03.2022	
Upto 180 days	833.73	Upto 180 days	1,123.73
181 – 365 days	-	181 – 365 days	197.32
More than 365 days	1,543.34	More than 365 days	1,605.51

Foreign Currency risk

The Group's exchange risk arises primarily from its foreign currency borrowings, and balances in overseas bank accounts (in U.S. dollars). The exchange rate between the Indian rupee and US dollars has changed substantially in recent periods and may continue to fluctuate in the future.

As at March 31, 2023, the net unhedged exposure to the Group on holding financial assets (trade receivable and capital advances) and liabilities (trade payables and capital creditors) other than in their functional currency amounted to rupees ₹ NIL payable (March 31, 2022 ₹ NIL).

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates was related primarily to the Group's debt obligations with floating interest rates. To mitigate the interest rate risk, the Group had entered into interest rate swap contracts for covering partial borrowing to fixed rate of interest from floating rate. Group investments in bank deposits are normally for one year fixed rate interest and hence subject to repricing risk on maturity.

Price Risk

The Group is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

The Group has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in debt mutual funds.

- 41** (a) During the previous year, Associate company NTT Data Payment Services India Limited (formerly known as atom technologies limited (atom), has issued additional share capital at premium on account of which holding in an Associate of the Parent Company is reduced from 36.28% to 29.15% resulting of profit of ₹ 1,332.87 lakhs, which are included under exceptional items as Gain on deemed disposal of Investments in Associates.
- (b) During the year, Ticker a subsidiary of Parent Company, has issued additional share capital at premium on account of which holding in Ticker is reduced from 77.51% to 76.45% (Previous year 100% to 77.51%), resulting in transfer of proportionate retained earnings to Non-controlling Interest is shown in Statement on Change in Equity.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

42 The Details of corporate social responsibility as prescribed under section 135 of Companies Act 2013 are as follows:

(₹ in lakhs)

Sr. No.	PARTICULARS	Year ended March 31, 2023	Year ended March 31, 2022
I	Amount required to be spent by the Company during the year	Nil	4.73
II	Amount spent during the year		
	i) Construction / acquisition of any assets	-	-
	ii) For the purpose of the other than (i) above	21.49	9.17
III	Shortfall at the end of the year	Nil	Nil
IV	Total previous year shortfall	Nil	Nil
V	Reason for shortfall	Not Applicable	Not Applicable
VI	Nature of CSR activities includes promoting education, including special education and employment enhancing vocation skills, rural development.		

43 The Parent Company has investments of ₹ 20,000 Lakhs (face value) in Secured Non-Convertible Debentures issued by IL&FS Transportation Networks Ltd (ITNL) (subsidiary of Infrastructure Leasing & Finance Ltd – IL&FS) which were rated “A” by the rating agencies at the time of purchase and was also secured by way of charge on certain assets of ITNL. In earlier years, ITNL has defaulted in payment of interest and rating agencies have revised the credit ratings to the lowest category ‘D’ i.e. default. National Company Law Tribunal (NCLT) has superseded the then existing Board of Directors of the IL&FS and the new board was appointed on the recommendation application of the Union of India. Resolution process has been initiated under Companies Act by the New Board under the supervision of National Company Law Appellate Tribunal (NCLAT), in addition to various investigations and legal proceedings. The Company has filed its claim for the bonds held and also taken various measures including filing legal Civil Suit, cases against specified parties at appropriate forum. The outcomes of legal matters are pending. The new Board of IL&FS from time to time submitted various progress reports including the resolution framework for the IL&FS Group to Hon’ble NCLAT. During the resolution process, Hon’ble NCLAT has approved the Revised Distribution Framework proposed by the New Board for distribution of cash received in financial bid amount / termination amount / settlement amount or by way of units created by InvIT. According to the estimated distribution to the secured creditors of ITNL provided by the New Board of IL&FS based on the estimated realization value and various progress of the resolution process time to time, without prejudice to its rights, the Company has impaired the investment for the expected credit loss by ₹ 7,500 lakhs till March 31, 2022 and further impaired / written off the investment by ₹ 4,136.55 lakhs during the current year.

44 The Parent Company had investments of ₹ 20,000 Lakhs (face value) Secured Redeemable, Non- Convertible Debentures of Dewan Housing Finance Corporation Ltd (DHFL) which were rated AAA by the rating agencies and secured by way of floating charge on receivables. In earlier years, after default by DHFL, RBI filed corporate insolvency resolution process (CIRP) against DHFL in NCLT, Mumbai. As a result of CIRP process, the Company has received payout of ₹ 4,395.28 lakhs and 6.75% Non-convertible Debentures of Piramal Capital & Housing Finance Ltd (PCHFL) amounting to ₹ 5,287.82 lakhs during the previous year. Without prejudice to its rights, the Company has made necessary provisions in the books of accounts during the previous year and earlier years and continues to pursue legal remedies available to recover its dues. The Company is also pursuing its application filed for the recoveries of avoidance applications filed by DHFL Administrator which should be for the sole benefit of the creditors of DHFL. The application was rejected by National Company Law Tribunal (NCLT) but was allowed by National Company Law Appellate Tribunal (NCLAT) and directed that the Resolution Plan be sent back to Committee of Creditors for reconsideration. The application is pending at Hon’ble Supreme Court which has granted stay on the order of NCLAT. Subsequent to the approval to resolution plan, shares of DHFL have been delisted, the issued equity share capital of DHFL existing at that time and held by shareholders of DHFL has been entirely cancelled and extinguished; and upon completion of capital reduction, PCHFL / Successful Resolution Applicant has merged into DHFL by way of reverse merger. Considering the integration of erstwhile DHFL business with PCHFL is completed and seems irreversible, without prejudice to its rights, the balance amount receivable towards NCDs of DHFL Rs. 10208.28 lakhs have been impaired / written off during the year, for which provision had already been made in earlier years.

45 The Parent Company has invested in 9 % Yes Bank Perpetual Additional Tier 1 (AT-1) Bonds, amounting to Rs. 30,000 Lakhs (Face Value) which were rated AA by rating agencies. The Central Government announced a draft scheme for the reconstruction of Yes Bank Ltd in March 06 ,2020, which included the proposal to write off the AT-1 bonds permanently. The Final Reconstruction Scheme excluded the writing off AT-1 bonds, and all contracts were to be effective in the same manner as before. Despite this, Administrator of Yes Bank vide letter dated March 14, 2020, informed the stock exchanges that the all AT-1 bonds having total value of Rs. 8415 crores needed to be fully written off, which led to legal action by the trustees of the issue and the company. The Bombay High Court quashed and set aside the decision by Administrator of Yes Bank to write off the bonds further on the request of Yes Bank counsel stayed this order for period of six weeks. Yes Bank and RBI challenged the Bombay High Court's order before the Supreme Court and accordingly stay was extended subject to the final order passed by the Supreme Court.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

- 46** The Subsidiary Company viz. NSEL carry out the activities of procurement and/or processing of commodities on behalf of principal. The risk and rewards to the companies are operational, executional and incidental to the activities of procurement. During the current year and previous year no activities were carried out on behalf of principal by NSEL.
- 47** The writ petition filed by the Parent Company challenging the legality and propriety of the Forward Markets Commission's ('FMC') order on the Company inter alia declaring "not a fit & proper person" is pending for hearing before the Hon'ble Bombay High Court. Solely based on FMC order, SEBI and CERC declared the Parent Company as not a fit and proper person to hold shares in recognized stock exchanges and power exchanges respectively. The Parent Company has filed civil appeals before Hon'ble Supreme Court challenging the CERC order, same is pending for hearing before the Hon'ble Supreme Court.
- 48** Hon'ble Bombay High Court passed an ad interim order inter alia restraining the Company from distributing any dividend or depositing the same in the dividend distribution account in accordance with the provisions of the Companies Act, 1956 (to be read as Companies Act, 2013) pending the final hearing and disposal of the Notice of Motion. This Notice of Motion was filed in one of the suits relating to NSEL counterparty default. In compliance to the said order, the Company has not distributed the final dividend approved by the shareholders for the financial year 2014-15, 2016-17, 2017-18 2018-19, 2019-20 and 2020-21 aggregating to ₹ 6,911.78 lakhs. All the Notice of Motions and the Contempt Petitions filed against the Company have been tagged together and pending for hearing.
- On May 24, 2023, the Board of Directors of the Company have proposed a final dividend of ₹ 2/- per share in respect of the year ended March 31, 2023 subject to the approval of shareholders at the Annual General Meeting and appropriate judicial order. If approved, it would result in a cash outflow of ₹ 921.57 lakhs. The distribution of dividend is subject to appropriate Judicial order.
- 49** The Union of India, through the Ministry of Corporate Affairs ("MCA"), has filed the Company Petition before the Company Law Board, inter-alia seeking removal and supersession of the Board of Directors of the Parent Company. The NCLT has as interim arrangement with consent formed a committee for certain matters. In Appeal, NCLT dismissed the prayer of MCA for removal and supersession of the entire Board of the Parent Company and ordered MCA to nominate three directors on the board of the Parent Company. The NCLAT was pleased to uphold the NCLT Order. The Parent Company has filed civil appeal before Hon'ble Supreme Court challenging the orders passed by NCLAT & NCLT wherein in interim Hon'ble Supreme Court granted stay on appointment of director on the Parent Company, the said is pending for hearing.
- 50** a) Post July-2013, civil suits have been filed against the Parent Company in relation to the counter party payment default occurred on the exchange platform of NSEL, wherein the Parent Company has been made a party. In these proceedings certain reliefs have been claimed against the Parent Company, inter-alia, on the ground that the Parent Company is the holding company of NSEL. These matters are pending before the Hon'ble Bombay High Court for adjudication. The Parent Company has denied all the claims and contentions in its reply. There is no privity of contract between the Parent Company and the Plaintiffs therein. The management is of the view that the parties who have filed the Civil Suits would not be able to sustain any claim against the Parent Company. These matters are pending for hearing before the Hon'ble Bombay High Court.
- b) First Information Reports (FIRs) have been registered against various parties, including the Parent company, with the Economic Offences Wing, Mumbai (EOW) and Central Bureau of Investigation (CBI) in connection with the counter party payment default on NSEL trading platform. After investigation, EOW, Mumbai has presently filed various charge-sheets in the matter. The Parent company has been named in the charge sheet filed in December 2018. CBI has filed charge-sheets including against the Company for alleged loss caused to PEC Ltd. & MMTC Ltd. on NSEL platform and the case is pending for trial before respective Trial Courts.
- c) The CBI - EOW, has registered an FIR alleging conspiracy between the private persons and SEBI official for granting renewal of stock exchange license to MCX Stock Exchange Ltd. by SEBI. Also, CBI-EOW, has registered FIR alleging that certain officials of FMC, SEBI and other for giving illegal benefits to Multi Commodity Exchange of India Ltd. (MCX) and allowing MCX trading as commodity exchange. The investigation in both cases is pending.
- d) The SFIO has filed complaint with the Hon'ble Sessions Court under various sections of IPC and Companies Act 2013 against several persons/entities including the Parent Company. The Parent Company has challenged the issuance of process order before the Hon'ble Bombay High Court and the proceedings in the matter has been stayed by the Hon'ble High Court. The matter is pending for hearing before Hon'ble Bombay High Court.
- 51** The Parent Company had filed the Writ Petitions before the Bombay High Court challenging inter alia, the provisions of the MPID Act are violative of the Constitution and the validity of various notifications and corrigendum attaching the assets of the Parent Company under the provisions of the MPID Act. The Hon'ble Bombay High Court pleased to quash and set aside the said impugned Notifications. The State of Maharashtra and NIAG have challenged the said Judgement before Hon'ble Supreme Court. Hon'ble Supreme Court has set aside the High Court order and held that all the notifications issued under MPID Act are valid.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

52 The Enforcement Directorate('ED') has attached certain assets of the Parent Company under the provisions of the Prevention of Money Laundering Act, 2002(PMLA). The three Provisional Attachments Orders had been confirmed by the Adjudicating Authority. The Hon'ble Appellate Tribunal quashed the provisional attachment orders and imposed conditions with regard to the Parent Company. The Parent Company has filed the appeal before the Hon'ble Bombay High Court for the limited purpose for challenging the conditions put by the Hon'ble Appellate Tribunal. The Hon'ble Court was pleased to admit the appeal and clarified that the later part of the impugned order shall not govern the Parent Company. ED has also filed cross appeal, which is tagged with the Parent Company's appeal. The matters are pending for hearing. Meanwhile, ED filed a prosecution complaint before the Spl. PMLA Court, Mumbai against the Parent Company and the same is pending for trial.

Various updates and relevant notes relating to NSEL and its subsidiary companies: (Note No 53 to 69)

53 SETTLEMENT GUARANTEE FUND

(i) SGF-MC balance as at March 31, 2023

NSEL has a separate Settlement Guarantee Fund, which is created out of Members' Contribution (SGF-MC) in respect of the activities carried out on the spot trading in various contracts on Exchange. The members are required to contribute to the fund in the form of security deposit and interest free margin money in the form of cash and non-cash, which forms part of the SGF-MC. The margin money was refundable, subject to adjustments, if any and exposure of members. The cash margin money forming part of SGF-MC was ₹ 3,746.09 lakhs (Previous year ₹ 3,746.09 lakhs) (included in other current liabilities). NSEL had also collected non cash portion of the SGF-MC comprising of collaterals such as bank guarantees, securities and fixed deposits receipts received from the members and the same was refunded to the members. Balance was such non cash margin with NSEL as at March 31,2023 was amounting to ₹ Nil (Previous year ₹ Nil).

The composition of SGF-MC as on March 31, 2023 was as under.

	(₹ in lakhs)	
	As at 31.03.2023	As at 31.03.2022
INITIAL MARGIN		
Cash Margin	3,746.09	3,746.09
Non-Cash Margin - FDR	-	-
Non-Cash Margin - Bank Guarantee	-	-
TOTAL	3,746.09	3,746.09

It's a Practice in India among the Stock and Commodity Exchanges that SGF-MC consists of aforesaid two components viz. cash and non-cash, collected from the members as security deposit and margin money. Cash Component shall form part of liabilities in Balance Sheet. Non-cash component is disclosed by way of "Notes to Accounts."

(ii) The SGF-MC currently shows a net outstanding amount of ₹ 3,746.09 lakhs (Previous year ₹ 3,746.09 lakhs) which is pertaining to the existing non-defaulting clearing Members. While the exchange has taken many legal, regulatory and commercial measures against the defaulters, it is not clear how much money would be eventually recovered and by when, as the entire process is sub-judice. In case the Exchange fails to secure the balance money or there is undue delay in recovery then the exchange would as per the bye laws call for the balance amount as may be considered appropriate to be recovered from all the non-defaulting clearing members as per its bye law number 12.9.2 and 12.10 besides other applicable bye laws for settlement of claims. However, this decision would be taken post the adjudication of pending legal cases wherein this subject matter is being adjudicated or at an appropriate time when considered suitable by NSEL.

54 IMPAIRMENT OF FINANCIAL ASSET

In case of NSEL, it had utilized its own funds to the extent of ₹ 24,355.50 lakhs (Previous year ₹ 24,356.95 lakhs) (in fulfilling settlement obligation of its Members. These amounts are receivable from the Defaulting Members and therefore the amounts are appearing under "Other Financial Assets as "other receivable".

NSEL is perusing recovery from defaulting members. NSEL has secured decrees /Orders/ Arbitration Award worth ₹ 3,534.46 Crores (Previous year ₹ 3,534.46 Crores) and has initiated execution proceedings against the Defaulting members to recover Decretal amounts and further expects to recover full money from defaulting members. NSEL is hopeful that it will recover full amount. Accordingly, provision for impairment of Financial Asset related to above receivables is not made.

55 MATTERS PERTAINING TO SETTLEMENT DEFAULT AND RECOVERIES IN CASE OF NSEL:

- The entire liability of ₹ 5,600 crores and the money trail has already been established by almost all the investigating agencies including Economic Offences Wing, Mumbai, Serious Fraud Investigation Office, and the Enforcement Directorate to the Defaulters Members.
- Further, the applicability of MPID on the Parent Company and NSEL was challenged by the Parent Company. The Hon'ble High Court of Bombay vide Order pronounced on August 22, 2019, was pleased to declare that NSEL is not a financial

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

establishment under the MPID Act. The said order dated August 22, 2019, is challenged by the State of Maharashtra before the Apex Court. The Hon'ble Supreme Court has set aside the order of the Bombay High Court.

- c) Further, the Enforcement Directorate ("ED") commenced investigation under the Prevention of Money laundering Act, 2002 ("PMLA") by registering ECIR no. 14/MZO/2013 on October 14, 2013. After a comprehensive investigation of about one and half years, the ED filed a prosecution complaint dated March 30, 2015, before the Ld. PMLA Court, Mumbai, arraying 68 individuals and entities as accused. The said prosecution complaint covers 14 Defaulters and provides detailed money trail against them and their associated persons/entities. Thereafter, ED filed Four supplementary complaints in the years 2016, 2018 and 2020. The Learned Special PMLA Court has taken cognizance of the complaints and the matter is pending before the Special PMLA Court. ED has traced money trail to the 14 defaulter members and have also attached their assets.
- d) CBI has in MMTTC and PEC matter already filed two charge sheets in Special CBI Court, Mumbai which are registered as special CBI case no. 62 of 2016 and 34 of 2017 and matter is pending before the Special CBI Court. Further on 26th February 2021, additional documents were filed in special CBI case no. 62 of 2016 and both matters are pending before the Special CBI Court for draft charges. Further, NSEL had filed MA 1313 of 2022 for joint trial of special CBI case no. 62 of 2016 and 34 of 2017, same is pending for hearing.
- e) NSEL has filed two Miscellaneous Applications before Principal Judge, City Civil and Session Court, Mumbai seeking transfer of these two CBI cases from Designated Court for CBI matters to Designated Court for NSEL MPID and ED matters. Vide order dated July 06, 2022 these applications were allowed and matters were transferred to Designated Court for NSEL MPID and ED matters.
- f) Investigation by Serious Fraud Investigation Office, Ministry of Corporate Affairs, Govt. of India, Regional Office, Mumbai ("SFIO") has been completed and SFIO filed its report dated August 31, 2018 to the Ministry of Corporate Affairs. Further, SFIO has filed complaint with the Sessions Court, Mumbai and has simultaneously initiated proceedings against defaulting members before NCLT in respective jurisdictions. NSEL has filed an application before the Hon'ble High Court of Bombay under Section 482 of the Code of Criminal Procedure (Cr. P.C.) assailing the order dated July 29, 2019 passed by the learned Additional Judge, Sessions Court in the Complaint filed by the SFIO. The Hon'ble High Court of Bombay vide order dated January 15, 2020 was pleased to stay the impugned order dated July 29, 2019. Criminal Application No. 94 of 2020 is pending for final adjudication before Bombay High Court.
- g) The amounts which is due to the non-defaulting brokers are recoverable from the defaulting brokers and NSEL is making every effort to recover the monies. Since NSEL provided only the platform for purchase and sell of commodities to the willing buyers and sellers, the amount due from the defaulting members is not shown as assets and amount due to non-defaulting brokers is not shown as liabilities. During the last year & current year, there has been certain amount recovered from the Defaulting brokers by the Competent Authority appointed under MPID. The Hon'ble High Court of Bombay vide Order dated March 08, 2021 has ruled out that the Competent Authority must distribute on priority to claimants whose outstanding is between ₹ 2 lakhs to ₹ 10 lakhs so that the small claimants are paid off all their dues. One Mr. Ketan Shah and NSEL Investors Action Group (NIAG) challenged the same before the Supreme Court however, the Apex Court dismissed the Appeal. In light of the Order of the Hon'ble Bombay High Court, around 6,000 investors between ₹ 2 lakhs to ₹ 10 lakhs are completely paid.

Thereafter, vide order dated October 13, 2022 MPID Court allowed the distribution of money to the claimant whose outstanding is between ₹ 10 lakhs to ₹ 20 lakhs. NIAG had challenged the said order before Hon'ble High Court of Bombay, vide order dated February 10, 2023 Hon'ble High Court of Bombay dismissed the said Appeal. In light of the Order of the Hon'ble Bombay High Court, distribution of money to claimant who's outstanding is between ₹ 10 lakhs to ₹ 20 lakhs is being carried out by Competent Authority proportionately basis the funds available.

56 MATTERS IN CASE OF IBMA

- a) While NSEL had completed the settlement to other ITCM's and TCM's (Trading Cum Clearing Members) for settlement period up to July 30, 2013, certain amount was due to IBMA pertaining to settlement obligation up to such period. Such funds were receivable for onward payment to IBMA constituent members and clients. In the absence of the release of the amounts in the aforesaid settlement the IBMA had released such payments, in favor of its constituents out of funds available at its disposal. The outstanding settlement obligation receivable as on the balance sheet date is presented on net basis after reducing amount payable to the constituent members and clients along with other credits in the trading member and client ledger. Accordingly, an amount of ₹ 1,876.44 lakhs is shown under "Other assets" in the balance sheet.
- b) As on July 31, 2013 ₹ 1,17,009.86 lakhs was the settlement payout receivable by IBMA from NSEL on account of trades executed by its affiliated members and clients that were part of the revised settlement plan. This figure has been arrived at on the basis of information received from NSEL. IBMA has relied on such information. Up to May 16, 2015, NSEL has completed 65 weekly payouts and has released ₹ 11,036.90 lakhs towards the obligation of IBMA's affiliated members and clients. Payout after November 20, 2013 has been made by NSEL directly to constituent members and clients of IBMA. The amount receivable by affiliated members and clients were not fully received from NSEL as per the revised settlement plan. On the basis of the legal opinion received by IBMA, and as IBMA acted as the member broker, IBMA may not have any liability on net basis towards such unsettled obligation to its members and clients. In view thereof, no provision for the same is made in the books of accounts of the IBMA.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

- c) An amount of ₹ 3,128.43 lakhs pertaining to VAT on unsettled trades on NSEL exchange platform is outstanding as on balance sheet date. This amount is receivable from the defaulting members on NSEL exchange platform and is in turn payable to the constituent members and clients of the IBMA as part of outstanding settlement obligation.
- d) Out of the recoveries made from defaulting members of Exchange, Competent Authority (CA) have disbursed some amounts to members and clients. IBMA had sought the details of disbursement however, no details has been received from CA of such recoveries and disbursement to members. In absence of details of such recoveries and disbursement with the IBMA, IBMA has not updated its records.
- e) Sahara Q Shop Unique Products Range Ltd. was registered as a client with IBMA to trade on NSEL Exchange platform. As per the revised settlement plan, IBMA had to receive obligation from NSEL on account of the trades executed by the client. However, SEBI vide letter dated March 11, 2014, had directed NSEL to retain payouts to Sahara group companies and hold the same in a deposit account with any public sector bank until further instructions. Accordingly, payouts up to the balance sheet date, amounting to ₹ 921.48 lakhs pertaining to the client have been deposited into fixed deposits by NSEL and equivalent amount is reduced from the exchange's obligation to IBMA.

On May 10, 2016, SEBI informed to NSEL vide their letter No SEBI/OW/13565/2016 DATED 10TH May 2016 that based on Supreme Court Order requested to transfer the deposit lying in the name of Sahara company to SEBI in the SEBI Sahara Account. Accordingly, money has been transferred on 29th June 2016.

- f) Court cases initiated by IBMA:

- a) IBMA had entered into an agreement with M/s SNP Design Pvt. Ltd. (hereinafter referred as "SNP") to carry out commodity derivative transactions for and on behalf of SNP for a period of one year on March 01, 2012 duly renewed on March 01, 2013. Trades were executed by the Company on behalf of SNP till July 31, 2013 and a sum of ₹ 7,747.18 lakhs along with interest is due and recoverable from SNP as per the terms and conditions of the agreement. SNP has disputed the entire amount payable to IBMA.

Board of Directors of IBMA had approved to initiate action to proceed on the matter legally. Accordingly, IBMA has filed a Civil Suit Commercial Suit 30 of 2015 before the Hon'ble High Court of Bombay against (i) SNP Designs Pvt. Ltd. (ii) Mr. Anjani Sinha (iii) Mrs. Shalini Sinha (iv) Mr. Prajwal Kumar Badwe and (v) Mr. Shashank Raj for an amount of ₹ 10,022.29 lakhs. IBMA has made an Interim Application No. 1565 of 2021 dated 06 January 2022 to summon Mr Rajeev Kejriwal (Ex-employee of IBMA). Matter came up before the Bombay High Court on 06 January 2022, where the Hon'ble court was pleased to issue witness summon to Mr Rajiv Kejriwal returnable on 24 February 2022. IBMA has filed affidavit of documents and Affidavit of Evidence of Mr. Anand Daksha (WTD & CEO), Mr. Shreekanth Javalgekar and Mr Saji Cherian. Mr Rajiv Kejriwal has also filed Affidavit of Evidence on and deposition of Mr. Rajiv Kejriwal is completed on 24 February 2022. Def No. 2 & 3 i.e Mr. Anjani Sinha & Mrs. Shalini Sinha had filed Interim Application for a) deleting their name from array of parties, b) dismissing the suit and c) to seek opportunity to cross examination of witness of IBMA to the limited extent of questioning the veracity of averment in Plaintiff. Vide order dated 21 April 2022, prayer clause (c) to permit cross examination of the plaintiffs' witness to the limited extent of questioning the veracity of the averments of the plaintiff was allowed. Further Court directed IBMA to provide all pleadings and document copies to the applicants Advocates within one week and to provide Inspection of all documents within two weeks from date of order. Next date of hearing for directions is June 06, 2022. The matter came for hearing on June 06, 2022 and Court has further extended the time to complete the inspection within a week and accordingly matter was adjourned to June 13, 2022. Meantime, the inspection of all documents was given to Anjani Sinha. However, on June 13, 2022, the matter was called out, due to the paucity of time and adjourned to July 07, 2022. However, matter was not listed on July 07, 2022, and no next date is updated on the Website of Bombay High Court as on date.

- b) IBMA had entered into a procurement agreement with Harley Carmbel Pvt. Ltd. (hereinafter referred as "Harley") for buying spices and other commodities in the state of Kerala on 25th November 2011 read with the addendum to the agreement dated 01st December 2011. As per the terms of agreement, IBMA bought commodities on behalf of Harley as per the terms of agreement however, Harley failed to make full payment of its obligations amounting to ₹ 293.58 lakhs. IBMA had sent legal notice to the party but the party denied owing any amount to IBMA.

IBMA had initiated an Arbitration proceeding against Harley before sole Arbitrator Mr. Minoo Siodia. The Learned sole Arbitrator was pleased to pass an Award in favour of IBMA to the tune of ₹ 234.84 lakhs. on 27 November 2019. Vide said Award dated 27 November 2019 Award has been passed in favour of IBMA to the tune of ₹ 234.84 lakhs along with interest at 12% p.a. from date of award till payment or realization. Pursuant to the above Award, IBMA has filed Execution Petition before the Alappuzha Court (Kerala). Warrants of attachment are executed and next date of hearing is 18 May 2022 for issue R.66 (proclamation of sales) notice.

The last date of the matter was 11th July 2022. On 11th June 2022 the case was transferred to Sub - court, Cherthala, in Alappuzha District, in view of the change of territorial jurisdiction as per the Notification issued under Commercial Courts Act designating all Sub - courts as Commercial Courts. Again, in view of the new notification, this Execution Petition transferred to District Court, Alappuzha. The attachment Order passed on earlier occasion is in force. The matter is adjourned to 16th January 2023 for a hearing. When the matter was called out on 16th January 2023, the Court did not preside and consequently matter is simply adjourned to 3rd June, 2023.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

- g) Court cases pending against IBMA: -
- a) M/s Shri Khemisati Exims Pvt. Ltd has filed commercial suit no. 167 of 2016 before the Hon'ble High Court of Bombay against various parties including IBMA on 13th August 2016. IBMA has received summons to answer plaint. This suit is to recover an amount of ₹ 380.44 lakhs with interest thereon @ 18% per annum. IBMA has filed its Written Statement on record and the Suit is pending before High Court.
 - b) Mr. Ketan Shah has filed commercial suit no. 70 of 2017 before the Hon'ble High Court of Bombay against various parties including IBMA on 16th August 2016. This suit is to recover an amount of ₹ 2,267.14 lakhs with interest thereon @ 18% per annum. Written statement dated September 4, 2017 filed by the Company was taken on record. The Suit is pending before High Court.
 - c) M/s LOIL Continental Foods Ltd and others have filed Civil Suit no. 145 of 2016 in the Court of Civil Judge (Senior Division), Khamano, District Fatehpur Sahib, Punjab against the Company to seek refund of ₹ 845.40 lakhs ₹ 791.80 lakhs and ₹ 388.32 lakhs respectively from the Company. Vide order dated 23 August 2021, Suit was disposed off before Khamanun Court on the ground of Jurisdiction.
 - d) Special PMLA case 21 of 2018 Directorate of Enforcement V/s IBMA and Anr. filed before Designated PMLA Court, Mumbai. This complaint has been filed by Directorate of Enforcement U/s 3 and 4 of Prevention of Money Laundering Act, against IBMA and others. The matter is kept on 17th November 2022 for appearance. On 17th November 2022 matter was adjourned to 23rd January 2023 However, the said PMLA Case No. 21 of 2018 arises out of PMLA Case No. 4 of 2015. Therefore, the PMLA case No.21 of 2018 was merged in PMLA case No. 4 of 2015 by the Court vide its Order dated 21.04.22. The next date of the matter is 6th June 2023.
 - e) Competent Authority V/S IBMA (MA 1400 of 2018): - Competent Authority has filed Misc. Application against IBMA praying therein to make attachment absolute of the banks account mentioned in the notification dated October 19, 2018 issued under the MPID Act. However, meanwhile Hon'ble Bombay High Court vide its Judgement dated 22 August 2019 passed in WP 1181 of 2018 declared that NSEL is not a Financial Establishment. Therefore, IBMA being subsidiary of NSEL has filed an application for dismissal of said application in view of the above judgement. The MPID Court has kept the proceedings in abeyance till outcome of decision of SLP filed by Government of Maharashtra against the order passed by the Bombay High Court in Writ Petition No. 1181 of 2018. The said SLP was disposed off vide order dated 22 April 2022. Since the SLP is allowed the said Misc' Application is revived and kept for hearing on 18th November 2022. The Competent Authority has informed the Court that he does not want to lead any Evidence in the present Misc. Application and matter was adjourned to 9th January 2023. On 9th January 2023 the Competent Authority made a statement that he wants to file forensic audit on record. In view of the same the matter is adjourned to 25th January 2023. When the matter was called out on last date, the Special PP filed Forensic Audit Report on record and matter was adjourned to 17th February 2023. On the last date when the matter was called out, our Counsel disputed the Forensic Audit Report submitted by the SPP on last occasion. Therefore, SPP made submissions that he wants to examine the Forensic Auditor and requested for an adjournment and thus matter was adjourned to 1st April 2023. When the matter was called out on the last date, SPP filed an application for examination of Forensic Auditor. However, the Court called say of IBMA upon said Application and adjourned the matter for filing say on 28th June, 2023.
 - f) In the case of IBMA, Union of India (SFIO) v/s IBMA : SFIO has filed the Company petition No. CP 465 of 2019 u/s 271(1)(e) read with section 271 (C) of Companies Act 2013 for winding up of IBMA. An Additional affidavit has been filed by IBMA seeking maintainability of the present Winding up Petition, Matter pending before NCLT, Mumbai for hearing .
 - g) In the case of IBMA, EOW has filed the 4th chargesheet in the MPID Court u/s. 3 Maharashtra Protection of Interest of Depositors in Financial Establishment Act 1999 against IBMA & Ors which is numbered as MPID Special Case 05 of 2019. The MPID Court was pleased to take the cognizance and issued process. The said MPID Case No. 5 of 2019 is merged in MPID Case No. 1 of 2014. Next date is 17th January 2023. The next date of the matter is 25th May, 2023.
 - h) In the case of IBMA, Company Petition No. 19 of 2019: The SFIO has filed complaint before City Sessions Court, Mumbai under the various provisions of Companies Act and IPC. The City Sessions Court was pleased to take cognizance of the complaint and issued process against IBMA on 29.07.2019. The matter is kept on 12th January 2023. The next date of the matter is 6th July 2023.
 - i) In the case of IBMA, M/s. Issan Overseas Pvt. Ltd (Issan) filed a complaint before Vadaj Police Station dated 10.07.2017 against IBMA and its ex-directors. In the said Complaint the Issan has alleged and is claiming VAT amount of Rs. 38.53 Lakhs from the IBMA. Allegedly, the Vadaj Police Station refused to register FIR and therefore Issan filed Criminal Case No. 99357 of 2019 (hereinafter referred to as "said Complaint") before the Ld. Addl. Chief Metropolitan Magistrate, Court No. 9, Ahmedabad .

On 15.12.2022 M/s. Issan Overseas Pvt. Ltd had filed application requesting the Ld. Trial Court to issue summons against the IBMA and its ex-directors herein through RPAD and the Ld. Trial Court was pleased to allow the said application and Issan was permitted to serve the summons to the petitioner herein through RPAD, Hence, the said Complaint was adjourned to 14.03.2023. However, on receiving the summons it came into the knowledge of IBMA about the said complaint and therefore on the very next date therefore on 14.03.2023 IBMA filed appearance before the Ld. Trial Court in the said Complaint.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

IBMA is filing before the Hon'ble Gujarat High Court a petition under Article 226 and 227 of the Constitution of India, 1950 (hereinafter referred to as "Constitution") read with Section 482 of the Code of Criminal Procedure, 1973 (hereinafter referred to as "CrPC") inter-alia praying for quashing the Criminal Complaint, on the ground that the VAT payment was made to a group entity of Issan i.e., Rajesh Mehta & Co and Issan, Rajesh Mehta & Co and Swastik Overseas are group entities under the control of Mr. Rajesh Mehta.

57 OTHER MATTERS

i. In case of NSEL:

- a) An inspection of NSEL under Section 209A of the Companies Act, 1956 was carried out. Pursuant to such inspection, NSEL received certain notices of non-compliances with certain provision of the Companies Act, 1956 from the Ministry of Corporate Affairs. Further, prosecution had been initiated by the Registrar of Companies in few matters.

The Compounding applications were filed by NSEL for various show cause notices issued, under the provisions of the Companies Act, 1956, by the Registrar of Companies. The hearings of the said matters were conducted on 07th April, 2022, 13th May, 2022 and 23rd May, 2022 before the Regional Director, Western Region. Subsequently, the alleged offences were successfully compounded and the orders were accordingly pronounced.

Registrar of Companies, Mumbai, was intimated accordingly by filing E Form INC 28 along with the certified copies of the said orders. Registrar of Companies, Mumbai, will initiate the process of withdrawing and/or disposing ongoing prosecution matters from the Metropolitan Magistrate Court, Girgaon, Mumbai

- b) NSEL has been served with notices / letters / summons from various statutory authorities / regulators / government departments and some purported aggrieved parties. NSEL is party to many proceedings filed by / or against NSEL which are pending before different forums. NSEL has always responded and co-operated with the agencies and various forums and replied promptly clarifying its stand all the times. The management of NSEL, does not foresee that the parties who have filed Civil Suits against the NSEL will be able to sustain any claim against the NSEL.

- c) Proceeding before NCLT, Chennai: Company Petition No. 1 of 2015 was filed by Union of India against FTIL (presently known as 63 Moons Technologies Limited -63MTL) & Ors. for taking action under Section 397/398 of the Companies Act 1956 against 63 MTL, its Board of Directors and NSEL to supersede the Board of Directors of the Parent Company with Government Nominee Directors in public interest.

The NCLT, Chennai Tribunal has vide order dated June 04, 2018 disposed off the Petition filed by UOI. Subsequently, UOI, the Parent Company and Directors of the Parent Company filed separate appeals challenging the order dated June 04, 2018 before National Company Appellate Tribunal, New Delhi bearing Appeal Nos. 192, 186,187,188,189 & 190 of 2018 respectively. In the said appeal Appellate Tribunal has disposed off the appeal vide order dated 12th March 2020. NSEL has filed appeal challenging said order before Hon'ble Supreme Court and same is pending for hearing.

- d) The Hon'ble High Court of Bombay had under representative Suit No. 173 of 2014 vide order dated September 02, 2014, formed a committee constituting of three members headed by Mr. Justice V.C. Daga (Retd.) and 2 experts in finance and law, to act as Commissioner and Receiver under the supervision of the Hon'ble High Court to recover and monetize the assets of the Defaulters. Company is fully cooperating with HCC in the recovery proceedings. HCC has crystallised the liabilities of thirteen (13) defaulter members.

Further HCC had called for claims in prescribed form from the trading members / trading clients who have outstanding receivables for the trades executed on the exchange platform. Basis the claims received by HCC, it filed Report No. 1 of 2017 before the High Court of Bombay. The Hon'ble High Court vide its order dated 07 February 2018 requested HCC to scrutinize the genuineness, correctness and entitlement of the claims and submit its report before the Hon'ble High Court of Bombay. HCC has filed its Report No. 41 and 44 of 2018 before the Hon'ble High Court and the matter is pending for direction.

- e) Suit filed by L.J. Tanna Shares and Securities Pvt. Ltd. and two others ("LJ Tanna") against the Parent Company, NSEL and others for recovery of ₹ 170 Crores approximately along with 16% per annum respectively.

In said suit the Hon'ble High Court vide order dated October 06, 2015 continued the injunction order dated October 07, 2013 and December 20, 2013 in Writ Petition No.289 of 2014 against NSEL. Apart from the aforesaid injunction, there is further restraint on the company vide order dated December 12, 2018 in utilising funds except with the permission of the Hon'ble Court. The Company has been from time to time approaching Hon'ble Court for approval and seeking necessary legal course in cases where the payments are not approved. The Hon'ble High Court of Bombay vide its various orders allowed working methodology for vendor payment and legal fees payment and other payments of NSEL from the funds infused thorough equity from the Parent Company.

ii. In case of IBMA:

- a) Company has put all efforts to recover the trade debts and other receivables. The likelihood of recoverability of such receivables has been impacted due to the abrupt closure of the business, loss of credibility of the Company and several other factors. The company has made full provision against such receivables. Total provision till 31st March 2022 for such doubtful trade receivable is ₹ 751.82 lakhs and for other receivables is ₹ 7,667.48 lakhs.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

- b) As an ITCM the company had received margin money from its constituent trading members and clients. The outstanding margin amount as on the balance sheet date was ₹ 244.28 lakhs and is shown under the head "Other Financial Liabilities". Out of the aforesaid amount the company had given cash margin of ₹ 25.00 lakhs to NSEL and same is shown under "Other Current assets" in the balance sheet.
- c) The Company has already disposed of its inventory. Hence no closing stock at the year end .
- d) M/s Karvy Comtrade Ltd., has informed vide letter dated March 30, 2017 that interest and penalty debited by MCX on account of shortage of Margin and cross deals by IBMA. The said amount is in turn debited to our account without our knowledge / consent. IBMA have not accounted/accepted the said debit amount of ₹ 42.11 lakhs. IBMA denied the said charges.
- e) Company had paid ₹. 5 Lakhs towards legal expenses in the FY 2019-20. During the year company has received the paid amount as refund due to non-completion of service

58 STEPS TAKEN BY THE NSEL- FOR RECOVERY:

- a) As reported by members that there were large number of small clients of the members who had to receive money from the defaulting members. NSEL had requested its Parent Company to provide for a bridge loan, to pay the dues to such small clients on priority without admission of liability of the Company. Accordingly, the Parent Company, purely as a goodwill gesture, without admitting any liability and without prejudice, granted, a bridge loan amounting to ₹ 17,939.81 lakhs to the NSEL, repayable to the Parent Company. Out of such loan, NSEL, without prejudice, paid to small clients of the members in full whose dues were less than or up to ₹ 2.00 lakhs and 50% of the amount to those, whose dues were between ₹ 2.00 lakhs and ₹ 10.00 lakhs. The distribution was executed under supervision and guidance of FMC. The Company has a right to recompense from the proceeds of recovery of the defaulted members. The loan carries interest at applicable bank rate. Further, pursuant to the Order dated 08 March 2021 passed by the Hon'ble High Court of Bombay, the Competent Authority has paid 6,000 investors between ₹ 2 lakhs to ₹ 10 lakhs are completely out of the monies recovered from the defaulter members.

Thereafter, vide order dated 13.10.2022 MPID Court allowed the distribution of money to the claimant who's outstanding is between Rs. 10.00 lakhs to Rs. 20.00 lakhs. NIAG had challenged the said order before Hon'ble High Court of Bombay, vide order dated 10.02.2023 Hon'ble High Court of Bombay dismissed the said Appeal. In light of the Order of the Hon'ble Bombay High Court, distribution of money to claimant who's outstanding is between Rs. 10.00 lakhs to Rs. 20.00 lakhs is being carried out by Competent Authority.

- b) Company has taken various steps to recover monies from the defaulting members / other debtors and following developments have taken place till March 2023: The Company has obtained decrees against 16 defaulters and has secured an amount of ₹ 3,534.46 crores approximately. Further, amount of ₹ 760 Crores is crystalized by High Court Committee against 5 defaulters which are pending for approval before the Hon'ble High Court of Bombay for decree. Further proceedings for decree against N. K. Proteins Ltd in a recovery suit worth Rs. 93,700 Lakhs is pending before the Hon'ble High Court of Bombay.

The table showing the Decree and Award obtained by NSEL is given herein below.

		(₹ in crores)
Sr. No.	Defaulter	Total of Decree/ Order of Court and Arbitration award
1	MOHAN INDIA PVT LTD	922.00
2	TAVISHI ENTERPRISES	719.37
3	ARK IMPORTS PVT LTD	633.67
4	P D AGROPROCESSORS PVT. LTD	399.39
5	YATHURI ASSOCIATES	252.47
6	LOTUS REFINERIES PVT LTD	145.00
7	JUGGERNAUT PROJECTS LTD.	88.07
8	AASTHA MINMET INDIA PVT LTD	91.19
9	SWASTIK OVERSEAS CORPORATION	84.82
10	WHITE WATER FOODS PVT LTD	58.85
11	NCS SUGARS LIMITED	36.63
12	SPIN COT TEXTILES PVT LTD	8.82
13	MSR FOOD PROCESSING	

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

		(₹ in crores)
Sr. No.	Defaulter	Total of Decree/ Order of Court and Arbitration award
14	SHREE RADHEY TRADING CO	32.77
15	NAMDHARI FOOD INT. PVT LTD	51.02
16	NAMDHARI RICE & GENERAL MILLS	10.39
TOTAL		3,534.46

- c) NSEL has initiated the execution proceedings against the Defaulters where the decree has been obtained. The company has also taken out Garnishee notices against persons where there has been money trail from the defaulter members of NSEL. The Execution Petition along with Garnishee notices against the Defaulting members and beneficiaries thereof are pending before respective Courts having territorial jurisdiction. In order to centralize all these Execution at one place i.e. Mumbai. NSEL has filed Writ Petition (Civil) No. 995 of 2019 before the Supreme Court of India. The Hon'ble Supreme Court of India vide Order dated 04 May 2022 was pleased to constitute a High-Powered Supreme Court Committee (SCC) under Article 142 of the Constitution of India to execute the recovery from NSEL defaulters and transferred all execution proceeding against defaulters to the Hon'ble SCC. Accordingly, all execution proceeding pending before various courts have been transferred to SCC.

Regular hearings are being conducted by the SCC for execution proceedings of the decrees/orders/arbitral awards obtained by NSEL against the defaulters. Committee is pressing the Defaulters / Judgement Debtor and Garnishees thereof to complete their pleadings so that substantive orders can be passed. In several matters pleadings are completed and Committee has decided on the objections raised by the Judgement Debtors e.g., objections of all the Judgment Debtors in Mohan India matter are dismissed. If any of the Defaulters / Judgement Debtor and Garnishees thereof are not complying with the Committee's orders, heavy costs are being imposed to be deposited in Account of the Competent Authority. Further, SCC has attached properties of several Judgement Debtors and ex-parte identified / traced by the agencies. Also agencies have been appointed to submit valuation reports of the properties traced, identified and attached.

- d) As on today 31 complaints are pending against 11 defaulter members filed by NSEL in the Metropolitan Magistrate Courts in Mumbai under Section 138 of the Negotiable instruments Act, 1881 for dishonor of their cheques amounting to ₹ 2,776.06 crores.

It is pertinent to note here that defaulters namely, P. D A groprocessors Pvt Ltd., Lotus Refineries Pvt. Ltd., Mohan India Pvt Ltd. and Metkore Alloy & Industries Ltd. filed Revision Applications challenging the issue process order passed by the Metropolitan Magistrate Courts, which were dismissed by Hon'ble Sessions Court. The rejection of Revision Applications were challenged in the Hon'ble Bombay High Court which also came to dismissed. Further P.D. Agroprocessors Pvt Ltd challenged the dismissal Order of the Hon'ble Bombay High Court in the Hon'ble Supreme Court which also came to dismissed. N. K. Proteins Pvt. Ltd. filed Revision Applications challenging the issue process order passed by the Metropolitan Magistrate Courts, which were allowed. NSEL challenged the sessions court order in the Hon'ble Bombay High Court which was allowed and restored the Complaints. N.K. Proteins Challenged the order of the Hon'ble Bombay High Court in the Hon'ble Supreme Court which was dismissed.

Further it is pertinent to note that Metropolitan Magistrate Court vide order dated 14.10.2022 in CC.No.8452/SS/2015 convicted Ramesh Nagpal Sole Proprietor of Shree Radhey Trading Co. for 1-year simple imprisonment and with a fine of Rs. 6,213.81 Lakhs; in CC.No.9359/SS/2016 has convicted Ramesh Nagpal for 1-year simple imprisonment and with a fine of Rs. 354.00 Lakhs and in CC.No.9360/SS/2016 has convicted Ramesh Nagpal for 1-year simple imprisonment and with a fine of Rs. 350.00 Lakhs. The said conviction order clearly records that the SRTC failed to prove that SRTC's letter dated 01.08.2013 admitting to its liability towards NSEL was obtained by fraud or coercion and the said defence was clearly an afterthought. Against the aforesaid conviction, the SRTC filed Cri. Appeal Nos.701 of 2022, 702 of 2022 and 703 of 2022 in the Hon'ble Sessions Court. The SRTC also filed Application in the said Cri. Appeals for suspension of sentence which were allowed by Hon'ble Sessions Court vide orders dated 04.01.2023 on a condition that SRTC deposits minimum 20% of the amount in the trial court.

Further it is pertinent to note that Metropolitan Magistrate Court vide order dated 10.11.2022 in CC.No. 5080/SS/2016 convicted Vimladevi Agrotech Ltd., Chandra Mohan Singhal, Varun Gupta, and Bittal Prasad Agarwal, further Chandra Mohan Singhal, Varun Gupta, Bittal Prasad Agarwal were sentenced to 1-year simple imprisonment and Chandra Mohan Singhal, Varun Gupta, Bittal Prasad Agarwal and Vimladevi Agrotech Ltd. jointly and severally are sentenced to pay fine of Rs. 154.40 Lakhs against the aforesaid conviction, the Vimladevi Agrotech Ltd. filed Cri. Appeal No.746 of 2022 in the Hon'ble Sessions Court. Vimladevi Agrotech Ltd. also filed Application in the said Cri. Appeal for suspension of sentence which were allowed by Hon'ble Sessions Court vide order dated 02.01.2023 on a condition that Vimladevi Agrotech Ltd. deposits minimum 30% of the amount in the trial court.

- e) Insolvency Resolution proceedings under The Insolvency and Bankruptcy Code, 2016 had been initiated against various defaulting members such as Namdhari Food International Pvt. Ltd., Metkore Alloys Ltd. and various sister concerns of

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

the defaulter members such as Dunar Foods Ltd., Sri Vasavi Industries Ltd., Lakshmi Energy etc. by their respective Financial Creditors. NSEL is taking all steps to secure its claims. Due to unsuccessful resolution plan, Namdhari and Metkore has gone into liquidation now and the Claim of NSEL is accepted by the Liquidator. In case of Sri Vasavi Industries. NSEL filed its claim with the IRP for ₹ 63 Crore. The claim was admitted by the IRP. Resolution plan was approved and as per resolution plan NSEL received ₹15.97 lakhs from the successful Resolution Applicant through IRP under the provisions of IBC. NSEL has filed proceedings to claim the remaining amounts from the Directors of Sri Vasavi before the Hon'ble Bombay High Court.

- f) Furthermore, in case of Dunar Foods Ltd. sister concern of PD Agro. Dunar Foods Ltd went to CIRP process and finally Resolution Plan was approved by NCLT. It is pertinent to note that NSEL at each stage of CIRP Process pursued its claim till Approval of Resolution Plan and had challenged various orders of NCLT till Hon'ble Supreme Court which were rejected. Further it be noted that NSEL could file Claim only as Other Creditor in the CIRP Proceedings of Dunar Foods and in the water fall mechanism for distribution of money NSEL claim would always be considered after Financial Creditors and Operational Creditors. and Resolution Plan approved by NCLT was only for Rs. 8,710 .00 Lakhs thus NSEL would have recovered negligible amounts in the CIRP proceedings of Dunar Foods. Knowing this fact, NSEL still pursued the claim with all sincerity and vigour.
- g) NSEL has also initiated Arbitration proceedings against 2 debtors for recovery, the details of which are as under:
- i. Ayush Sales Pvt. Ltd.: NSEL had initiated Arbitration Proceeding for recovery of Rs. 2,567.44 Lakhs a before Sole Arbitrator Mr. Mehernosh Humaranwal. The Sole Arbitrator vide his Award dated 4th September, 2018 allowed NSEL's entire arbitration claim of Rs. 2,567.44 Lakhs along with interest @ 21 % from 01-09-2016 till award and future interest @ 12 % on principle sum of Rs.1,389.37 Lakhs from the date of Award till payment & realization. The Ld. Arbitrator also awarded cost of Rs.12.00 Lakhs to be paid by Ayush Sales to NSEL. NSEL filed execution petition in District and Session Court, Alipore and the Court has granted interim injunction on the assets of Ayush. Further, the Court has appointed a special officer to submit a report after consideration of all documents of both the parties, to ascertain the execution of the award in respect of properties mentioned in the execution application. Accordingly, Special officer has filed its Report. Matter pending for hearing on Report.
 - ii. Harley Carmbel India Pvt. Ltd.: NSEL had initiated Arbitration Proceeding against Harley Carmbel India Private Ltd. for recovery of Rs. 664.16 Lakhs with future interest before Sole Arbitrator Mr. Minoo Siodia/ Ld. Arbitrator Vide his Award dated 27.11.2019 has allowed the claim of NSEL for an amount of Rs. 611.12 Lakhs with interest @ 12 % p.a. from the date of Award till realisation of amount. NSEL has filed Execution Petition before Sub, judge, Alappuzha District, Kerala and the attachment warrants of assets are executed, and report is filed in the Court Matter is pending for sale proclamation.
 - iii. NAFED: NSEL had initiated Arbitration Proceeding against NAFED, on 01.05.2017, Ld. Arbitral Tribunal passed an Award in favour of NSEL for an amount of Rs. 8,935.00 Lakhs (including interest). NSEL had filed Execution Petition in Hon'ble Delhi High Court for execution of the Award. In the execution proceeding, NSEL has received amount of Rs 6,516.72 Lakhs from NAFED and another amount Rs 3,214.94 Lakhs was deposited by NAFED as per order of the Hon'ble Delhi Court dated 28th May, 2018 & 11th Jul 2018 in the Delhi High Court Registry.

59 SFIO has filed winding up petition against the subsidiary company Indian Bullion Market Associations Ltd. ("IBMA") before the NCLT, Mumbai. IBMA has filed interim reply for the same and the matter is pending before NCLT, Mumbai. Stay has been given by Hon'ble Bombay High Court on observations made by SFIO.

60 As per the assessment of the Management of NSEL, necessary disclosures arising from the irregularities as stated above have been made in the financial statements of NSEL & IBMA. Since matters relating to several of the irregularities are sub-judice and the various investigations are ongoing, any further adjustments/disclosures, if required, be made in the financial statements of the NSEL & IBMA as and when the outcome of the above uncertainties is known and the consequential adjustments/disclosures are identified. However following risks are still not fully covered.

Risk of adverse outcome of investigation/enquiry by law enforcement agencies

Several agencies such as the Economic Offence Wing (EOW), Mumbai Police, Enforcement Directorate (ED), SFIO (Serious Fraud Investigation Office), CBI etc. have filed charge sheets / complaints and the respective learned courts have taken cognizance of the complaints and matter are sub-judice before various forums including the Hon'ble Mumbai High Court.

61 NSEL has created Fixed Deposit from money received from members in Escrow Account. The fund is invested in Bank FDs as per order of Competent Authority/High Court. The interests on such FDs were credited to Escrow Account. NSEL does not take interest income in its books. The TDS amount deducted by Bank has been claimed by the NSEL and as and when refund of TDS will be received, it will be transferred to Escrow Account.

62 NSEL's most of the Bank Accounts and Mutual fund investments have been freezed by the State of Maharashtra under MPID and therefore NSEL is not able to use the funds lying with it. The applicability of MPID on the Parent Company and NSEL

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

was challenged by the Parent Company. The Hon'ble High Court of Bombay vide Order pronounced on August 22, 2019 was pleased to declare that NSEL is not a financial establishment under the MPID Act. The said order dated August 22, 2019 is challenged by the State of Maharashtra before the Hon'ble Supreme Court. The Hon'ble Supreme Court has set aside the order of the Bombay High Court.

63 IN CASE OF NSEL:

- a) Director, FIU-India had issued a Show Cause Notice alleging that NSEL is 'deemed intermediary' and therefore a 'reporting entity' under PMLA and hence was required to comply with the provisions of the Act. NSEL reiterated the position along with the exemption granted under section 27 of Forward Contracts (Regulation) Act. NSEL also stated in its replies that the term 'deemed intermediary' is not mentioned and is arbitrary. However, Director-FIU has passed an Order on 4 November 2015, imposing a total penalty of ₹ 1.44 Crores on NSEL for not getting registered as a reporting entity and allegedly not furnishing reports and consequently not appointing Principal Officer as prescribed under the Prevention of Money-Laundering Act (PMLA). NSEL has filed an appeal under Section 26 of PMLA challenging the above Order.

The Company filed an appeal No. FPA-PMLA-1168/DLI/2015 under the PMLA challenging the above Order dated 04.11.2015. The Appellate Tribunal, PMLA at New Delhi vide its Order dated 27.06.2017 disposed of the Appeal by modifying the part of the order in relation to the maximum penalty and reduced the penalty from ₹ 1 lakhs for each failure to ₹ 0.15 lakhs for each failure. NSEL as per interim order dated 31.08.2016 of Appellate Tribunal had deposited an amount of ₹ 25 lakhs with the Director, FIU-India. The Tribunal further ordered that after deducting the penalty as per the aforesaid order, remaining amount be refunded to NSEL.

Thereafter FIU-India had filed Criminal Appeal No. 885 of 2017 in the Hon'ble Delhi High Court challenging the Judgment dated 27.06.2017 passed by the Appellate Tribunal, PMLA, New Delhi and the Hon'ble Delhi High Court was pleased to return the appeal to be presented in the Competent jurisdiction as per Section 42 of the PMLA. FIU-India has filed Criminal Appeal No. 1268 of 2019 in the Hon'ble High Court of Bombay and the matter is pending admission.

NSEL has also filed Criminal Appeal no. 1019 of 2019 before the Hon'ble High Court of Bombay under sec 42 of PMLA Act against the order dated 27 June 2017 passed by Appellate Tribunal, at New Delhi wherein the NSEL is held to be in non-compliance with certain reporting obligations as defined under sec 2(1)(n) under PMLA Act and the matter is pending admission.

Since amount of penalty is not determinable at this stage. Appeal by FIU and Company is pending before Hon'ble Bombay High Court and the Company is confident of getting favorable order in its favour. Hence Company has not made any provision in the books of account and shown as contingent liability.

- b) NSEL has received summon dated 4 April, 2016 from the Superintendent (Anti-evasion) Service Tax-V, Mumbai calling upon the company to submit certain documents/ records which is looked by NSEL and necessary representation is being processed. The Officer of the Commissioner of Service Tax issued demand notice of ₹ 1,322.51 lakhs for contravening the provisions of the Finance Act, 1994 for the period 2010-11 (Oct-March) to 2014-15 and have made liable for penalty u/s 78A of the Finance Act, 1994. The Company had filed its reply for the same on 18 May 2016. Date of hearing was fixed on 18 December 2018 but same has been postponed as per the communication received from the department on 11 December 2018. NSEL submitted its Written Submissions. Matter was heard on 20 May 2019 and 12 March, 2020 and NSEL filed its further submission on 22 June 2020 and 23 June 2020. Thereafter, the Office of the Commissioner of Central GST and Central Excise, Thane Rural has issued an Order dated 30 March 2021 on 16 April 2021. The Office of the Commissioner has made demand of ₹ 1,322.51 lakhs under Section 73(1) of the Finance Act, 1994 and interest as per Section 75 of the Finance Act, 1994. The Office of the Commissioner has imposed penalty of ₹ 0.10 lakhs under Section 77 and ₹ 1,322.51 lakhs under section 78 of the Finance Act, 1994. Company has filed appeal to against the said Order issued on 30 June 2021. The appeal shall be heard by the Service Tax Appellate Tribunal (SAT) in due course. Till now no date has been assigned.
- c) Income Tax liabilities/compliances:
- The Income Tax Department had carried out a special audit of the NSEL under section 142 (2A) of the Income Tax Act 1961 for AY 2011-12. Subsequent to our submissions in reply to the special audit report and hearings the assessing officer has passed an order for AY 2011-12 and made addition of ₹ 894.77 lakhs resulted in reduction in carried forward losses under the Income Tax Act hence there is no liability on the Company. Apart from this interest under section 234A, 234B, 234C, and 234D is also levied. Penalty proceedings under section 271 (1)(c) is also initiated which cannot be quantified at this stage hence not disclosed under contingent liability. The company has requested for stay of levying, in view of appeal being pending before first appellate authorities. The Company being aggrieved and adversely affected by such order and had filed an appeal on 28th November 2014 before Commissioner of Income Tax (Appeals), Mumbai.
 - The Income Tax Department had completed assessment NSEL under section 143 (3) of the Income Tax Act 1961 for AY 2012-13 to AY 2014-15 and made additions as mentioned below which has resulted in reduction in carried forward losses under the Income Tax Act hence there is no liability on the Company. Apart from this interest under section 234A, 234B, 234C, and 234D is also levied. Penalty proceedings under section 271 (1)(c) is also initiated which cannot be quantified at this stage hence not disclosed under contingent liability. The company has requested for stay of levying, in view of appeal being pending before first appellate authorities. The Company being aggrieved and

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

adversely affected by such order and had filed an appeal on 9th April 2015 before Commissioner of Income Tax (Appeals), Mumbai.

- iii. In case of AY 2015-16, NSEL had filed rectification for claiming loss of ₹ 5,152.97 lakhs to be carry forward to next Financial year as per computation of income as against loss claimed in Income tax return of ₹ 4,974.96 lakhs. NSEL had claimed refund of ₹ 164.94 lakhs. However as per the tax calculation sheet, credit for ₹ 142.00 lakhs was only given and request for rectification was made to give balance of credit. The refund due to NSEL was adjusted against outstanding demands of earlier years by the I. T. Department and in effect no refund was actually received by NSEL.
- iv. In case of AY 2017-18, NSEL had filed request for rectification u/s 154 of Income Tax Act,1961 for claiming loss of ₹ 1,829.21 lakhs to be allowed to be carry forward to next Financial year as per computation of income as against loss claimed in Income tax return of ₹ 2,294.59 lakhs. NSEL had claimed refund of ₹ 55.16 lakhs. However as per the tax calculation sheet, credit for ₹ 5.72 lakhs was only given and request for rectification was made to give balance of credit of prepaid taxes. The refund due to NSEL was adjusted against outstanding demands of earlier years by the I. T. Department and in effect no refund was actually received by NSEL.
- v. The completed assessment for AY 2015-16 was reopened u/s. 147 r.w.s. 148 and the same was completed by making an addition of ₹ 242.91 lakhs mainly on account of interest earned on fixed deposits which were brought out of funds received on account of settlement dues of members and the accrual of such income did not belong to the company but to the members of the exchange, by overriding title of income. The company has filed an appeal dated 22 April 2022 against such order after the date of balance sheet.
- vi. Income tax appeals u/s. 250 of the Act, for the periods from AY 2011-12 to 2014-15 and AY 17-18 is under progress at various levels. Appeal for AY 2011-12 is also taken up u/s. 147 r.w.s. 143(3) of the Income Tax Act, 1961. There are certain additions made by the department. Additions which have been made by department are not justifiable. Matters are pending before the Commissioner of Income Tax (Appeals) for hearing. Hearing is going for all the above assessment years and matters are partly heard.

A.Y.	Additions as per order (₹ in lakhs)	Date of next hearing
2011-12 (u/s 143 (3))	894.77	
2011-12 (U/s. 147)	30.55	Notice for hearing fixed on 22.02.2021, Adjournment taken, request for physical hearing filed. Another notice for hearing on 22.03.2021, Adjournment taken, request for physical hearing filed. Another notice for hearing on 22.07.2021, Adjournment taken, request for physical hearing filed.
2012-13	341.94	
2013-14	1,400.64	
2014-15	292.38	
2017-18	4.64	
2015-16 (U/s. 147)	242.91	Appeal filed on 22.04.2022, pending for hearing

As per the legal counsels, the company has good legal ground, because of which, most part of the demand is not likely to sustain, in higher forums.

64 IN THE CASE OF IBMA SALES TAX AND INCOME TAX LIABILITIES/COMPLIANCES:

a. Sales Tax:

I. Where IBMA has acted as an agent for members/clients:

IBMA had obtained sales tax registrations in seventeen states in India. IBMA had acted as an agent for few of selling and buying members on NSEL exchange platform in respective states as "dealer". Such transactions were carried out for principals (member/clients) by IBMA. Some of the state sales tax authorities are in advances stage or have completed assessments of such transactions. In some cases, input tax credits (ITC) on purchases have been denied on account of following reasons:

- i. Non- payment of Sales Tax (VAT/CST) by selling party.
- ii. Non-filing of sales tax (VAT /CST) returns by selling party.
- iii. Non-matching of sales tax amount with the Sales Tax returns filed by selling party.
- iv. Lack of confirmation of sales tax payment by selling party etc.

As a fall out of above, demands have been raised against IBMA by several state government sales tax authorities. All such demands are contested at various forums. In all such cases, IBMA has taken steps to ensure that ITC on purchases are not denied and credits are promptly given to IBMA.

In cases where the selling dealer has collected tax, but not deposited to state treasury, IBMA has requested administration to recover from the selling dealer/ not to hold IBMA responsible for the same. In cases where confirmation of proof of payment by selling party is concerned, IBMA is using its resources to seek the same and furnish before the authorities.

NOTES

forming part of the consolidated financial statements for the year ended March 31, 2023

As per the legal advice received by IBMA, such liabilities, if any, which arises for acting as an agent, primarily pertains to the principal for whom IBMA had acted as an agent. The liability of IBMA qua such demands shall be to the sales tax registering authorities shall be total, if IBMA is held responsible to make such payments, ultimately. In all such cases, at present IBMA has treated such liabilities as contingent liabilities in its books of accounts, pending arriving at final liability on assessment and pending recovery of such amounts from principals.

II. Where IBMA has carried out own trading activities:

In case of denial of input tax credit (ITC) on all transactions where purchases were made by IBMA, on its account, such liabilities on sales tax account is considered as "contingent liabilities" till assessment is completed. In case of demands, which are disputed and where the liability of payment of tax is not on IBMA, the same is disclosed for as contingent liability.

The summary of such demands and their treatment in the books of accounts of the company are as under

(₹ in lakhs)

PARTICULARS	For trades as an agent for members	For proprietary trades
	Disputed and disclosed as contingent	Disputed and disclosed as contingent
Gujarat VAT		
F.Y. 10-11	66.79	
F.Y. 11-12	12.75	
F.Y. 13-14	7.59	
F.Y. 11-12 CST	5.86	
F.Y. 13-14 CST	159.43	
Andhra Pradesh VAT		
F.Y. 13-14 (Penalty & Interest)	9.31	
Punjab VAT		
F.Y. 12-13	16,562.59	
F.Y. 13-14	11,670.70	
Maharashtra VAT		
F.Y. 13-14	767.61	
Haryana VAT		
F.Y. 12-13	146.63	
F.Y. 13-14	5,872.31	
Uttar Pradesh VAT		
F.Y. 10-11	9.11	
F.Y. 11-12	158.66	49.87
F.Y. 12-13	943.33	66.67
TOTAL	36,392.68	116.54

III. Interest on admitted liability

IBMA had admitted liability of VAT of earlier years in various states against which interest and penalty of ₹ 1,247.24 lakhs on delayed payment of has already been provided in books of accounts till FY 2017-18. IBMA has not provided any interest and penalty during the year on said liability as IBMA expects waiver of interest and penalty under VAT departments' amnesty scheme coming in to effect time to time in various states. However, IBMA has disclosed liability of interest on vat liability for the earlier year shown as Contingent liability in the current year.

b. Income tax Appeal and demand status: -

Income tax assessment and outstanding demands for A.Y. 2010-11 to A.Y. 2014-15:

Income tax assessment/appeal for period from AY 2008-09 is under progress at various levels. There are certain demands raised by the department. Additions have been made by the department which are not justified and in certain cases appeal effect is not given or there are errors in orders which are not rectified. Company has filed objections and appeal to such additions, errors and demands. Matter is pending under various forum for hearing.

Year wise break up demand and forum where the same is pending is given below.

Sr. No.	Assessment year	Demand (₹ in lakhs)	Forum where same is pending
1	2011-12	150.31	Income tax Appellate Tribunal
2	2012-13	1,197.52	Income tax Appellate Tribunal
3	2013-14	675.02	Income tax Appellate Tribunal
4	2014-15	193.82	Income tax Appellate Tribunal

In all the years under appeal. CIT(A) has given very little relief against addition made by assessing officer. IBMA is hopeful that all additions will be deleted, and it will get sizeable relief. Against above demands, IBMA has paid ₹ 20 lakhs in the year 2019-20 under protest.

- 65** During the year 2013-14 NSEL had appointed National Bulk Handling Corporation Ltd. (NBHC) as agent for disposal of commodities on behalf of Company. An amount of ₹ 4,275.00 lakhs is outstanding against the advances received by Company from NBHC and disclosed under "Other Financial Liabilities".
- 66** Out of the recoveries made from defaulting members, Competent Authority (CA) have disbursed some amounts to non-defaulting members last year. NSEL has not received details from CA of such recoveries and disbursement to members. In absence of details of such recoveries and disbursement with NSEL, NSEL and has not updated its Exchange books. In the Current year the process was stalled by small trader having claim amount less than ₹ 10 lakhs. The Hon'ble High Court of Bombay vide Order dated 08 March 2021 has ruled out that the Competent Authority must distribute on priority to claimants whose outstanding is between ₹ 2 lakhs to ₹ 10 lakhs so that the small claimants are paid off all their dues. One Mr. Ketan Shah and NSEL Investors Action Group (NIAG) challenged the same before the Supreme Court however, the Apex Court dismissed the Appeal. Thereafter, vide order dated 13.10.2022 MPID Court allowed the distribution of money to the claimant whose outstanding is between Rs. 10.00 lakhs to Rs. 20.00 lakhs. NIAG had challenged the said order before Hon'ble High Court of Bombay, vide order dated 10.02.2023 Hon'ble High Court of Bombay dismissed the said Appeal. In light of the Order of the Hon'ble Bombay High Court, distribution of money to claimant whose outstanding is between Rs. 10.00 lakhs to Rs. 20.00 lakhs is being carried out by Competent Authority.
- 67** The NSEL has total MAT credit entitlement of Nil (Previous Year ₹ Nil lakhs) as at 31st March 2023. As per Income Tax Act, 1961 the NSEL has reversed MAT credit of ₹ 221.65 lakhs and treated as a Tax expense for the previous year.
- 68** In case of FAIDA and WAGCL, Company has received notice from Serious Fraud Investigation Office (SFIO) calling for information. Both the companies have provided required information.
- 69** To Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.
- 70** In Case of Associate (Atom): During the year the Union Bank of India (UBI) made claims of ₹ 190 Cr vide letter dated November 22, 2022. The same is towards payment of commission due to application of incorrect Merchant Service Fees (MSF) rate for certain identified transactions. The matter is still under discussion & there has been continuous endeavour from both the side so to reach at the convergence, however, considering the factual situation, the company has created a provision of ₹ 22 Crs in the Financials as of March 2023. Hence, considering the factual information provided above and independent legal advice obtained by the Management, possibility of an outflow of resources embodying economic benefits due to materialisation of any further amount is remote and not quantifiable. Therefore, accordingly company has not disclosed the same under contingent liability vide para 28 of Ind As 37.

71 No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III.

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made there under
- (c) Registration of charges or satisfaction with Registrar of Companies
- (d) Relating to borrowed funds:
 - i. Willful defaulter
 - ii. Utilisation of borrowed funds & share premium
 - iii. Borrowings obtained on the basis of security of current assets.
 - iv. Discrepancy in utilization of borrowings
 - v. Current maturity of long-term borrowings

72 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board

Chitkala Zutshi

Director

DIN: 07684586

S. Rajendran

Managing Director & CEO

DIN: 02686150

Hariraj Chouhan

Company Secretary

Devendra Agrawal

Whole-time Director and CFO

DIN: 03579332

Place : Mumbai

Date : May 24, 2023

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS ON ANNUAL CONSOLIDATED AUDITED FINANCIAL RESULTS FOR YEAR ENDED MARCH 31, 2023.

I.	Sr. No.	Particulars	Audited Figures (As reported before adjusting for qualifications)	Adjusted Figures (Audited figures after adjusting for qualifications)
	1.	Total income	40,176.88	40,176.88
	2.	Total Expenses	34,085.53	34,085.53
	3.	Exceptional items	(4,136.55)	(4,136.55)
	4.	Net Profit/(Loss)	(1,630.88)	(1,630.88)
	5.	Earnings Per Share	(3.54)	(3.54)
	6.	Total Assets	3,46,585.27	3,46,585.27
	7.	Total Liabilities	37,534.56	37,534.56
	8.	Net Worth	3,11,353.22	3,11,353.22

II. Audit Qualification:**A. Qualification**

Basis for Qualifications pertaining to the Company and management response thereto :

- 1 (a) As stated by the Management of the Company in Note 7 to the Statement, Civil Suits have been filed against the Company in relation to event occurred on National Spot Exchange Limited trading platform. These matters are pending at various stages of adjudication. As stated in the said note, the management of the Company does not foresee that the parties who have filed Civil Suits would be able to sustain any claim against the Company. In addition, as stated by the management in note 7, 8 & 9 to the Statement, there are First Information Reports ("FIR")/ complaints/ charge-sheets/ orders/ notices registered/ received against various parties including the Company from/ with the Economic Offences Wing of the Mumbai Police (EOW), Central Bureau of Investigation (CBI), Home Department - Government of Maharashtra under MPID Act, the Directorate of Enforcement and the Serious Fraud Investigation Office (SFIO). Above matters are pending at various stages of adjudication/investigation.

In this regard, the Management and those charged with Governance have represented to us that other than as stated in the said notes to the Statement, there are no claims, litigations, potential settlements involving the Company directly or indirectly which require adjustments to/disclosures in the Statement and that the ability of the Company to continue as a going concern entity and to carry out its day-to-day operations/activities is not seriously affected due to any such FIR/ complaints/ charge-sheets/ orders/ notices/ reports as aforesaid.

Accordingly, in view of above representations regarding legal matters at various stages of adjudication and ongoing investigations/ matters, the outcome of which is not known and is uncertain at this stage, we are unable to comment on the consequential impact in respect of the same on the results for the quarter and year ended 31 March 2023.

- 2 We reproduce hereunder the 'Basis for Qualified Opinion' issued by the independent auditor(s) of a subsidiary viz. National Spot Exchange Limited ('NSEL') vide their audit report on the consolidated Ind AS financial statement of NSEL, to the extent the same are found significant as per the Guidance issued by the Institute of Chartered Accountants of India, from time to time and which also forms the basis for qualified opinion in our audit report on the accompanying consolidated Ind AS financial Statements of the Group.

a) "As stated in note nos. 39,40,41,42,43 and 44 to the Consolidated Financial Statement, the Group has been served with notices/ letters/ summons from various statutory authorities/ regulators/ Government departments and some purported aggrieved parties. The Group is party to many proceedings filed by / or against the Group which are pending before different forum pertaining to the period prior to suspension of the exchange related operations from 31st July 2013. The management of the Group does not foresee that the parties who have filed Civil Suits against the Group will be able to sustain any claim against the Group.

There are some writ petitions, public interest litigations, civil suits including in representative capacity filed by and against the Group. Such matters against the Group are sub-judice before different forums. The Group may be exposed to civil/criminal liabilities in case of any adverse outcome of these investigations/enquiries or legal cases or any other investigations as referred above enquires or suits which may arise at a later date.

In the light of the above, the outcome of which is not presently known and is uncertain at this stage, hence we are not able to comment on the current or consequential impact if any, in respect of the same on these Consolidated Financial Statements. Also, the matters stated above could also have a consequential impact on the measurement and disclosure of information provided, but not limited to, Balance Sheet, Statement of profit/(loss) account, cash flow statement, statement of change in equity (SOCIE) and earnings per share (EPS) for the year ended and as at 31 March, 2023 in these Consolidated Financial Statements.”

- b) “The trade receivables, other receivables, loans and advances and deposits are subject to confirmation and reconciliation. The management, however, does not expect any material changes on account of such reconciliation/ confirmation from parties. In many cases legal notices have been sent to the parties in earlier years; however, we are unable to form any opinion on the recoverability of the outstanding balances of such parties”.

B. Type of Audit Qualification:

Qualified Opinion

C. Frequency of observation

Qualification stated in paragraphs A1(a), A2(a), A2(b) above – since year 2012-13.

D. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's reason for unable to estimation on the impact of audit qualification

1. For qualification referred in Sr. No. A 1 (a) above,
 - i. a) Post July-2013, civil suits have been filed against the Company in relation to the counter party payment default occurred on the exchange platform of NSEL, wherein the Company has been made a party. In these proceedings certain reliefs have been claimed against the Company, inter-alia, on the ground that the Company is the holding company of NSEL. These matters are pending before the Hon’ble Bombay High Court for adjudication. The Company has denied all the claims and contentions in its reply. There is no privity of contract between the Company and the Plaintiffs therein. The management is of the view that the parties who have filed the Civil Suits would not be able to sustain any claim against the Company. These matters are pending for hearing before the Hon’ble Bombay High Court.
 - b) First Information Reports (FIRs) have been registered against various parties, including the Company, with the Economic Offences Wing, Mumbai (EOW) and Central Bureau of Investigation (CBI) in connection with the counter party payment default on NSEL trading platform. After investigation, EOW, Mumbai has presently filed various charge-sheets in the matter. The Company has been named in the charge sheet filed in December 2018. CBI has filed charge-sheets including against the Company for alleged loss caused to PEC Ltd. & MMTC Ltd on NSEL platform and aforesaid cases are pending for trial before Court.
 - c) CBI - EOW, has registered an FIR alleging conspiracy between the private persons and SEBI official for granting renewal of stock exchange license to MCX Stock Exchange Ltd. by SEBI. Also, CBI-EOW, has registered FIR alleging that certain official of FMC, SEBI and other for giving illegal benefits to Multi Commodity Exchange of India Ltd. (MCX) and allowing MCX trading as commodity exchange. The investigation in both cases is pending.
 - d) The SFIO has filed complaint with the Hon’ble Sessions Court under various sections of IPC and Companies Act against several persons/entities including the Company. The Company has challenged the issuance of process order before the Hon’ble Bombay High Court and the proceedings in the matter has been stayed by the Hon’ble High Court. The matter is pending for hearing before Hon’ble Bombay High Court.
- ii. The Company had filed the Writ Petitions before the Bombay High Court challenging inter alia, the provisions of the MPID Act are violative of the Constitution and the validity of various Notifications and corrigendum attaching the assets of the Company issued under the provisions of the MPID Act. The Hon’ble Bombay High Court pleased to quash and set aside the said impugned Notifications. In appeal, Hon’ble Supreme Court has set aside the High Court order and held that all the Notifications issued under MPID Act are valid. The Company is in process of pursuing its remedy before MPID Court against said Notifications.

iii. The Enforcement Directorate('ED') has attached certain assets of the Company under the provisions of the Prevention of Money Laundering Act, 2002(PMLA). The three Provisional Attachments Orders had been confirmed by the Adjudicating Authority. The Hon'ble Appellate Tribunal quashed the provisional attachment orders and imposed conditions with regard to the Company. The Company has filed the appeal before the Hon'ble Bombay High Court for the limited purpose for challenging the conditions put by the Hon'ble Appellate Tribunal. The Hon'ble Court was pleased to admit the appeal and clarified that the later part of the impugned order shall not govern the Company. ED has also filed cross appeal, which is tagged with the Company's appeal. The matters are pending for hearing. Meanwhile, ED filed a prosecution complaint before the Spl. PMLA Court, Mumbai against the Company and the same is pending for trial.

In the light of the above ongoing investigations and matters, the outcome of which is not known and is uncertain at this stage, we are unable to quantify the impact.

2. For qualification referred in Sr. No. A 2(a) above,

NSEL is taking all steps to defend its position, however since all matters are sub-judice, the Company is unable to quantify the impact, if any, of such legal proceedings on the financial statements of the Company. There are no claims/litigations/potential settlements involving the Company directly or indirectly, which may require adjustments in the Consolidated Ind AS Financial Statements.

3. For qualification referred in Sr. No. A 2 (b) above:

Majority value of the trade and other receivables, loans and advances etc. are under litigation/subject to court orders. The company has already made provision for majority of the values or disclosed the reason for non-provisioning. The company is making full efforts for recovery of the amounts.

(ii) Auditors' Comments:

Quantification is not possible.

For 63 moons technologies limited

In terms of our Report issued under Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.

Chitkala Zutshi
Chairperson Audit Committee

For **Sharp & Tannan Associates**
Chartered Accountants
(Firm Registration No. 109983W)

S Rajendran
Managing Director & CEO

Pramod Bhise
Partner
(Membership No. (F) 047751)

Devendra Agrawal
Whole Time Director & CFO

Place: Mumbai
Date: May 24, 2023



63 moons technologies limited

Regd. Office: Shakti Tower - II, 4th Floor, Premises J, 766, Anna Salai, Chennai - 600 002.

Corp. Office: FT Tower, CTS No. 256 & 257, Suren Road, Chakala, Andheri (East), Mumbai - 400 093.

Tel: +91-22-6686 8010 | Fax: +91-22-6725 0257 | E-mail: info@63moons.com | Website: www.63moons.com

CIN: L29142TN1988PLC015586