



**SSRG & Associates**  
Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. HLF Services Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **HLF Services Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management for the Standalone Financial Statements**

The Company's Board of Directors is 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.





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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





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Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 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, 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, (the Statement of Changes in Equity) and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



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- e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 on its financial position in its financial statements – Refer Note: 3.10 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SSRG & Associates  
Chartered Accountants  
Firm's Registration No.016752S

S.SURESH

Partner

Membership No.211992

Place of Signature: Chennai  
Date: 12<sup>th</sup> May 2023



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**Annexure "A" to the Independent Auditor's Report**

Referred to in paragraph I under 'Report on other legal and regulatory requirements' section of our report to the members of **HLF Services Limited** of even date

1. In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company does not have any fixed assets to be verified in full by the management during the year and hence reporting under clause 3(i)(b) of the order is not applicable to the Company.
  - (c) According to the information and explanations given to us, the records examined by us, we report that the Company does not hold any freehold, are held in the name of the Company as at the balance sheet date and hence reporting under clause 3(i)(c) of the order is not applicable to the Company.
  - (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - (e) There are 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 there under.
2. The company is engaged in the business of manpower supply services which doesn't have any inventory to be verified physically by the management during the year.
3. According to information and explanation given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, Accordingly, paragraph 3 (iii) of the order is not applicable.
4. In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the



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company and accordingly paragraph 3 (vi) of the order is not applicable.

7. In respect of statutory dues:

- (a) According to the information and explanations given to us, no undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, GST, service tax, duty of customs, duty of excise which have not been deposited on account of any dispute as on 31<sup>st</sup> March 2023 (previous year Employee State Insurance which has been deposited as on 31<sup>st</sup> March 2022 on account of dispute for the period April 2015 to March 2016 of Rs. 40,23,933.00).
- 8 According to the information and explanations given to us and the records of the company examined by us, there are no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 9 In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
- 10 The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (x) of the order is not applicable.
- 11 To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14 (a) The company has an internal audit system commensurate with size and nature of its business.



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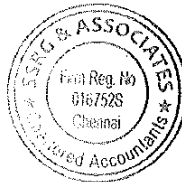
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- (b) The company internal auditors report were considered for the period 31<sup>st</sup> March 2023.
- 15 According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
- 16 According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and hence the reporting is not applicable to the Company under paragraph 3 (xvi) of the order.
- 17 According to the information and explanations given to us and based on our examination of the records of the company, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- 18 There has not been any resignation of the statutory auditor during the year.
- 19 According to the information and explanations given to us and based on our examination on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, in our opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- 20 The provision of section 135 under the Companies Act 2013 is not applicable to the Company and hence the reporting under sub-section 5 and 6 of section 135 of the Companies Act 2013 is not applicable.
- 21 Any qualification or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements is not applicable.

For SSRG & Associates  
Chartered Accountants  
Firm Registration No.016752S

S.SURESH  
Partner  
Membership No. 211992  
UDIN : 23211992BGWTTW7396  
Place: Chennai  
Date: 12<sup>th</sup> May 2023



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**Annexure "B" to the Independent Auditor's Report**

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of **HLF Services Limited** of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **HLF Services Limited** ("the Company") as at March 31, 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's responsibility for internal financial controls**

The board of directors of the Company is 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, 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 Companies Act, 2013.

**Auditors' responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were established and maintained and if such controls operated effectively in all material respects.



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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 judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control 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 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **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 of 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.



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HLF Services Limited  
Balance Sheet as at March 31, 2023

(in INR)

ASSETS	Note No.	As at March 31, 2023	As at March 31, 2022
<b>Non-current assets</b>			
Property, plant and equipment	1.1	-	-
Capital work-in-progress	1.1	-	-
Intangible assets	1.1	-	-
Non-current Tax assets (net)	1.2	4,24,96,824	4,40,43,860
Non-current Investments	1.3	-	-
		<u>4,24,96,824</u>	<u>4,40,43,860</u>
<b>Current assets</b>			
<b>Financial Assets</b>			
(i) Trade Receivables	1.4	1,94,96,294	12,02,82,987
(ii) Cash and cash equivalents	1.5	26,61,46,970	11,41,72,463
(iii) Bank balances other than (ii) above	1.5A	5,52,642	5,52,642
(iv) Other financial assets	1.6	1,03,240	12,187
Other current assets	1.7	1,79,80,463	88,89,359
		<u>30,42,79,608</u>	<u>24,39,09,638</u>
<b>TOTAL ASSETS</b>		<u>34,67,76,432</u>	<u>28,79,53,498</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	1.6	5,00,000	5,00,000
Other equity	1.9	14,46,48,507	10,96,91,091
<b>Total Equity</b>		<u>14,51,48,507</u>	<u>11,01,91,091</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred Tax Liabilities	1.1	74,56,173	35,30,737
		<u>74,56,173</u>	<u>35,30,737</u>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
(i) Trade Payables	1.11	19,37,771	2,65,645
(ii) Other financial liabilities	1.12	7,27,18,102	7,07,69,955
Other current liabilities	1.13	11,91,40,879	9,94,83,214
Provisions	1.14	3,75,000	37,12,856
		<u>19,41,71,752</u>	<u>17,42,31,670</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>34,67,76,432</u>	<u>28,79,53,498</u>

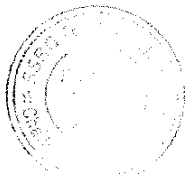
As per our Report of Even Date  
For SSRG & Associates  
Chartered Accountants  
Firm Registration No.0167525

For and on behalf of the Board of Directors

S.Su.e.,  
Partner  
Membership Number: 211992  
Place : Chennai  
Date: 12 May 2023

Sachin Pillai  
Director  
DIN: 06400793

Vamsi Kumar Bokka  
Director  
DIN: 08679545



HLF Services Limited  
Statement of Profit and Loss for the year ended March 31, 2023

(in INR)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
<b>Income</b>			
Revenue from operations	2.1	1,82,67,05,698	1,60,77,74,280
Other income	2.2	11,66,780	30,060
<b>Total Income</b>		<b>1,82,78,72,478</b>	<b>1,60,78,04,340</b>
<b>Expenses</b>			
Employee benefits expense	2.3	1,77,71,06,985	1,56,79,89,375
Depreciation and amortisation	2.4	-	-
Other expenses	2.5	1,80,35,628	71,14,658
<b>Total Expenses</b>		<b>1,79,51,42,613</b>	<b>1,57,51,04,033</b>
<b>Profit before exceptional items and tax</b>		<b>3,27,29,865</b>	<b>3,27,00,307</b>
<b>Tax expense:</b>			
Current tax		82,38,000	82,31,000
Deferred tax		-	-
Tax Pertaining to Earlier Years		12,04,705	(16,76,596)
<b>Profit for the year from continuing operations</b>		<b>2,32,87,160</b>	<b>2,61,45,903</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to Profit or Loss			
Remeasurement of Defined Benefit Plans		1,55,95,692	82,53,283
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		(39,25,436)	(20,77,351)
<b>Total Other Comprehensive Income</b>		<b>1,16,70,256</b>	<b>61,75,932</b>
<b>Total Comprehensive Income</b>		<b>3,49,57,416</b>	<b>3,23,21,835</b>
<b>Earnings per share (Face value Re.10 each ) (for continuing operations)</b>			
Basic		465.74	522.92
Diluted		465.74	522.92

Statement on Significant Accounting Policies and Notes to the Financial Statements are an integral part of this Statement of Profit and Loss

As per our Report of Even Date  
For SSRG & Associates  
Chartered Accountants  
Firm Registration No.0167525

For and on behalf of the Board of Directors

S.Suresh  
Partner  
Membership Number: 211992  
Place : Chennai  
Date: 12 May 2023

Sachin Pillai  
Director  
DIN: 06400793

Vamsi Kumar Bokka  
Director  
DIN: 08679545



HLF Services Limited  
Cash Flow Statement for the year ended March 31, 2023

(in INR)

	Year ended March 31, 2023	Year ended March 31, 2022
<b>Cash flows from operating activities</b>		
Profit for the year	2,32,87,160	2,61,45,903
Adjustments for :		
Depreciation and amortisation	-	-
Short Term Capital Gains	-	-
Interest income	(11,66,780)	(30,060)
Income Tax	82,38,000	82,31,000
<b>Operating Profit before working capital changes</b>	<b>3,03,58,380</b>	<b>3,43,46,843</b>
<b>Movements in working capital</b>		
Increase / (Decrease) in Financial Liabilities	36,20,273	2,58,49,627
Increase / (Decrease) in Other Current Liabilities	1,96,57,665	(4,02,73,494)
Increase / (Decrease) in Provisions	1,22,57,836	13,05,017
Decrease/(Increase) in current financial assets - Trade Receivables	10,07,86,693	7,96,05,678
Decrease / (Increase) in current financial assets - others	(91,053)	97,966
Decrease / (Increase) in other current assets	(90,91,103)	29,39,562
Assets held for sale	-	-
<b>Cash generated from/ (used in) operations</b>	<b>12,71,40,311</b>	<b>6,95,24,356</b>
Income taxes paid	(66,90,964)	(1,86,52,865)
<b>Net cash generated by / (used in) operating activities</b>	<b>[A] 15,08,07,727</b>	<b>8,52,18,334</b>
<b>Cash flow from investing activities</b>		
Investment in Mutual Fund	-	-
Short Term Capital Gains	-	-
Interest received	11,66,780	30,060
<b>Net cash generated by / (used in) investing activities</b>	<b>[B] 11,66,780</b>	<b>30,060</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity shares	-	-
<b>Net cash generated by financing activities</b>	<b>[C] -</b>	<b>-</b>
<b>Net cash inflow</b>	<b>[A+B+C] 15,19,74,507</b>	<b>8,52,48,394</b>
<b>Add: Cash and cash equivalents at the beginning of the year</b>	<b>11,47,25,106</b>	<b>2,94,76,712</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>26,66,99,613</b>	<b>11,47,25,106</b>

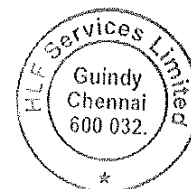
As per our Report of Even Date  
For SSRG & Associates  
Chartered Accountants  
Firm Registration No.0167525

For and on behalf of the Board of Directors

S. Surish  
Partner  
Membership Number: 211992  
Place : Chennai  
Date: 12 May 2023

Sachin Pillai  
Director  
DIN: 06400793

Vamsi Kumar Bokka  
Director  
DIN: 08679545



HLF Services Limited  
Statement of Changes in Equity for year ended March 31, 2023

A. Equity Share Capital

(in INR)

	Changes in equity share capital during the year	Balance at the end of March 31, 2023
Balance at the end of March 31, 2022		
5,00,000	-	5,00,000

B. Other Equity

Particulars	Retained Earnings
Balance at the beginning of April 1, 2022	10,96,91,091
Profit for the year	2,32,87,160
Other comprehensive income	1,16,70,256
Total Comprehensive Income for the year	3,49,57,416
Balance at the end of March 31, 2023	14,46,48,507

As per our Report of Even Date  
For SSRG & Associates  
Chartered Accountants  
Firm Registration No.0167525

For and on behalf of the Board of Directors

S. Suresh  
Partner  
Membership Number: 211992

Sachin Pillai  
Director  
DIN: 06400793

Vamsi Kumar Bokka  
Director  
DIN: 08679545

Place : Chennai  
Date: 12 May 2023



## 1A General Information

HLF Services Limited is a public limited company engaged in business of providing manpower and support services.

## 1B Significant Accounting Policies

### Basis of Preparation and Presentation

#### a) Compliance with Ind-AS:

The standalone financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

The standalone financial statements have been prepared on the historical cost basis.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current - noncurrent classification of assets and liabilities.

The standalone financial statements are presented in Indian Rupees (₹) which is the functional currency of the Company.

The Financial Statements have been prepared in accordance with Ind-AS notified under the Companies (Indian Accounting Standards) Rules, 2015. Upto the year ended 31st March 2016, the company prepared its financial statements in accordance with requirements of previous GAAP. The date of transition to Ind-AS is from 01st April 2015.

#### b) Revenue Recognition

Ind AS 115 establishes five -step model to account for revenue arising from contracts with customers and requires that revenue be recognised at amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring services to customers.

Ind AS 115 requires to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

#### Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customers at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

#### Sale of services

Revenue from sale of services is recognised over the period of time as and when the services are rendered in accordance with the specific terms of contract with customer. Revenue from Marketing, canvassing, collection and manpower services are recognised when the services are rendered.

#### c) Employee Benefits

Retirement benefit costs and termination benefits:

For defined benefit plans i.e. Company's liability towards gratuity (funded), Company's contribution to provident fund, other retirement /termination benefits and compensated absences, the cost of providing benefits is determined using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. In respect of provident fund, contributions made to trusts administered by the Company, the interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be contributed by the Company and charged to the Statement of Profit and Loss.

Defined benefit costs are comprised of:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

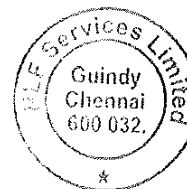
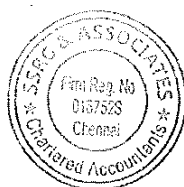
The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'.

Curtailment gains and losses are accounted for as past service costs.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.



- i) Provident Fund scheme is a defined contribution plan and has been charged to revenue.
- ii) Retirement benefits in respect of gratuity at retirement/cessation are provided for based on valuations, as at the Balance Sheet date, made by independent actuaries. The Company provides for the Gratuity, a defined benefit retirement plan covering all employees.

d) Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less accumulated depreciation. The cost of assets includes all cost incurred towards acquisition and installation of the respective assets.

Intangible assets are carried at cost less accumulated amortisation.

e) Depreciation

Depreciation and Amortisation is provided on straight line basis over the useful life prescribed in Part C of Schedule II of the Companies Act, 2013.

f) Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax:

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted. Foreign companies recognise tax assets / liabilities in accordance with applicable local laws.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

g) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (FVTPL) are recognised immediately in profit or loss.

h) Provisions and Contingent liabilities:

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

i) Significant accounting judgements, estimates and assumptions

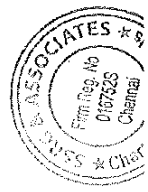
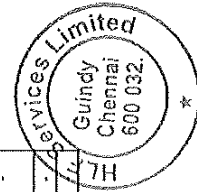
The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that requires a material adjustment to the carrying amount of assets or liabilities affected in future periods.



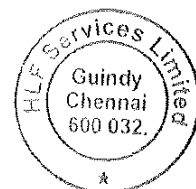


HLF Services Limited									
Notes annexed to and forming part of the Financial Statements									
1.1. Property, plant and equipment and capital work in progress (April-March )									
Particulars	Gross block (at cost)			Deletions during the year	Depreciation / Amortisation			Net block	
	As at April 1, 2022	Additions during the year	As at March 31, 2023		As at April 1, 2022	Depreciation/ Amortisation for the year	As at March 31, 2023	As at March 31, 2023	(in INR)
A) Tangible assets:									
Land - Freehold	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Plant & Equipment	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-	-	-	-	-
Vehicle	-	-	-	-	-	-	-	-	-
Office equipments	-	-	-	-	-	-	-	-	-
Data processing equipments	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
Total (A)	-	-	-	-	-	-	-	-	-
B) Intangible assets Acquired:									
Software	3,49,978	-	3,49,978	-	3,49,978	-	3,49,978	3,49,978	-
Total (B)	3,49,978	-	3,49,978	-	3,49,978	-	3,49,978	3,49,978	-
C) Capital work in Progress (net)	-	-	-	-	-	-	-	-	-
Total (A+B+C)	3,49,978	-	3,49,978	-	3,49,978	-	3,49,978	3,49,978	-

HLF Services Limited									
Notes annexed to and forming part of the Financial Statements									
1.1. Property, plant and equipment and capital work in progress (2021-22)									
Particulars	Gross block (at cost)			Deletions during the year	Depreciation / Amortisation			Net block	
	As at April 1, 2021	Additions during the year	As at March 31, 2022		As at April 1, 2021	Depreciation/ Amortisation for the year	As at March 31, 2022	As at March 31, 2022	(in INR)
A) Tangible assets:									
Land - Freehold	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Plant & Equipment	-	-	-	-	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-	-	-	-	-
Vehicle	-	-	-	-	-	-	-	-	-
Office equipments	-	-	-	-	-	-	-	-	-
Data processing equipments	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
Total (A)	-	-	-	-	-	-	-	-	-
B) Intangible assets Acquired:									
Software	3,49,978	-	3,49,978	-	3,49,978	-	3,49,978	3,49,978	-
Total (B)	3,49,978	-	3,49,978	-	3,49,978	-	3,49,978	3,49,978	-
C) Capital work in Progress (net)	-	-	-	-	-	-	-	-	-
Total (A+B+C)	3,49,978	-	3,49,978	-	3,49,978	-	3,49,978	3,49,978	-



	As at March 31, 2023	As at March 31, 2022
<b>1.2 Non-Current Tax Assets (Net)</b>		
Advance Tax (net of provisions)	4,24,96,824	4,40,43,860
<b>Total</b>	<b>4,24,96,824</b>	<b>4,40,43,860</b>
<b>1.3 Non-Current Investments</b>		
Investments in Mututal Fund	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>1.4 Trade Receivables</b>		
<b>Trade Receivables (unsecured)</b>		
(i) considered good	1,94,96,294	12,02,82,987
(ii) considered doubtful	-	-
	<b>1,94,96,294</b>	<b>12,02,82,987</b>
Less: Allowance for doubtful debts	-	-
<b>Total</b>	<b>1,94,96,294</b>	<b>12,02,82,987</b>
<b>Age analysis of trade receivables</b>		
- Outstanding for more than six months from the date they are due	1,07,05,534	11,74,82,074
- Others	87,90,760	28,00,913
	<b>1,94,96,294</b>	<b>12,02,82,987</b>
<b>1.5 Cash and cash equivalents</b>		
<b>Current:</b>		
Balances with banks		
- current account	26,61,46,970	11,41,72,463
<b>Total</b>	<b>26,61,46,970</b>	<b>11,41,72,463</b>
<b>1.5A Other bank balances</b>		
<b>Current:</b>		
Earmarked bank balance	-	-
- Margin money against bank guarantee	-	-
Other bank balance		
- Deposit accounts	5,52,642	5,52,642
<b>Total</b>	<b>5,52,642</b>	<b>5,52,642</b>
<b>1.6 Other financial assets (unsecured)</b>		
<b>Current:</b>		
Interest accrued on bank deposits	-	-
Employee Advances	1,03,240	12,187
Other Advances	-	-
<b>Total</b>	<b>1,03,240</b>	<b>12,187</b>



	As at March 31, 2023	As at March 31, 2022
<b>1.7 Other current assets (unsecured)</b>		
Others		
- considered good	1,79,80,463	88,89,359
- considered doubtful	-	-
	<u>1,79,80,463</u>	<u>88,89,359</u>
Less: Allowance for doubtful amounts	-	-
	<u>1,79,80,463</u>	<u>88,89,359</u>
<b>Total</b>	<u><u>1,79,80,463</u></u>	<u><u>88,89,359</u></u>

**1.8 Equity share capital**

<b>Authorised</b>		
50,000 Equity shares of Rs.10 each	5,00,000	5,00,000
	<u>5,00,000</u>	<u>5,00,000</u>
<b>Issued</b>		
50,000 Equity shares of Rs.10 each	5,00,000	5,00,000
	<u>5,00,000</u>	<u>5,00,000</u>
<b>Subscribed and fully paid up</b>		
50,000 Equity shares of Rs.10 each	5,00,000	5,00,000
	<u>5,00,000</u>	<u>5,00,000</u>

**Notes:**

**a. Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:**

	March 31, 2023		March 31, 2022
Particulars	No. of Shares	Amount	No. of Shares
Shares outstanding at the beginning of the year	50,000	5,00,000	50,000
Add: Shares issued during the year	-	-	-
Shares outstanding at the end of the year	<u>50,000</u>	<u>5,00,000</u>	<u>50,000</u>

**b. Rights, preferences and restrictions attached to equity shares issued by the company:**

i) Right to receive dividend as may be approved by the Board of Directors/Annual General Meeting.

ii) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013

iii) Every member of the company holding equity shares has a right to attend the General meeting of the company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion of his share of the paid-up capital of the company.

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

	March 31, 2023		March 31, 2022
Name of Shareholder	No. of Equity Shares held	% of Holding	No. of Equity Shares held
Ashok Leyland Limited	27,000	54.00%	27,000
Hinduja Leyland Finance Limited	22,950	45.90%	22,950
<b>Total</b>	<u>49,950</u>	<u>99.90%</u>	<u>49,950</u>

**d. Shares held by Holding Company:**

Ashok Leyland Limited, the holding company holds 27,000 equity shares.

**e. Shares issued in preceeding 5 years:**

The company has not issued and allotted any equity shares in the preceeding 5 years.

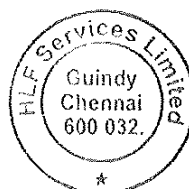
**f. Shares issued for consideration other than cash:**

The company has not issued any equity shares for consideration other than cash

**1.9 Other equity**

**Retained earnings (Surplus in Statement of Profit and Loss):**

Balance as at the beginning of the year	10,96,91,091	7,73,69,256
Add: Current year profit	2,32,87,160	2,61,45,903
Add: Other Comprehensive Income arising from remeasurement of defined benefit obligation net of Income Tax	1,16,70,256	61,75,932
	<u>14,46,48,507</u>	<u>10,96,91,091</u>
<b>Balance at the end of the year</b>	<u>14,46,48,507</u>	<u>10,96,91,091</u>
<b>Total</b>	<u>14,46,48,507</u>	<u>10,96,91,091</u>



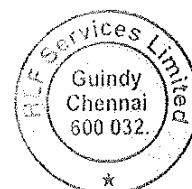
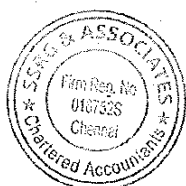
	As at March 31, 2023	As at March 31, 2022
<b>1.10 Deferred Tax Liabilities</b>		
a) Deferred tax liabilities	74,56,173	35,30,737
	<u>74,56,173</u>	<u>35,30,737</u>
<b>1.11 Trade payables:</b>		
Current:		
i. Micro enterprises and small enterprises	8,92,313	2,65,645
ii. Others	10,45,458	-
Total	<u>19,37,771</u>	<u>2,65,645</u>
<b>1.12 Other financial liabilities</b>		
Current:		
Employee Benefits	7,16,92,694	6,95,57,155
Others	10,25,408	12,12,800
Total	<u>7,27,18,102</u>	<u>7,07,69,955</u>
<b>1.13 Other current liabilities</b>		
Statutory liabilities	11,91,40,879	9,94,83,214
Total	<u>11,91,40,879</u>	<u>9,94,83,214</u>
<b>1.14 Provisions</b>		
a) Provision for employee benefits:		
- Gratuity	-	33,37,856
b) Provision for others:		
- Others	3,75,000	3,75,000
Total	<u>3,75,000</u>	<u>37,12,856</u>
<b>1.15 Operating lease arrangements</b>		
Payments recognised as an expense for cancellable lease		
Rental	81,000	72,000
Total	<u>81,000</u>	<u>72,000</u>
Non-cancellable operating lease commitment		
Not later than 1 year		
Later than 1 year but not later than 5 years	Not applicable	Not applicable
Later than 5 years		
IND AS 116 impact	NIL	NIL



HLF Services Limited  
Notes annexed to and forming part of the financial statements

(in INR)

	Year ended March 31, 2023	Year ended March 31, 2022
<b>2.1 Revenue from operations</b>		
Sale of Services	1,82,67,05,698	1,60,77,74,280
	<u>1,82,67,05,698</u>	<u>1,60,77,74,280</u>
<b>2.2 Other income</b>		
Interest on bank deposits	30,060	30,060
Other Interest	11,36,720	-
Other Non-Operating Income	-	-
	<u>11,66,780</u>	<u>30,060</u>
<b>2.3 Employee benefits expense</b>		
Salaries and wages	1,60,26,26,166	1,40,77,60,549
Contribution to provident, gratuity and other funds	17,43,81,766	15,97,02,651
Staff welfare expenses	99,053	5,26,175
	<u>1,77,71,06,985</u>	<u>1,56,79,89,375</u>
<b>2.4 Depreciation and Amortisation expense</b>		
Intangible Assets		
(i) Computer Software		
- Developed	-	-
- Acquired	-	-
	<u>-</u>	<u>-</u>
<b>2.5 Other expenses</b>		
Audit Fees	3,75,000	3,75,000
Bank Charges	4,02,210	3,23,873
Director Sitting Fees	1,10,000	-
Software Services and Maintenance	6,500	6,500
Rates & Taxes	20,153	1,87,600
Rent	81,000	72,000
Professional Charges	86,40,765	62,04,960
Management service Expenses	84,00,000	-
Miscellaneous Expenses	-	(55,275)
	<u>1,80,35,628</u>	<u>71,14,658</u>



## 3.1 Related Party Disclosures:

## Name of the related parties and nature of relationship

Holding Company	Ashok Leyland Limited
Enterprises having significant influence	Hinduja Leyland Finance Limited
Enterprises under common control	Hinduja Housing Finance Limited
Enterprises under common control	Switch Mobility Automotive Limited
Joint venture	Gro Digital Platforms Limited

## Related party transactions

Nature of Transaction	Holding Company	Enterprises having significant influence - HLF	Enterprises under Common control - HHF	Enterprises under Common control - Switch Mobility	Enterprises having Joint venture - Gro
<b>Transactions during the year</b>					
Revenue from Service transaction : 31 March 2023	9,98,15,842	1,21,90,51,073	50,56,16,027	18,92,632	3,30,124
(Previous year: 31 March 2022)	8,92,40,624	1,22,54,73,016	29,19,95,366	7,31,440	3,33,834
<b>Expenses from services rendered</b>	81,000	84,00,000	-	-	-
(Previous year: 31 March 2022)	(72,000)	-	-	-	-
<b>Balances</b>					
<b>Amounts due from / (payable) to related parties</b>					
As at 31 March 2023	83,65,285	-	-	4,25,475	-
(Previous year: 31 March 2022)	(19,37,813)	-	-	(8,63,100)	-

3.2 The company is principally engaged in single business segment viz., supply of manpower services within India.

## 3.3 Financial Instruments

## Liquidity tables:

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
<b>Thursday, March 31, 2023</b>				
Trade payables	19,37,771	-	-	19,37,771
Other financial liabilities	7,27,18,102	-	-	7,27,18,102
	<b>7,46,55,873</b>	-	-	<b>7,46,55,873</b>
<b>Wednesday, March 31, 2022</b>				
Trade payables	2,65,645	-	-	2,65,645
Other financial liabilities	7,07,69,955	-	-	7,07,69,955
	<b>7,10,35,600</b>	-	-	<b>7,10,35,600</b>

## Capital management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company determines the amount of capital required on the basis of annual master planning and budgeting and five year's corporate plan for working capital, capital outlay and long-term product and strategic involvements. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity and maturity profile of the overall debt portfolio of the Company.

## Financial risk management

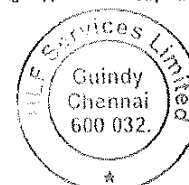
In course of its business, the Company is exposed to certain financial risks that could have significant influence on the Company's business and operational / financial performance. These include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Board of Directors reviews and approves risk management framework and policies for managing these risks and monitors suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings. In line with the overall risk management framework and policies, the treasury function provides services to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks. The Company uses derivative financial instruments to hedge risk exposures in accordance with the Company's policies as approved by the board of directors.

## (A) Market Risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Company. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy.

## (B) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.



### 3.4 Earnings per share

	Year ended March 31, 2023	Year ended March 31, 2022
<b>Basic earnings per share</b>		
From continuing operations	465.74	522.92
From discontinued operations	-	-
<b>Total basic earnings per share</b>	<b>465.74</b>	<b>522.92</b>
<b>Diluted earnings per share</b>		
From continuing operations	465.74	522.92
From discontinued operations	-	-
<b>Total diluted earnings per share</b>	<b>465.74</b>	<b>522.92</b>

#### Basic earnings per share

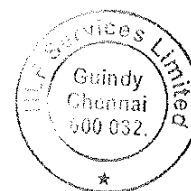
The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows.

	Year ended March 31, 2023	Year ended March 31, 2022
Profit for the year attributable to owners of the Company	2,32,87,160	2,61,45,903
Earnings used in the calculation of basic earnings per share from continuing operations	2,32,87,160	2,61,45,903
Weighted average number of ordinary shares for the purposes of basic earnings per share	50,000	50,000

#### Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows.

	Year ended March 31, 2023	Year ended March 31, 2022
Earnings used in the calculation of basic earnings per share	2,32,87,160	2,61,45,903
Earnings used in the calculation of diluted earnings per share from continuing operations	2,32,87,160	2,61,45,903
Weighted average number of ordinary shares used in the calculation of basic earnings per share	50,000	50,000
Adjustments	-	-
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	50,000	50,000



### 3.5 Retirement Benefits Plan Defined benefit plan

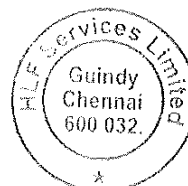
The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 to 30 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation. The Company makes annual contributions to a funded Company gratuity scheme administered by the SBI-Life Insurance.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	31-Mar-2023	31-Mar-2022
Discount rate(s)	7.00%	5.70%
Expected rate(s) of salary increase	8.00%	10.00%
Withdrawal/Attrition Rate	25.00%	25.00%





### 3.5 Retirement benefit plans continued...

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

	31-Mar-2023	31-Mar-2022
Current service cost	1,46,27,000	1,45,28,000
Net interest expense	(99,000)	1,48,000
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>1,45,28,000</b>	<b>1,46,76,000</b>
<b>Remeasurement on the net defined benefit liability comprising:</b>		
Actuarial (gains)/losses arising from changes in financial assumptions	(54,91,000)	(10,01,000)
Actuarial (gains)/losses arising from experience adjustments	(94,35,954)	(67,66,452)
Return on plan assets (excluding amounts included in net interest expense)	(6,68,738)	(4,85,831)
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(1,55,95,692)</b>	<b>(82,53,283)</b>
<b>Total</b>	<b>(10,67,692)</b>	<b>64,22,717</b>

The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the statement of financial position arising from the Company's obligation in respect of its defined benefit plans is as follows:

	31-Mar-2023	31-Mar-2022
Present value of defined benefit obligation	3,51,10,000	4,13,24,000
Fair value of plan assets	4,29,95,144	3,79,86,144
<b>Net liability arising from defined benefit obligation</b>	<b>78,85,144</b>	<b>(33,37,856)</b>
Funded	3,51,10,000	4,13,24,000
Unfunded		
<b>Total</b>	<b>3,51,10,000</b>	<b>4,13,24,000</b>

The above provisions are reflected under 'gratuity' (provisions) [Refer note 1.12].

Movements in the present value of the defined benefit obligation in the current year were as follows:

	31-Mar-2023	31-Mar-2022
Opening defined benefit obligation	4,13,24,000	3,80,16,000
Current service cost	1,46,27,000	1,45,28,000
Interest cost	21,26,000	18,39,000
Actuarial (gains)/losses arising from changes in demographic assumptions		
Actuarial (gains)/losses arising from changes in financial assumptions	(54,91,000)	(10,01,000)
Actuarial (gains)/losses arising from experience adjustments	(94,35,954)	(67,66,452)
Benefits paid	(12,22,594)	(22,06,687)
Benefits paid directly by the Company	(68,17,452)	(30,84,861)
<b>Closing defined benefit obligation</b>	<b>3,51,10,000</b>	<b>4,13,24,000</b>



### 3.5 Retirement benefit plans continued...

Movements in the fair value of the plan assets in the current year were as follows:

	31-Mar-2023	31-Mar-2022
Opening fair value of plan assets	3,79,86,144	2,92,17,120
Interest Income on plan assets	22,25,000	16,91,000
Return on plan assets greater/(lesser) than discount rate	6,68,738	4,85,831
Contributions	33,37,856	87,98,880
Benefits paid	(12,22,594)	(22,06,687)
Closing fair value of plan assets	4,29,95,144	3,79,86,144

The Company funds the cost of the gratuity expected to be earned on a yearly basis to SBI Life Insurance, which manages the plan assets. The actual return on plan assets was Rs 28,93,938/- (FY 2021-22 : Rs 21,76,831).

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period.

	31-Mar-2023	31-Mar-2022
Gratuity		
If the discount rate is 50 basis points higher/lower, the defined benefit obligation would:		
decrease by	7,26,000	9,58,000
increase by	7,56,000	10,01,000
If the expected salary increases/decreases by 50 basis points, the defined benefit obligation would:		
increase by	7,25,000	9,29,000
decrease by	7,49,000	9,61,000

The sensitivity results above determine their individual impact on the Plan's end of year defined benefit obligation. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

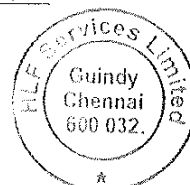
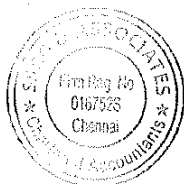
### 3.6 Income Taxes relating to Continuing Operations

	31-Mar-2023	31-Mar-2022
a) Income tax recognised in profit or loss		
Current tax		
In respect of the current year	82,38,000	82,31,000
In respect of prior years		
	82,38,000	82,31,000
Deferred tax		
In respect of the current year	39,25,436	20,77,351
Deferred tax reclassified from equity to profit or loss		
	39,25,436	20,77,351
Total income tax expense recognised in the current year relating to continuing operations	1,21,63,436	1,03,08,351
b) The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax from continuing operations	3,27,29,865	3,27,00,307
Income tax expense calculated at 25.17% (FY 2021-22: 25.17%)	82,38,000	82,31,000
Effect of expenses that are not deductible in determining taxable profit	-	-
Others	82,38,000	82,31,000
Adjustments recognised in the current year in relation to the current tax of prior years	-	-
Income tax expense recognised in profit or loss (relating to continuing operations)	82,38,000	82,31,000

The tax rate used for the reconciliations above is the corporate tax rate of 25.17% (for the year 2022-23) and 25.17% (for the year 2022-23) payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

#### c) Income tax recognised in other comprehensive income

	31-Mar-2023	31-Mar-2022
Current tax		
Deferred tax		
Remeasurement of defined benefit obligation	39,25,436	20,77,351
	39,25,436	20,77,351
Total income tax recognised in other comprehensive income	39,25,436	20,77,351



### 3.7 Analysis of Deferred tax assets/liabilities

March 31, 2023	Opening balance	Recognised in other comprehensive income	Closing balance
Deferred tax assets			
Re-Measurement gains/(losses) on defined plans (net)	-	-	-
Deferred tax liabilities			
Re-Measurement gains/(losses) on defined plans	35,30,737	39,25,436	74,56,173
	35,30,737	39,25,436	74,56,173
Net Deferred tax liabilities	35,30,737	39,25,436	74,56,173

March 31, 2022	Opening balance	Recognised in other comprehensive income	Closing balance
Deferred tax liability			
Re-Measurement gains/(losses) on defined plans	14,53,386	(20,77,351)	35,30,737
	14,53,386	(20,77,351)	35,30,737

### 3.8 The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the company. The amount of principal and interest outstanding is given below:

	31-Mar-2023	31-Mar-2022
Principal amount paid after appointment date during the year	-	-
Amount of interest due and payable for the delayed payment of principal amount	-	-
Principal amount remaining unpaid as at year end (Over due)	-	-
Principal amount remaining unpaid as at year end (not due)	8,92,313	2,65,645
Interest due and payable on principal amount unpaid as the year end	-	-
Total amount of interest accrued and unpaid as the year end	-	-

### 3.9 Revenue from contracts with customers

Disaggregated revenue information	31-Mar-2023	31-Mar-2022
Sale of Services		
Marketing, Collection and Other services	1,21,90,51,073	(1,22,54,73,016)
Canvassing, Collection and Other services	50,56,16,027	(29,19,95,366)
Supply of Manpower services	10,20,38,598	(9,03,05,898)
Others	-	-
Total revenue from contract with customers	1,82,67,05,698	(1,60,77,74,280)
India	1,82,67,05,698	(1,60,77,74,280)
Outside India	-	-
Total revenue from contract with customers	1,82,67,05,698	(1,60,77,74,280)

#### Timing of revenue recognition

	March 31, 2023		March 31, 2022	
	At a point in time	Over a period of Time	At a point in time	Over a period of Time
Sale of Services	1,82,67,05,698	-	(1,60,77,74,280)	-
Total revenue from contract with customers	1,82,67,05,698	-	(1,60,77,74,280)	-

#### Contract balances

	31-Mar-2023	31-Mar-2022
Trade receivables (Refer note 1.4)	1,94,96,294	12,02,82,987

There is no unsatisfied performance obligation

### 3.10 Contingent Liabilities

Claims against the company not acknowledged as debts	31-Mar-2023	31-Mar-2022
Employees State Insurance	40,23,933	40,23,933
Total	40,23,933	40,23,933

- The company is of opinion that the above demands are not sustainable and expects to succeed in its appeals/defence.
- Company has gone on appeal before respective Appellate Tribunal/Authorities for above demand.
- Future cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various forums/authorities.

### 3.11 Previous years figures have been regrouped/reclassified wherever necessary to confirm with current period classification.

As per our Report of Even Date  
For SSRG & Associates  
Chartered Accountants  
Firm Registration No.0167525

For and on behalf of the Board of Directors

S.Suresh  
Partner  
Membership Number: 211992  
Place : Chennai  
Date: 12 May 2023

S. Vinin Pillai  
Director  
DIN: 06400793

Vamsi Kumar Bokka  
Director  
DIN: 08679545



1 Title deed of immovable properties not held in the name of the Company

(in INR)

Year ended March 31, 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Net carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
PPE	Land Building	NIL	NIL	NIL	NIL	NIL	NIL
		NIL	NIL	NIL	NIL	NIL	NIL

Year ended March 31, 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Net carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company**
PPE	Land Building	NIL	NIL	NIL	NIL	NIL	NIL
		NIL	NIL	NIL	NIL	NIL	NIL

2 CWIP Ageing Schedule

Year ended March 31, 2023

Amount in CWIP for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	NIL	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL	NIL

Year ended March 31, 2022

Amount in CWIP for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	NIL	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL	NIL

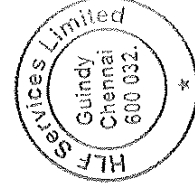
3 Intangible assets under development

Year ended March 31, 2023

Amount in IAUD for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	NIL	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL	NIL

Year ended March 31, 2022

Amount in IAUD for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	NIL	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL	NIL



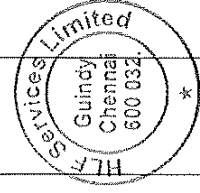
4 Trade Receivables ageing schedule

Year ended March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
<b>Related Parties</b>							
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	87,90,760	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Others</b>							
(i) Undisputed Trade receivables – considered good	-	-	-	1,07,05,534	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

Year ended March 31, 2022

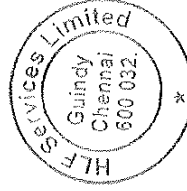
Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
<b>Related Parties</b>							
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	28,00,913	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Others</b>							
(i) Undisputed Trade receivables – considered good	-	-	-	11,74,82,074	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-



5 Promoter Shareholding

Shares held by promoters at the end of the year March 31, 2023			
Promoter name	No. of Shares**	% of total shares**	% Change during the year
<b>Company Name</b>			
Ashok Leyland Limited	27,000.00	54.00%	Nil
Hinduja Leyland Finance Limited	22,950.00	45.90%	Nil
<b>Others</b>			
Balakrishnan B	10.00	0.02%	Nil
Ganesh J	10.00	0.02%	Nil
Nagarajan S	10.00	0.02%	Nil
Vijayabaskar R J	10.00	0.02%	Nil
Vijayakumar G	10.00	0.02%	Nil
<b>Total</b>	<b>50,000.00</b>	<b>100.00%</b>	

Shares held by promoters at the end of the year March 31, 2022			
Promoter name	No. of Shares**	% of total shares**	% Change during the year
<b>Company Name</b>			
Ashok Leyland Limited	27,000.00	54.00%	Nil
Hinduja Leyland Finance Limited	22,950.00	45.90%	Nil
<b>Others</b>			
Balakrishnan B	10.00	0.02%	Nil
Ganesh J	10.00	0.02%	Nil
Nagarajan S	10.00	0.02%	Nil
Vijayabaskar R J	10.00	0.02%	Nil
Vijayakumar G	10.00	0.02%	Nil
<b>Total</b>	<b>50,000.00</b>	<b>100.00%</b>	



6 Trade Payables ageing schedule

Year ended March 31, 2023

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	19,37,771	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>						<b>19,37,771</b>

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years
Related Parties	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Total</b>						<b>-</b>

Year ended March 31, 2023

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	2,65,645	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>						<b>2,65,645</b>

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years
Related Parties	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Total</b>						<b>-</b>

7 Additional Notes

The company does not have any transactions with struck off companies during the year. The company has not given / received any loans, advances or investment in any company for onward lending or investment through intermediary. There are no benami properties held by the Company. The company has complied with the number of layers prescribed under the Companies Act. The Company does not have undisclosed income. The company does not deal with virtual currency.

The company has utilised the loans borrowed during the year for the purpose for which it is obtained as mentioned in the borrowing agreements

The company is not declared as a willful defaulter.

